

# AM23

## Notice of move from administration to dissolution



Companies House

For further information, please refer to our guidance at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number F C 0 3 2 2 7 9

Company name in full CashEuroNet UK, LLC

#### → Filling in this form

Please complete in typescript or in bold black capitals.

### 2 Court details

Court name In the High Court of Justice, Business and Property

Courts of England & Wales

Court number 0 0 7 1 5 5 2 0 1 9

### 3 Administrator's name

Full forename(s) Chris M

Surname Lavery

### 4 Administrator's address

Building name/number 30 Finsbury Square

Street

Post town London

County/Region

Postcode E C 2 A 1 A G

Country

AM23

Notice of move from administration to dissolution

<b>5</b>		<b>Administrator's name ①</b>	
Full forename(s)	Andrew		<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname	Charters		
<b>6</b>		<b>Administrator's address ②</b>	
Building name/number	30 Finsbury Square		<b>② Other administrator</b> Use this section to tell us about another administrator.
Street			
Post town	London		
County/Region			
Postcode	E C 2 A 1 A G		
Country			
<b>7</b>		<b>Final progress report</b>	
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
<b>8</b>		<b>Sign and date</b>	
Administrator's signature	Signature 		
Signature date	21 10 2022		

**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 **Matthew Drinkwater**

Company name **Grant Thornton UK LLP**

Address **11th Floor**

**Landmark St Peter's Square**

Post town **1 Oxford St**

County/Region **Manchester**

Postcode **M 1 4 P B**

Country

DX

Telephone **0161 953 6900**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**



# **CashEuroNet UK, LLC - in administration**

## **Joint administrators' final progress report**

UK Restructuring  
Grant Thornton UK LLP  
11th Floor  
Landmark St Peter's Square  
1 Oxford St  
Manchester  
M1 4PB

Prepared by: Chris M Lavery, Joint Administrator

Contact details: Should you wish to discuss any matters in this report, please email [cmusupport@uk.gt.com](mailto:cmusupport@uk.gt.com) or write to the above address

# Guide to this report

## Report sections

### Definitions

#### 1 **Executive summary**

This should be read in conjunction with the remainder of the report, together with its appendices

#### 2 **An overview of the administration**

Includes implementation of the joint administrators' proposals and details of any extensions to the administration

#### 3 **Progress to conclusion**

Includes details on overall strategy and progress (trading, and realisation of assets)

#### 4 **Investigations into the affairs of the Company**

Includes a summary of the outcome

#### 5 **Creditors and dividends**

Includes creditor balances and information on dividends

#### 6 **Joint administrators' remuneration and expenses**

Includes details of payments to the joint administrators (including details of fees and expenses incurred) and their associates

#### 7 **Outcome of administration**

Includes summary details of the exit from administration, matters to be dealt with in the liquidation, details on the joint administrators' discharge from liability, and general information for readers (eg data protection)

## Report appendices

#### A **Notice about this report**

Includes information about the preparation and purpose of the report, reliance on it and no liability

#### B **Statutory information**

Includes information required about the Company (eg name, address) and about the administration (eg proceedings, administrators, contact details)

#### C **Abstract of the joint administrators' receipts and payments**

#### D **Statement of Insolvency Practice 9 disclosure: Payments to the joint administrators and their associates**

Includes remuneration basis, work done, expenses of the joint administrators, sub-contracted out work, relationships requiring disclosure

#### E **Notice of a deemed consent procedure**

# Definitions

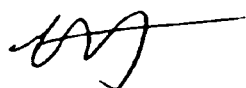
The following definitions are used either within the body of this report, the appendices to it, or both.

