



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 08120200

Company name in full FundingSecure Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Daniel

Surname Richardson

3 Administrator's address

Building name/number Greg's Building

Street 1 Booth Street

Post town Manchester

County/Region

Postcode M24DU

Country

4 Administrator's name ①

Full forename(s) Edward M

Surname Avery-Gee

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Greg's Building

Street 1 Booth Street

Post town Manchester

County/Region

Postcode M24DU

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	2	d	3	m	0	m	4	y	2	y	0	y	2	y	2
To date	d	2	d	2	m	1	m	0	y	2	y	0	y	2	y	2

7 Progress report

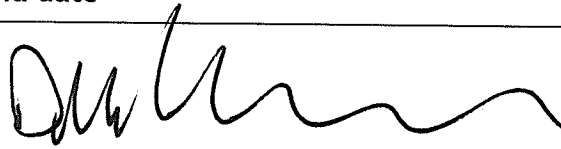
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	2	d	2	m	1	m	1	y	2	y	0	y	2	y	2
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Stephanie Adams**

Company name **CG&Co**

Address
Greg's Building
1 Booth Street

Post town **Manchester**

County/Region

Postcode **M 2 4 D U**

Country

DX

Telephone **0161 358 0210**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	Jonathan E
Surname	Avery-Gee

3 Insolvency practitioner's address

Building name/number	Greg's Building
Street	1 Booth Street
Post town	Manchester
County/Region	
Postcode	M 2 4 D U
Country	

**FundingSecure Limited
(In Administration)
Joint Administrators' Trading Account**

Statement of Affairs £	From 23/04/2022 To 22/10/2022 £	From 23/10/2019 To 22/10/2022 £
TRADING EXPENDITURE		
Salaries	15,961.65	152,284.71
Consultancy Fee	21,000.00	218,316.00
PAYE/NIC	7,415.21	67,966.44
Travel & Expenses	168.56	3,275.85
Pension	9.29	9.29
Subscriptions	40.00	120.00
Rent & Service Charge	NIL	13,656.95
Rates	NIL	4,770.48
Sundry Expenses	NIL	275.79
Office sundries	NIL	707.94
Essential storage costs	302.68	16,829.57
IT/Phone Costs	3,205.03	23,191.23
Accounts Software	202.65	2,181.67
Anti Money Laundering Checks	NIL	113.93
	(48,305.07)	(503,699.85)
TRADING SURPLUS/(DEFICIT)	(48,305.07)	(503,699.85)

FundingSecure Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 23/04/2022 To 22/10/2022 £	From 23/10/2019 To 22/10/2022 £

FundingSecure Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 23/04/2022 To 22/10/2022 £	From 23/10/2019 To 22/10/2022 £	
	Forensic accountancy	NIL	4,250.00
	Counsels opinion	NIL	16,000.00
	IT Consultancy	4,170.00	23,930.00
	Committee Expenses	NIL	333.33
	Room Hire	NIL	450.00
	Statutory Advertising	NIL	142.00
	Postal Redirection	NIL	313.00
	Surplus to Borrower	NIL	161,668.66
	Accountancy Advice	NIL	875.00
	Bank Charges	NIL	416.63
		(247,537.55)	(2,660,402.57)
	PREFERENTIAL CREDITORS		
(22,081.00)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(3,000,000.00)	Floating Charge Creditor	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(434,491.32)	Trade & Expense Creditors	NIL	NIL
(502,520.55)	JC Starr Holdings Ltd	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(3,525.40)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(3,961,918.27)		2,095,443.61	12,739,843.17
	REPRESENTED BY		
	General Current a/c		271,645.23
	Suspense Account (1) CAMCO No 3		154,569.01
	Post appointment trust account		9,286,564.60
	Barclay's Client Acc 7290		795,162.41
	Barclays Company's Client Acc 2014		511,785.06
	Suspence Account (2) INA Homes Ltd		514,328.26
	Suspence Account (3) Charter House Office		1,205,858.80
			(70.20)
			12,739,843.17

Note:

Subaru

Daniel Richardson
Joint Administrator



Administrators' Progress Report

**FundingSecure Ltd - In
Administration**

**For the Period From 23 April
2022 to 22 October 2022**

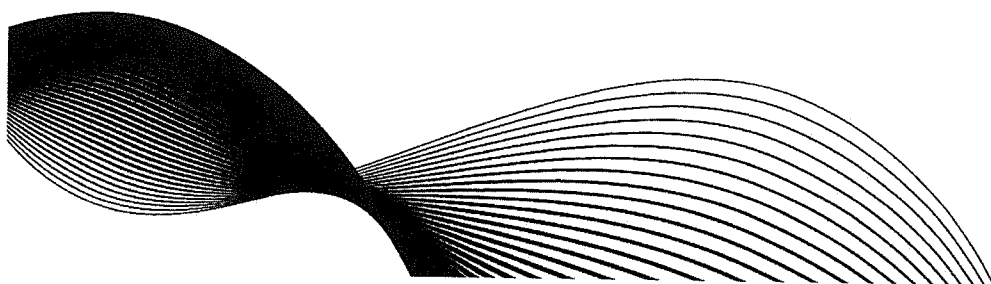


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- 4 Estimated Outcome for Creditors
- 5 Pre-Administration Costs
- 6 Administrators' Remuneration
- 7 Creditors' Rights
- 8 Ending the Administration
- 9 Next Report

APPENDICES

- A Receipts and Payments Account for the Period From 23 April 2022 to 22 October 2022 together with the Cumulative Receipts and Payments Account for the Period from 23 October 2019 to 22 October 2022
- B Additional Information in Relation to the Administrators' Fees, Expenses & The Use of Subcontractors



The Administrators' Progress Report

1 Introduction

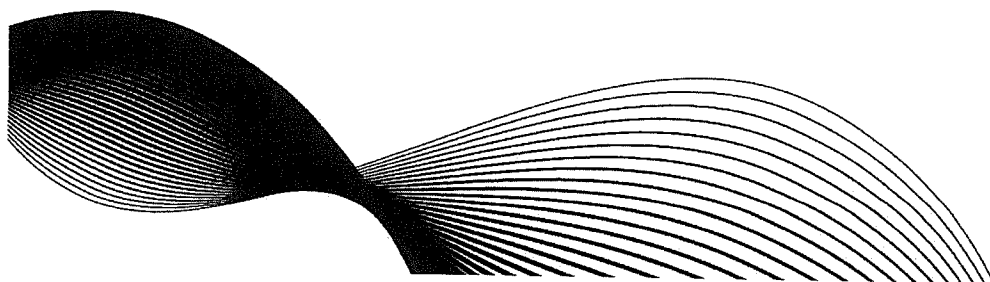
- 1.1 I, together with my partners, Jonathan E Avery-Gee and Daniel Richardson were appointed Joint Administrators of Fundingsecure Ltd (the Company) on 23 October 2019. The Appointment was made by the director, Nigel Hackett, following receipt of the consent from the Financial Conduct Authority (FCA).
- 1.2 This Administration is being handled by CG&Co at Greg's Building, 1 Booth Street, Manchester M2 4DU. The Administrators contact details are by phone on 0161 358 0210 or via email at fundingsecure@cg-recovery.com. The Administration is registered in the High Court of Justice Business and Property Courts in Manchester Insolvency and Companies List (ChD), reference number CR-2019-MAN-1065.
- 1.3 As Administrator, I am required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 23 April 2022 to 22 October 2022 (the Period) and should be read in conjunction with my earlier Proposals report and any previous progress reports which have been issued.
- 1.4 As advised in my previous progress report, following an application to the Court, the Administration has been extended to 22 October 2023.
- 1.5 Information about the way that we will use and store personal data on insolvency appointments can be found at www.cg-recovery.com. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.6 The trading address of the Company was Unit 8 Stokenchurch Business Park, Ibstone Road, Stokenchurch, Buckinghamshire HP14 3FE.
- 1.7 The registered office of the Company is c/o CG&Co, Greg's Building, 1 Booth Street, Manchester M2 4DU and its registered number is 08120200.

2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the Period of this report, together with a cumulative Receipts and Payments Account from the date of my appointment as Administrator to 22 October 2022.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs.

3 Progress of the Administration

- 3.1 You may recall that the statutory objective being pursued in the Administration was achieving a better result than would be likely if the company were wound up. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.



- 3.2 This section of the report provided creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Administrators under other related legislation.

Administration (including statutory compliance & reporting)

- 3.3 As noted above, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that I anticipated would need to be done in this area was outlined in my initial fees estimate/information which was previously agreed by creditors.
- 3.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.
- 3.5 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

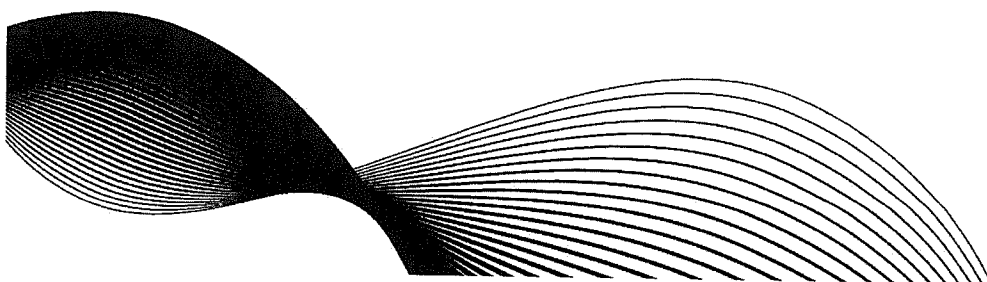
Trading

- 3.6 As previously advised, the Company did not continue to trade in terms of new investor loans, but it was deemed necessary to retain staff and consultants of the Company, and for the continued operation at the Company's premises in the initial weeks of the Administration.
- 3.7 By way of a reminder, staff members and consultants have been reduced to one respectively and the Company has vacated the premises and the landlord accepted forfeiture of the lease.

Realisation of Assets

Loan Book

- 3.8 During the Period, total gross loan realisations amount to £3,822,699.53. To date, total gross loan realisations amount to £43,799,505.06. Appendix A gives a summary of the category of each loan.
- 3.9 As previously detailed, there remains 3 loans that have completed, whereby the decision was made to hold funds in separate suspense accounts. One of these matters is now resolved. The remaining two are ongoing and updates are being provided via the platform updates to the relevant investors.
- 3.10 The issue in respect of the Quistclose trust claim is still ongoing, payments to investors have been suspended and remain so. Via an announcement on the Company's Platform, Investors were given the opportunity to obtain a copy of the draft particulars of claim from the proposed claimant's solicitors. It is understood that a number of Investors have done this and also expressed their interest in being joined to any proceedings, although as at the date of the report, proceedings have not been issued. Progression in this matter has been protracted and remains on going.
- 3.11 Updates in respect to all live loans are provided to investors on a minimum quarterly basis. The last quarterly updates following 31 October 2022.
- 3.12 At the date of this report, there are 51 remaining defaulted loans. The total capital outstanding in respect of these loans amounts to £25,741,001.90 The Joint Administrators are continuing with their efforts to



realise each loan. As previously reported, it is difficult to advise anticipated timescales for recovery loans remain problematic.