<b>Act</b>	The Insolvency Act 1986
<b>Administration</b>	The administration of the Company
<b>APR</b>	Annual Percentage Rate
<b>Joint Administrators/ Administrators/our/us/we</b>	Chris Lavery, Trevor O'Sullivan and Andrew Charters, acting as joint administrators of the Company
<b>CEU / the Company</b>	CashEuroNet UK, LLC (in administration), incorporated in Delaware in the United States (US) and is registered in the UK as an overseas company (FC032279) under the Companies Act 2006 and whose registered address is 11 <sup>th</sup> Floor, Landmark, St Peter's Square, 1 Oxford Street, Manchester, M1 4PB (trading as QuickQuid, Pounds to Pocket and On Stride Financial)
<b>CMC</b>	Claims management company, a company or other organisation offering claims management services to Redress Creditors
<b>Court</b>	The Courts of England and Wales
<b>Creditors</b>	Preferential and unsecured creditors (including Redress Creditors)
<b>CVL</b>	Creditors' voluntary liquidation
<b>DCA</b>	Debt Collection Agent
<b>DISP</b>	Dispute Resolution: Complaints sourcebook, part of the FCA Handbook
<b>Enova Group / The Group</b>	Enova International Inc. and its subsidiaries as a collective entity
<b>FCA</b>	Financial Conduct Authority
<b>FCA Handbook</b>	The handbook published by the FCA which sets out the rules and guidance made by the FCA under the Financial Services and Markets Act 2000
<b>FOS</b>	Financial Ombudsman Service
<b>Gross Loan Book</b>	The value of outstanding loans, before provisions for bad or doubtful debts
<b>HMRC</b>	HM Revenue & Customs
<b>HCST Lending</b>	High Cost, Short Term Credit Lending
<b>Insolvency Rules</b>	The Insolvency (England and Wales) Rules 2016
<b>Period</b>	25 April 2022 to 20 October 2022
<b>Prescribed Part</b>	The part of the proceeds which must be set aside from floating charge assets as described in section 5 below
<b>Redress Claim</b>	A redress claim that a customer (current or former) has, or may have, against the Company
<b>Redress Creditors</b>	Customers (current and former) of the Company (trading as Quick Quid, Pounds to Pocket or On Stride Financial) who were sold an unaffordable loan(s) and are due redress
<b>Scheme</b>	Scheme of Arrangement
<b>The Board</b>	The Board of Directors of CashEuroNet UK, LLC
<b>The Firm</b>	Grant Thornton UK LLP
<b>The Online Claims Portal or the Portal</b>	The online redress claim portal
<b>VAT</b>	Value added tax

# 1 Executive summary

- This final progress report for the Company's administration covers the entirety of the administration
- Our proposals were approved on 2 January 2020 by way of a decision procedure by the creditors
- The key work done in the Period is:
  - The Joint Administrators successfully declared and paid a dividend to the unsecured creditors, including Redress Creditors, with a dividend rate of 53.5p in the £. Whilst the dividend was declared on 25 April 2022 and subsequently paid out in the Period.
  - Management of returned payments and returned cheques following the payment of the unsecured dividend which has included:-
    - making re-attempted dividend payments where customers have provided updated payment information
    - Passing over remaining unsuccessful dividend payments to the Insolvency Service
  - payment of any remaining credit balance refunds to customers
  - The winddown of the operations of the business as far as possible whilst continuing to provide ongoing customer support following the recent payment of the dividend to unsecured creditors. This includes the closure of the Company's US based operations (including the US Contact Centre and Service Level Agreement with the Company's parent, Enova)
- The Joint Administrators have concluded the wind down the operations of the business
- The administration will end with the dissolution of the Company
- The return to the unsecured creditors was paid in the administration and creditors received 53.5p in the £

**Any dividends which have not cleared have been cancelled and the funds forwarded to the Insolvency Service. Further details on how creditors can recover these funds are provided at 5.4.**



---

Chris M Lavery  
Joint Administrator

21 October 2022

## 2 An overview of the administration

### 2.1 Implementation of the proposals

This report should be read in conjunction with the Joint Administrators' statement of proposals and prior progress reports to the Company's creditors dated 18 May 2020, 17 November 2020, 20 May 2021, 19 November 2021 and 17 May 2022 all of which are available at [www.grantthornton.co.uk/portal](http://www.grantthornton.co.uk/portal) or at the CashEuroNet microsite at <https://casheuronetukadministration.grantthornton.co.uk/latest-news/>.

A detailed background to the Joint Administrators' appointment was provided previously in the Joint Administrators' statement of proposals dated 17 December 2019, as well as the Joint Administrators' previous Progress reports.

The Joint Administrators' proposals were approved by the creditors by way of a decision procedure on 2 January 2020.

The duty of the Joint Administrators is to act in the best interests of the creditors as a whole in order to achieve the purpose of the administration, which was to achieve one of the three objectives set out in the Insolvency legislation:

- Rescuing the Company as a going concern; or
- Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration); or
- Realising property in order to make a distribution to one or more secured or preferential creditors

In this instance, as the Company had ceased lending prior to the Joint Administrators' appointment and had an unquantified liability to Redress Creditors, it was not possible to achieve the first objective.

The Joint Administrators have pursued the second objective through the recovery of the outstanding loan book through ongoing collections and sale of certain segments of the loan portfolio, and ongoing orderly wind down of the Company's operations.

### 2.2 Extension of the administration

The appointment of Joint Administrators ordinarily ceases to have effect at the end of the period of one year from the date of appointment.

In certain circumstances it is necessary to extend the Joint Administrators' term in office to achieve the objective of the administration.



The administration was extended by decision of the Company's creditors to give a revised expiry date of 24 October 2022. This extension was requested for the following reasons:-

1. The Joint Administrators needed sufficient time to complete the sale and transition of a significant segment of the loan book which has resulted in £17,493,170 recoveries for the benefit of creditors
2. The Joint Administrators required additional time to conclude the assessment of redress claims, in particular the assessments of claims which included loans sold prior to the administration
3. The Joint Administrators' strategy has always been to make a first and final dividend. This is because, due to the volume of creditors, any distribution is operationally complex and cost intensive. This cost is incurred both directly due to the number of payments being made but also indirectly arising from increased creditor enquiries (requiring operational and employment costs to be incurred) and the Joint Administrators' staff needing to manually review and rectify any payments that have been unable to be made due to incorrect historical information being provided by the Company's creditors.

# 3 Progress to conclusion

## 3.1 Strategy and progress from last report

Our two overarching objectives of the Administration have been achieved. These were to:-

- Achieve the orderly realisation of the loan book. This has been achieved by collecting out the loan book to a point where it was no longer cost-effective to continue and also executing a debt sale of a segment of the loan book. Both of these aspects had been completed in the prior period to this report.
- Communicate and conduct a redress claim programme for the Company's customers (both historic and current). Payment of the dividend for redress creditors (and other unsecured creditors) was made in the Period following the dividend declaration made on 25 April 2022.

## 3.2 Trading

The Joint Administrators continued to operate many aspects of the Company on a 'business as usual' basis. This was necessary to facilitate ongoing repayment of loans, protect borrower data, enable the Company to continue to respond to borrower queries, update borrowers' details and to manage the extensive Redress Claim process.

During the course of the administration the various operational requirements were under constant review, and where services were able to be rationalised, the Joint Administrators have done so.

Prior to the administration, the Company employed 17 employees in the UK and 130 employees based in Chicago, USA. There are now no remaining employees at the Company, with the final employees leaving on 12 June 2022.

Throughout the administration, the Joint Administrators have continued to engage with Operations and Customer Support personnel to ensure that customers continue to receive an appropriate level of service, given the circumstances of the administration. The Customer Contact Centre was closed on 5 June 22. Following this, the customer service function was taken in-house by the Administration team to continue to respond to customer queries and manage returned dividend payments.

As previously reported, given the historical operational support provided from the Enova Group, the Joint Administrators continued with their Service Level Agreement that they entered into with Enova to retain services deemed necessary to support the objective of the administration. Costs incurred in relation to services provided in accordance with the Service Level Agreement were paid as an expense of the administration. The Service Level Agreement ended in July-22 as, due to the winddown of the Company and its operations, it was no longer required.

The Joint Administrators have now wound down operations entirely and the Company has ceased trading.

## 3.3 Realisation of assets

We attach as Appendix C, an account of our receipts and payments for the Period. We realised a total of £63,147 relating to a recovered prepayment balance.