- 3.13 Investors should continue to monitor the platform in respect to updates relating to their specific investments.
- 3.14 Various Receivers and Administrators were appointed by the Company in relation to assets, prior to our appointment, the Administrators have continued to work with these professionals in realising the assets. The Administrators have additionally continued to appoint their choice of Receivers or Administrators to recover certain loans.

Bank Accounts

- 3.15 As detailed in previous reports, the Company operated with three operational bank accounts with Barclays Bank PLC ("Barclays").
- 3.16 At the date of our appointment, funds held in Client Account One, which is connected to the electronic platform, amounted to £1,977,160.92. As you will be aware, investor withdrawals were made available in March 2020, and the platform has been functioning since this date until payments were frozen on 17 May 2021.
- 3.17 During the Period, there have been no investor withdrawals. To date, the total investor withdrawals amount to £24,408,088.33.
- 3.18 Client Account Two had the main function of holding payments on account of redemptions, prior to the funds being remitted to the e-wallet account. The amount currently held in this account amounts to £511,734.02.

Directors' Loan Account

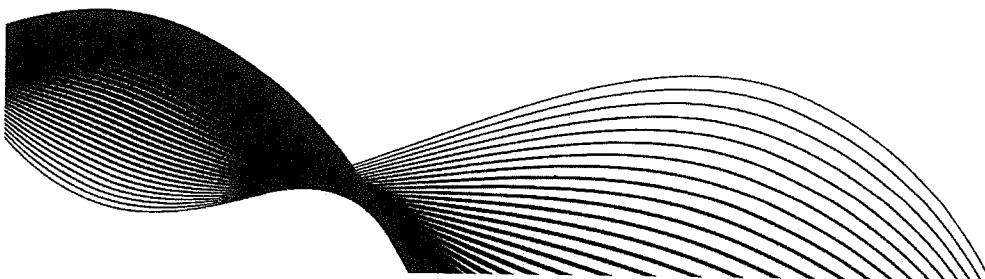
- 3.19 As previously reported, Richard Luxmore has made a payment of £87,794.02 in the previous reporting period.
- 3.20 Whilst, an offer of settlement has been received from Nigel Hackett, this has been rejected. The matter is ongoing.

Gross Bank Interest

- 3.21 During the Period, gross bank interest amounts to £6,163.19. Total gross interest amounts to £17,830.63.

Assets Remaining to be Realised

- 3.22 The Administrators are continuing to collect the outstanding loan book and are currently reviewing completed loans to establish further potential recoveries from borrowers and potential recoveries in respect of negligent professionals. Given that these matters concern potential litigation, it is not considered appropriate to provide additional details in a document which will be freely available in the public domain.
- 3.23 The Administrators are continuing their investigations into all matters concerning the operation of the Company and are currently investigating potential litigation. Further details cannot be provided at this stage so as not to prejudice the position.



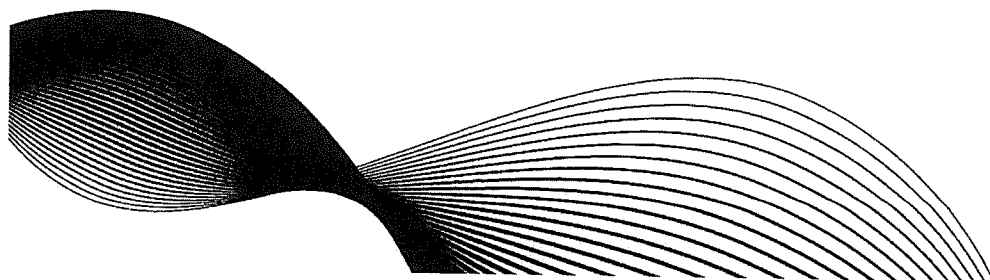
- 3.24 It is anticipated that the work the Administrators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

Creditors (claims and distributions)

- 3.25 Administrators are not only required to deal with correspondence and claims from unsecured creditors but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 3.26 Work undertaken by Administrators in dealing with a company's creditors may only bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however an Administrator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrators in dealing with those claims.
- 3.27 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.28 At this stage, I consider the following matters worth bringing to the attention of creditors:
- There are two secured creditors who were owed £2,832,065.20 as at the date of the appointment. There have been no payments made to the secured creditors.
 - The Redundancy Payments Service ("RPS") have submitted a preferential claim in the sum of £2,050.85.
 - I will be required to deal with the claims of two employees with regard to residual preferential claims.
 - I am currently dealing with the issues surrounding the Quistclose Trust.
 - As per the director's Statement of Affairs, there were 47 unsecured creditors with an approximate value of £941,585.25. To date, I have received 19 unsecured claims with a value of £761,014.03. Claims have yet to be formally agreed.

Creditors Committee

- 3.29 To date, there have been 11 formal committee meetings that have assisted with the Administration. Since the determination by the Court in respect of the Company's entitlement of a fee on redeemed loans, the committee has continued to assist the Administration process by allowing the payment of expenses to continue with the successful operation of the Administration. Further the Administrators continue to work with the Committee in order to finalise the pro rata deduction in respect of the ongoing expenses of the Administration. This is a continual matter.



Investigations

- 3.30 You may recall from my first progress report to creditors that some of the work Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that can be pursued for the benefit of creditors.
- 3.31 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.
- 3.32 As previously advised, the main areas of concern, relate to negligence of receivers and/or office holders appointed by the Company prior to our appointment, and potential claims against valuers. These matters remain under review.

Financial Conduct Authority ("FCA")

- 3.33 There has been regular contact with the FCA in respect of all matters concerning the Administration.
- 3.34 The Administrators will continue to furnish the FCA with the necessary information that they require and will inform the FCA of pertinent issues.
- 3.35 It is not possible for the Administrators to discuss any dealings with the FCA, as these matters are confidential.

What Remains to be Done in the Administration

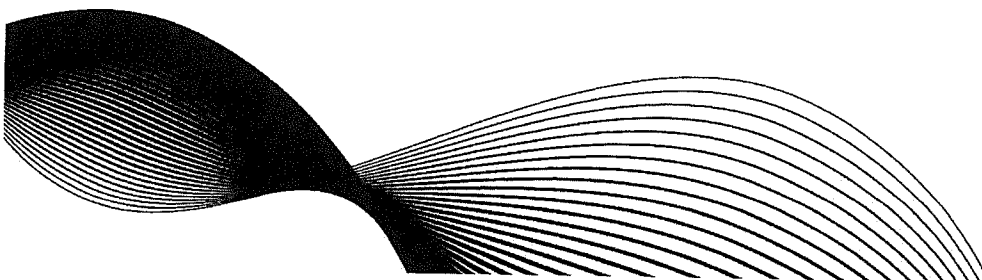
- 3.36 It is necessary to continue with the realisation of assets.
- 3.37 In addition, it is necessary to resolve the issue with the Quistclose trust claim. The position is not straightforward either legally or logistically, and we are not able to provide any further details at this stage nor provide any timescales as to any final or possible interim resolution.
- 3.38 Further, as reported above, the Administrators continue to work with the Committee in order to finalise the pro rata deduction in respect of the ongoing expenses of the Administration

4 Estimated Outcome for Creditors

- 4.1 Based on present information, I can confirm that it is unlikely that there will be a distribution to the unsecured creditors.

Investors

- 4.2 During the current Period there have been no permitted investor withdrawals. To date, total investor withdrawals amount to £24,408,088.33. There has been a recent amount deposited by an investor in error. Under ordinary circumstances this amount would be returned but at present we are unable to at present as the account is frozen due to the trust claim.



Secured Creditors

- 4.3 Rajinder Kumar ("RK") holds a fixed and floating charge over the Company's assets dated 12 October 2018. At the date of the Administration the indebtedness to RK was reported at £1,594,595.20. There have been no payments made to date in respect of this security.
- 4.4 In addition, EZ Invest Limited ("EZI") holds a fixed and floating charge dated 15 May 2019. At the date of the Administration the indebtedness to EZI was reported at £1,237,470.00. There have been no payments made to date in respect of this security.
- 4.5 It should be noted that the security held by RK ranks in priority to EZI.

Preferential Creditors

- 4.6 To recap, the preferential claim submitted by the RPS in the sum of £2,050.85 is expected to be paid in full.
- 4.7 In addition to this, there is one employee who has a residual preferential claim amounting to £1,793.29. It is expected that this amount will also be paid in full. As a result, preferential creditors are anticipated to receive a distribution at a level of 100 pence in the pound. The timing of this distribution is currently unknown.

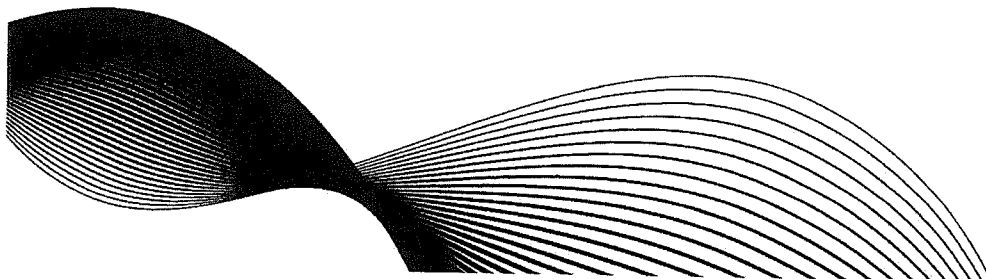
Unsecured Creditors

- 4.8 I have received claims totalling £761,014.03 from 19 unsecured creditors. I have yet to receive claims from 28 creditors whose debts total £267,541.31 as per the Company's statement of affairs.
- 4.9 The Company granted a floating charge to RK and EZI. Subject to the review of their security (and there being sufficient assets to do so), I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part).
- 4.10 At the present time, I am unable to estimate the value of the Company's net floating charge property as asset realisations remain ongoing. Furthermore, due to the nature of the assets, together with the default positions and the fluctuating costs associated with realising the assets, the dividend position to unsecured creditors has to be noted as uncertain.
- 4.11 Should a dividend become available to the unsecured creditors other than from the Prescribed Part and unless it is more expedient to make an application to court to allow this to be distributed in the Administration, I anticipate that the Company will exit into creditors' voluntary liquidation in due course to facilitate the payment of a distribution to the unsecured creditors. Further details in respect of an unsecured distribution other than the Prescribed Part will be given when appropriate.