Whilst no other assets were realised in the Period we include a summary of our total asset realisations of **£109.1 million** (across the entire Administration period) below: -

- A sum of **£55.6 million** has been realised in loan book collections, exceeding the estimated to realise value of £30.6 million which was presented in the Directors' Statement of Affairs. Please note that the net book value presented in the Directors' Statement of Affairs has a provision for bad or doubtful debt applied on a "business as usual" basis, and therefore does not accurately reflect the actual outcome of the Administration
- The Joint Administrators completed a debt sale of the Company's post appointment loan book for **£17.5 million**. The debt sale was completed on 23 July 2021 and consisted of c. 306,000 customer accounts.
- As part of the debt sale, the Joint Administrators collected a service charge of **£665,000** for continuing the service the sold loan book over the transition period.
- At the date of appointment, the Company had a cash balance totalling **£34.7 million** which was all recovered.
- The Joint Administrators collected **£322,000** in post-appointment interest from the cash balances held
- The Joint Administrators have recovered prepayments and deposits of **£356,000** (including a total of £63,147 in the current period) and other miscellaneous refunds of **£12,000**.

We are not aware of any other potential assets that could be recovered for the benefit of creditors.

#### **Surplus of funds upon closure (undistributed asset)**

Upon closure of the administration we have identified that there is a small surplus cash balance of £6,175. This is because our post dividend costs were over-forecasted by this amount. The reasons for this were: -

- Movements in exchange rates reducing payments (in £) to international suppliers
- Employees leaving the business before their anticipated leaving date (and thus reducing the Company's employee-related costs)

The Joint Administrators had considered distributing this small balance of surplus funds to creditors. However, it was clear that this was not a viable option as the costs of repeating the dividend process and distributing the funds to c.71,000 creditors would be significantly greater than £6,175.

These funds have been sent to Delaware county (as this is the state that CashEuroNet UK LLC was incorporated) as unclaimed property.

# 4 Investigations into the affairs of the Company

## 4.1 Investigations

We undertook an investigation into the Company's affairs to establish whether there were any potential asset recoveries, or conduct matters that required further investigation, taking into account the creditors' interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.

Based on the outcome of our investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors.

# 5 Creditors and dividends

## 5.1 Secured creditors

No secured creditors have been identified.

## 5.2 Preferential creditors

Preferential creditor claims consist of employee claims for wages and holiday pay, up to certain statutory limits. A significant element of these claims has been subrogated to the Secretary of State, following payment of claims by the Redundancy Payments Service.

The preferential claims totalled £579 and relate to outstanding holiday pay only, as there were no arrears of pay at the onset of the administration. The preferential creditors were paid in full on 24 February 2022.

## 5.3 Unsecured creditors

The Directors' Statement of Affairs detailed unsecured creditors totaling c.£79 million. This sum does not include redress liabilities.

### **Prescribed part**

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £600,000.

As there is no qualifying floating chargeholder, the prescribed part provisions will not apply.

### **Redress creditors**

As detailed in the Joint Administrators' proposals, the Redress Creditors comprise current and former customers who believed they were sold an unaffordable loan(s). As a result, these customers could have had a claim for compensation, which would rank as an unsecured claim. All Redress claims have been assessed with reference to the interest and fees paid on these loans, plus compensatory interest at 8% from the date the interest and expenses were paid up until the date of Administration, being 25 October 2019. Further details in relation to the redress claim assessment process have been outlined in detail in previous progress reports.

As a result of the Redress Claim process and claims received, the total volume of accepted Redress claims was 71,233 with a total value of £136,013,342.

In addition to this, 1,962 creditors were also identified as being owed a credit balance on their account with a total value of £69,886. These amounts also ranked as an unsecured claim.

### **Trade creditors**

The Company's trade creditors were largely current at the date of appointment and generally claims comprised outstanding invoices and accrued charges.

HMRC also submitted a claim in the administration in respect to a balance of outstanding tax owing.

A summary of the agreed creditor claims is provided in the table below.