5 Pre-Administration Costs

- 5.1 On 17 December 2019, the amounts shown below in respect of pre-administration costs were approved by the creditors committee:

Name of Recipient	Brief Description of Services Provided	Total Amount Approved (plus VAT) £
CG&Co	Advice in respect of the insolvency of the Company	7,500.00
Drydensfairfax Solicitors	Advice in respect of the insolvency of the Company	3,600.00



5.2 These fees have been discharged in full.

6 Administrators' Remuneration

6.1 The basis of the Administrators' fees has been fixed in the Administration by resolution of the creditors at the meeting held on 28 November 2019, which was ratified and confirmed by the creditors committee at the first committee meeting held on 17 December 2019, whereby minutes of the meeting were signed confirming the following resolutions:

- Under Rule 18.16 of the Insolvency Rules that the basis of the Administrators' remuneration be fixed at 2.5% of the "defaulted" assets realised (those loans where the term has expired) (exclusive of VAT and disbursements) and 0.125% of the "in term" assets realised (those loans where the term has not expired) during the conduct of the Administration (exclusive of VAT and disbursements) and the allocation of those fees, costs and expenses on pro rata basis amongst all creditors and investors of the Company as detailed in the Administrators' Report and Statement of Proposals.
- Under Rule 18.16 a set amount of £25,000 (exclusive of VAT) in respect of statutory formalities.

6.2 In respect of the agreed fee as a percentage of asset realisations on defaulted and in term loans, fees have been drawn in the sum of £72,531.31 plus VAT for the current Period. Total fees amount to £808,353.30 plus VAT.

6.3 As per previous reporting, it is the duty of the creditors committee to agree the Administrators' remuneration. It should be noted that at the Creditor's Committee meeting held on 17 December 2020, the statutory formalities fee was reviewed in line with the information provided to all creditors on 10 December 2020, and it was resolved that an additional £25,000 (plus VAT) per annum could be charged by the Administrators in respect of statutory formalities, due to the required extension of the Administration.

6.4 Total statutory remuneration to date has been drawn in the sum of £75,000 plus VAT.

6.5 In addition to the above, and as detailed in my last report, at the same committee meeting on 17 December 2020, it was confirmed that the associated time incurred by the Administrators and their staff, relating to the additional work required by the Confidential Matter (as discussed in the relevant committee meeting), could be charged but not billed, at a capped level of £30,000 plus VAT.

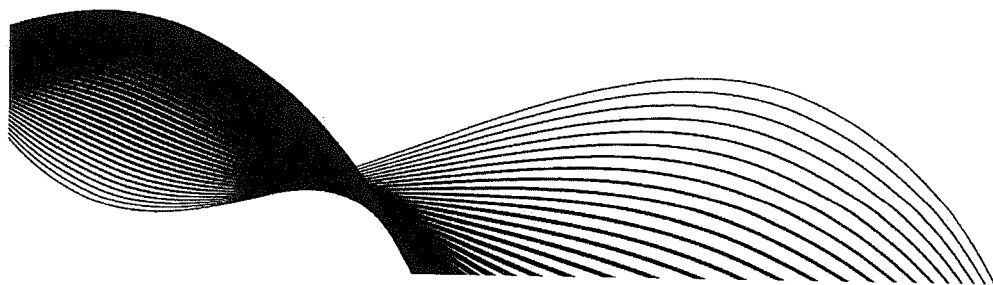
6.6 The Administrators completed this exercise accordingly, and in doing so, incurred time costs of £25,539.74. At the committee meeting on 17 March 2021, the committee resolved that these sums could be billed. These fees were discharged in a previous period.

6.7 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/.

6.8 Attached at Appendix B is additional information in relation to the Administrators' fees, expenses and the use of subcontractors and other professional advisors.

7 Creditors' Rights

7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the



Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.

- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged, or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

8 Ending the Administration

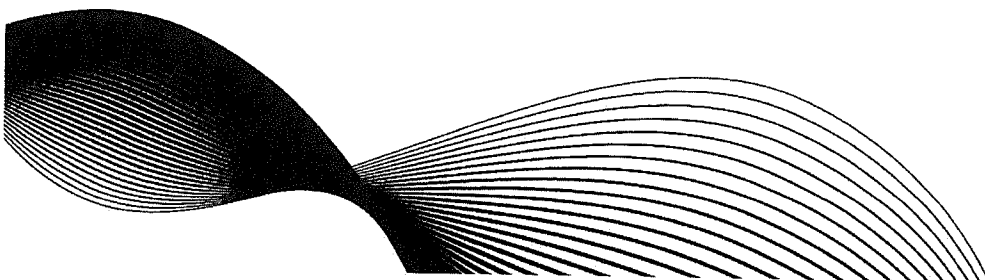
- 8.1 Contained within the Administrators' Proposals were various exit routes dependent upon the success of the asset recoveries. As asset recoveries are incomplete at present, the exit route is still undetermined.
- 8.2 It was deemed necessary to extend the Administration via an application to Court. The Court extended the Administration to 22 October 2023.
- 8.3 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

9 Next Report

- 9.1 The Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

For and on behalf of
FundingSecure Limited

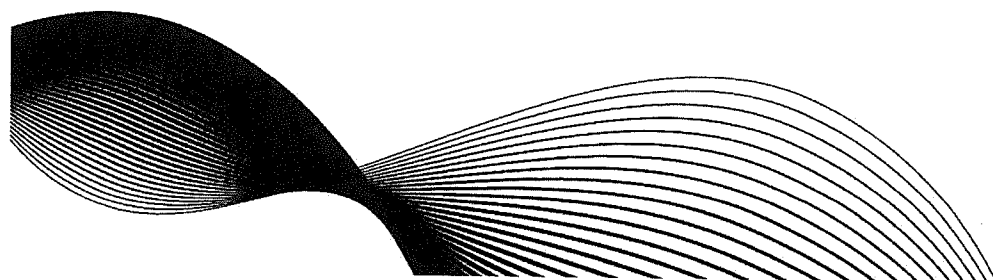

E M Avery-Gee
Joint Administrator



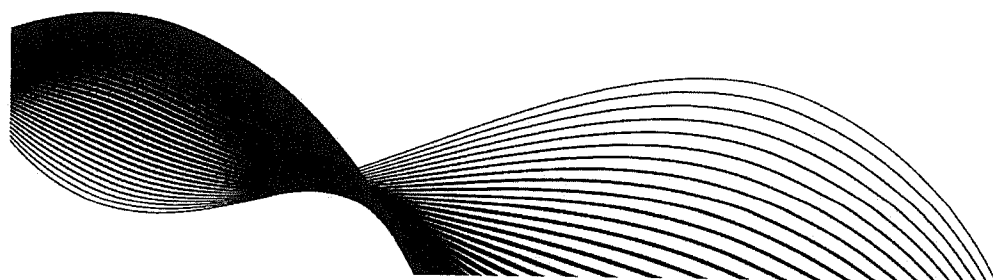
Appendix A

Receipts and Payments Account for the Period From 23 April 2022 to 22 October 2022 together with The Cumulative Receipts and Payments Account for the Period from 23 October 2019 to 22 October 2022

	Statement of affairs	23/04/2022 22/10/2022	23/10/2019 22/10/2022
	£	£	£
RECEIPTS			
Completed Property Redemptions		0.00	8,659,263.23
Proceeds from Auction Non Property		0.00	247,298.33
Non Property Assets		0.00	1,371,878.42
Part Payment Redemptions Property		0.00	294,929.85
Work in Progress	Uncertain	0.00	0.00
Insolvency Property Redemptions		3,822,699.53	33,157,325.23
Interest Payments		0.00	90,000.00
Part Payment Redemption Non Property		<u>0.00</u>	<u>68,810.00</u>
		3,822,699.53	43,889,505.06
Miscellaneous Funds		0.00	173.02
Directors/Formers Directors Loan Account	Uncertain	0.00	87,794.02
Investors Deposit		100.00	100.00
Fund held in Client Account 7290		0.00	1,977,160.92
Funds held in Company's Client Acc		0.00	804,160.33
Cash at Bank		0.00	4,561.37
Office Equipment	500.00	0.00	500.00
Furniture & Fittings	200.00	0.00	0.00
Software Development	Uncertain	0.00	0.00
Bank Refund		0.00	102.25
Bank Interest Gross - pre appointment		0.00	1,977.23
Bank Interest Gross - post appointment		<u>6,163.19</u>	<u>17,830.63</u>
		6,263.90	2,894,359.77
Total		3,828,962.72	46,783,864.83
PAYMENTS			
Salaries		15,961.65	152,284.71
Consultancy Fee		21,000.00	218,316.00
PAYE/NIC		7,415.21	67,966.44

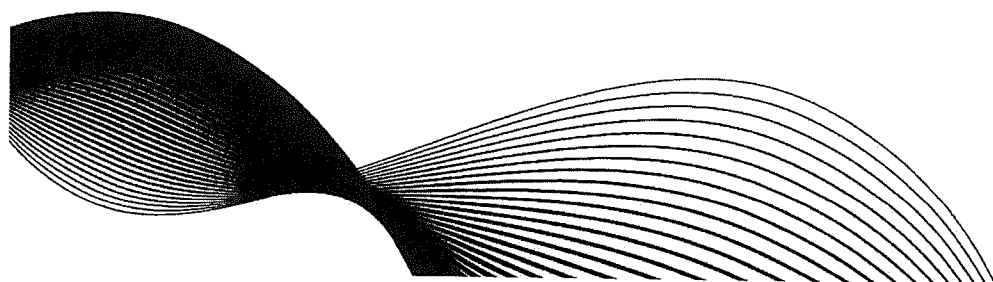


Travel & Expenses	168.56	3,275.85
Pension	9.29	9.29
Subscriptions	40.00	120.00
Rent & Service Charge	0.00	13,656.95
Rates	0.00	4,770.48
Sundry Expenses	0.00	275.79
Office sundries	0.00	707.94
Essential storage costs	302.68	16,829.57
IT/Phone Costs	3,205.03	23,191.23
Accounts Software	202.65	2,181.67
Anti Money Laundering Checks	0.00	113.93
Legal Fees & Disbursements	98,693.97	320,446.43
Agents/Valuers Fees	0.00	64,533.83
Insurance of Assets	0.00	6,371.38
Occupancy & Security Check	220.00	3,215.00
Postage & Stationery	0.00	25.75
Quantity Surveyor	0.00	4,250.00
Agents Disbursements	0.00	12,043.08
Storage	0.00	39,994.00
Solicitors Fees re Negligent Claims	4,978.50	13,036.25
Receivership/Insolvency Costs & Expense	769,140.26	3,022,044.43
Receivership/Insolvency Legal Costs	214,643.76	951,371.02
Direct Chargeholder	350,000.00	2,034,499.74
Investors	0.00	24,408,088.33
Respondents Costs	0.00	205,000.00
Remuneration Confidential Matter	0.00	25,539.74
Specific Bond	0.00	1,800.00
Jt Admin.Pre Appointment Fee	0.00	7,500.00
Joint Office Holders Fees	72,531.31	808,353.30
Court Fee	0.00	50.00
Remuneration Statutory Formalities	0.00	75,000.00
General Legal Fees	0.00	297,589.64
Irrecoverable VAT	170,836.24	1,031,191.27
Forensic accountancy	0.00	4,250.00
Counsels opinion	0.00	16,000.00
IT Consultancy	4,170.00	23,930.00
Committee Expenses	0.00	333.33
Room Hire	0.00	450.00
Statutory Advertising	0.00	142.00
Postal Redirection	0.00	313.00
Surplus to Borrower	0.00	161,668.66