**Unsecured creditor summary**

	<b>No. of creditors</b>	<b>Unsecured claim (£)</b>
Pre-appointment credit balance	1,962	69,886
HMRC	1	1,045,504
Redress creditors	71,233	136,013,342
Trade creditors	25	12,598,741
<b>Total</b>	<b>73,221</b>	<b>149,727,473</b>

## 5.4 Dividend declaration and payment

**Dividend declaration**

A notice of intended dividend was issued on 15 July 2020 and the window for all claims closed on 14 February 2021. The Joint Administrators declared a dividend of 53.5p in the £ on 25 April 2022 (the dividend declaration date). It is noted that the dividend declaration date falls out of the Period for this report but given it is a material event it is appropriate to detail it in this report.

**Dividend payment**

The dividend payment was attempted to all creditors within the 2-week period following the dividend declaration date (being 25 April 2022). We understand that there was a small group of c.1,600 redress creditors where the initial electronic payment attempt was unsuccessful, and this was due to the recipient's bank rejecting the payment or the creditor had provided outdated banking details when making their claim. During the Period we have continued to reissue payments as and when creditors have provided us with updated bank details.

Any dividends which have not cleared have been cancelled and the funds forwarded to the Insolvency Service. Creditors wishing to obtain the funds should contact the Insolvency Service directly in writing to Estate Accounts Directorate, Unclaimed Monies Team, PO Box 3960, Birmingham, B2 4UY.

# 6 Joint Administrators' remuneration and expenses

## 6.1 Overview

Following a decision procedure by the creditors of the Company, the basis of the Joint Administrators' remuneration was fixed according to the time properly spent by the Joint Administrators and their staff. The breakdown of which are noted below.

Year 1 (from appointment to 24 October 2020)

The creditor approved fee estimate for the period from the date of appointment to 24 October 2020 was £3,472,955 (plus VAT).

Our cumulative time costs to 24 October 2020 (without excluding the time costs we have written off) were £3,127,943 was under our original fee estimate of £3,472,956 by £345,012. Within this period, £4,062 of expenses were incurred and have been paid.

Year 2 (from 25 October 2020 to 24 October 2021)

On 8 December 2021, the creditors approved a decision for a revised fee estimate of £3,098,799 (plus VAT) for the period 25 October 2020 to 24 October 2021. We incurred time costs of £3,098,799 which have been paid. We incurred expenses of £815 of which have been paid.

Year 3 (from 25 October 2021 to 21 October 2022)

On 8 December 2021 the creditors resolved that remuneration be fixed according to the time properly spent by the Administrators and their staff on the administration, with a fees estimate of £1,668,529 (plus VAT) for the period 25 October 2021 to 21 October 2022 (Year 3).

We have incurred time costs in the Period amounting to £586,684 incurred expenses of £244 which have been paid. This brings our cumulative Year 3 time costs to £1,819,107 of which £1,688,529 has been paid and £130,578 has been written off. Our total cumulative Year 3 expenses were £356 which have been paid.

The above brings the total cumulative time costs for the Administration (from 25 October 2019 to 21 October 2022) to £8,045,841 of which 7,822,777 has been paid (and £223,064 has been written off) and brings total expenses to £5,233 of which have been paid.

No further remuneration will be drawn and the balance of time has been written off.

Further details about remuneration and expenses are provided in Appendix D to this report.

# 7 Outcome of the administration

## 7.1 Exit from administration

The Joint Administrators' proposals were approved on 2 January 2020 were approved by the creditors by way of a decision procedure on 2 January 2020.

We are sending Form AM21 to the Registrar of Companies with a copy of this final progress report on the administration. Once filed, the administration will end.

## 7.2 Discharge from liability

We enclose a notice of a deemed consent procedure to pass a resolution to confirm that the Joint Administrators be discharged from liability in accordance with paragraph 98 of schedule B1 to the Act 14 days after the final progress report is issued to creditors.

## 7.3 Data protection

Any personal information held by the Company will continue to be processed for the purposes of the administration of the Company and in accordance with the requirements of data protection. Our privacy notice on our website ([www.grantthornton.co.uk/en/privacy](http://www.grantthornton.co.uk/en/privacy)) contains further details as to how we may use, process and store personal data.

## 7.4 Contact from third parties

Please be aware fraudsters have been known to masquerade as the legitimate Joint Administrators. Fraudsters will contact creditors asking for an upfront fee or tax to release an investment or pay a dividend / to enable release of money payable to the creditor. An administrator would never ask for such a payment nor instruct a third party to make such a request.