Accountancy Advice		0.00	875.00
Bank Charges		0.00	416.63
Employee Arrears/Hol Pay	-22,087.00	0.00	0.00
	-		
Floating Charge Creditor	3,000,000.00	0.00	0.00
Trade & Expense Creditors	-434,491.32	0.00	0.00
JC Starr Holdings Ltd	-502,520.55	0.00	0.00
Ordinary Shareholders	-3,525.40	<u>0.00</u>	<u>0.00</u>
		1,733,519.11	34,044,021.66
BALANCE - 22 October 2022			<u>12,739,843.17</u>



Appendix B

Additional Information in Relation to the Administrators' Fees, Expenses & The Use of Subcontractors

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 There have been no subcontractors utilised to date.

2 Professional Advisors

- 2.1 On this assignment the Administrators have retained the services of the following professional advisors listed below in respect of the collection of the loan book. I have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Scotts Wright Limited	Hourly rate and disbursements
Thompson Crooks Solicitors Limited	Hourly rate and disbursements
Avison Young (UK) Limited	Hourly rate and disbursements
Thomas Del Mar Limited	Hourly rate and disbursements
OKT	Hourly rate and disbursements
Templeton LPA Limited	Hourly rate and disbursements
Adam Partridge Auctioneers	Hourly rate and disbursements
Anthony Cribb Auctioneers	Hourly rate and disbursements
Lindsays	Hourly rate and disbursements
Quantuma LLP	Hourly rate and disbursements
Kuits Solicitors	Hourly rate and disbursements

- 2.2 On this assignment the Administrators have instructed the following professional advisors listed below in respect of the collection of the loan book.

Name of Professional Advisor	Basis of Fee Arrangement
Drydensfairfax LLP	Hourly rate and disbursements
Brabners LLP	Hourly rate and disbursements
Brightstone Law LLP	Hourly rate and disbursements
Brechters LLP	Hourly rate and disbursements
Mazars LLP	Hourly rate and disbursements
Cowgills Business Recovery LLP	Hourly rate and disbursements
Begbies Traynor Group Plc	Hourly rate and disbursements
Begbies Traynor (Central) LLP	Hourly rate and disbursements
Behr & Co Limited	Hourly rate and disbursements
Wilman Building Consultancy Limited	Hourly rate and disbursements
Occasio Legal Limited	Hourly rate and disbursements
Memery Crystal LLP	Hourly rate and disbursements
TLT LLP	Hourly rate and disbursements
TLT NI LLP	Hourly rate and disbursements
FRP Advisory LLP	Hourly rate and disbursements
Hill Dickinson LLP	Hourly rate and disbursements

Humphrey & Gray Ltd	Hourly rate and disbursements
Leonard Curtis Business Solutions Group	Hourly rate and disbursements
Waterfold Asset Management Limited	Hourly rate and disbursements
Mitchells Robertson Ltd	Hourly rate and disbursements
Shakespeare Martineau LLP	Hourly rate and disbursements
AUA Insolvency Risk Services Limited	Risk based premium
Addleshaw Goddard LLP	Hourly rate and disbursements
ITC Valuers Limited	Percentage of Realisations and disbursements
UHY Hacker Young	Hourly rate and disbursements
Crawfords Accountants/RPG	Hourly rate and disbursements
DWF Solicitors	Hourly rate and disbursements
JMW Solicitors	Hourly rate and disbursements
PJI Property	Hourly rate and disbursements
ReSolve Group	Hourly rate and disbursements

- 2.3 The following professional advisors have been instructed in respect of the general issues of the case.

Name of Professional Advisor	Basis of Fee Arrangement
Brecher LLP	Hourly rate and disbursements
TLT Solicitors	Hourly rate and disbursements
Hacker Young	Hourly rate and disbursements
Drydensfairfax solicitors	Hourly rate and disbursements
Exchange Chambers	Hourly rate
Lopian Gross Barnett & Co	Hourly rate and disbursements
GARC Ltd	Hourly rate and disbursements

- 2.4 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

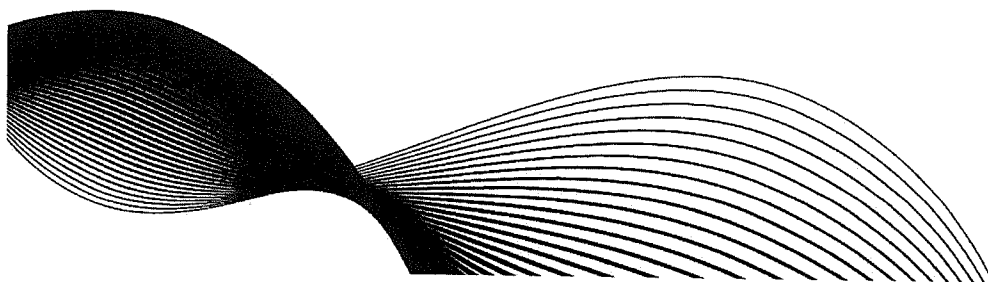
- 2.5 The decision was made to continue with the services of the Law of Property Act Receivers ("LPA Receivers") that were in office at the onset of the insolvency as the LPA Receivers fees would be paid in priority to another office holder and this would make a duplication of costs.

3 Administrators' Expenses

- 3.1 The estimate of expenses which were anticipated in the Administration was provided to creditors when the basis of our fees was approved. The table below compares the anticipated costs against those incurred to date.

Category 1 Expenses

- 3.2 These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.



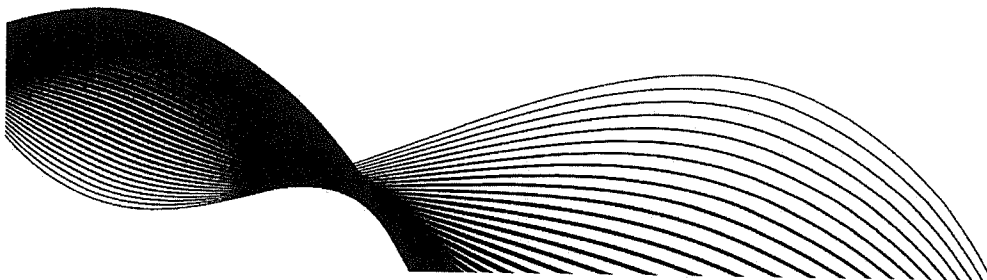
Expense	Paid in the Period Covered by This Report £	Paid in Prior Periods £	Incurred but Not Paid to Date £	Estimated Overall Cost £
Salaries	15,961.65	136,323.06	-	-
Consultancy Fee	21,000.00	197,316.00	-	-
PAYE/NIC	7,415.21	60,551.23	-	-
Travel & Expenses	168.56	3,107.29	-	-
Pension	9.29	0.00	-	9.29
Storage Costs	302.68	16,526.89	-	-
IT/Phone Costs	3,205.03	19,986.20	-	-
Accounts Software	202.65	1,979.02	-	-
IT Consultancy	4,170.00	19,760.00	-	-
Subscriptions	40.00	80.00	-	240.00
Accountancy Advice	0.00	875.00	-	875.00
Postage & Stationery	0.00	25.75	-	-
General Legal Fees incl. Respondents Costs	0.00	502,589.64	10,400.00	-
Counsel Opinion	0.00	16,000.00	5,633.33	-
Rent & Service Charge	0.00	13,656.95	-	13,656.95
Rates	0.00	4,770.48	-	4,770.48
Sundry Expenses	0.00	275.79	-	275.79
Office Sundries	0.00	707.94	-	707.94
Anti-Money Laundering Checks	0.00	113.93	-	-
Specific Bond	0.00	1,800.00	-	1,800.00
Court Fee	0.00	50.00	-	50.00
Forensic Accounting	0.00	4,250.00	-	4,250.00
Committee Expenses	0.00	333.33	-	333.33
Room Hire	0.00	450.00	-	450.00
Statutory Advertising	0.00	142.00	-	142.00
Postal Redirection	0.00	313.00	-	313.00
Bank Charges	0.00	416.63	-	-
Solicitors costs re negligent valuation claims	4,978.50	8,057.75	-	-

- 3.3 It should be noted that there has been continual assistance in respect of this case from legal advisors and it was considered necessary for a solicitor to be present at the creditor's meetings, committee meetings and during certain conference calls, for example, with the FCA.
- 3.4 Due to the nature of this case, there are certain costs that the total overall costs cannot be calculated as the costs continue to be incurred to enable asset realisations to complete.

Current Position of the Expenses Specifically Incurred in Respect of Loan Redemptions

Expense	Paid in the Period Covered by This Report £	Paid in Prior Period £	Incurred but Not Paid to Date £
Legal Fees & Disbursements	98,693.97	221,752.46	23,500.00
Agents/Valuers Fees	0.00	64,533.83	-
Agents Disbursements	0.00	12,043.08	-
Insurance of Assets	0.00	6,371.38	5,000.00
Occupancy & Security Checks	220.00	2,995.00	-
Receivership/Insolvency Costs & Expenses	769,140.26	2,252,904.17	-
Receivership/Insolvency Legal Costs	214,838.79	736,727.26	-
Quantity Surveyor	0.00	4,250.00	-
Storage	0.00	39,994.00	-

- 3.5 Instructed solicitors across all loan specific matters have incurred, to date, WIP of £432,000 inclusive of VAT. This is inclusive of time incurred in relation to receivership appointments.



- 3.6 As advised in the Administrators' Proposals, the costs that would be incurred in respect of each specific loan would be difficult to accurately advise. In the main, the above costs have primarily been deducted at source from the gross realisation or is a payment that has been made, that will be recoverable from the specific loan, and is a necessary disbursement in respect of the recovery action for that loan, which will be repaid in priority to the amounts recovered for investors.
- 3.7 The general costs of solicitors and Counsels fees is in excess of the initial estimations in the main due to the need to seek direction from the Court in relation to the 5% fee matter and the current issue in respect of the Quistclose Trust. You will note that respondents costs in respect of the 5% have now been discharged.
- 3.8 It should be noted that the Company is not registered for Value Added Tax ("VAT"). Therefore, receivable VAT is irrecoverable and is noted accordingly as an expenditure on the Receipts and Payments account.

Category 2 Expenses

- 3.9 These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 expenses charged by this firm (where appropriate) were provided at the time the Administrators' fees were approved by creditors.