# A Notice about this report

This report has been prepared solely to comply with the Joint Administrators' statutory duty to report to creditors under the Rules and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under the Rules do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents of the Company and contract without personal liability. The appointment of the Joint Administrators are personal to them and to the fullest extent permitted by law, Grant Thornton does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

Please note you should read this progress report in conjunction with the Joint Administrators' previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton Insolvency Act portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

## B Statutory information

### **Company information**

Company name	CashEuroNet UK, LLC
Date of incorporation	18 November 2014
Company registration number	FC032279
Former trading address	2nd Floor Fergusson House 124-128 City Road London EC1V 2NJ
Present registered office	11th Floor Landmark St Peter's Square 1 Oxford St Manchester M1 4PB

### **Administration information**

Administration appointment	The administration appointment granted in the In the High Court of Justice, Business and Property Courts of England & Wales, 007155 of 2019
Appointor	the Company
Date of appointment	25 October 2019
Joint Administrator's names	Chris M Lavery Andrew Charters
Joint Administrator's addresses	30 Finsbury Square, London, EC2A 1AG
Purpose of the administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up
Estimated value of the net property and confirmation of the prescribed part cap	The Prescribed Part shall not apply in this case as there is no qualifying floating charge holder
Prescribed part distribution	Not applicable (See above)
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Act, the functions of the administrators are to be exercised by any or all of them.
Current administration expiry date	24 October 2022

C

**CashEuroNet UK, LLC**  
**(In Administration)**  
**Joint Administrators' Trading Account**

Statement of Affairs		From 25/04/2022 To 20/10/2022	From 25/10/2019 To 20/10/2022
£		£	£
	POST APPOINTMENT SALES		
	Loan book collections	-	55,558,518.04
30,578,104.00	Lantern Service Charge	-	665,270.68
	Proceeds from debt sale	-	17,493,170.02
		<u>-</u>	<u>73,716,958.74</u>
	TRADING EXPENDITURE		
	IT & telecommunications	(2,470.00)	(422,353.92)
	Employment costs	(361,990.99)	(8,989,534.40)
	Post-appointment refunds	(281,224.75)	(851,468.34)
	Occupancy costs	-	(295,488.26)
	Other operating costs	(225.92)	(407,568.84)
	Professional fees	(13,100.00)	(115,700.53)
	Redress related costs	(12,341.95)	(644,157.48)
	Office costs	-	(10,859.58)
	General administrative	(180.00)	(210,987.96)
	Enova SLA fees	(212,531.80)	(7,805,689.45)
		<u>(884,065.41)</u>	<u>(19,753,808.76)</u>
30,578,104.00	TRADING SURPLUS/(DEFICIT)	<u>(884,065.41)</u>	<u>53,963,149.98</u>

**CashEuroNet UK, LLC**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 25/10/2019 To 20/10/2022 £	From 25/10/2019 To 20/10/2022 £
	ASSET REALISATIONS	
	Other receipts	339,067.96
30,578,104.00	Pre-appointment cash at bank	34,668,994.29
	Prepaid amounts recovered	355,793.06
30,578,104.00	TRADING SURPLUS/(DEFICIT)	53,963,149.98
		<u>89,327,005.29</u>
	COST OF REALISATIONS	
	Debt collection costs	(888,145.91)
	Administrators Expenses (Post-appointment)	(5,233.31)
	Administrators fees (Post-appointment)	(7,822,777.34)
	Corporation Tax	(450.49)
	Debt sale related costs	(878,769.53)
	Legal Fees	(821,774.32)
	Administrators fees (Pre-appointment)	(55,092.00)
	VAT irrecoverable	(2,313,296.40)
	Withholding tax	(91,936.36)
	Unclaimed credit balance refunds sent to Insolvency Service	(11,443.16)
	Surplus funds transferred to Delaware County	(6,174.64)
		<u>(906,730.98)</u>
	PREFERENTIAL CREDITORS	
(99,061.00)	Preferential Creditors (All)	(578.86)
		<u>(578.86)</u>
	UNSECURED CREDITORS	
	Unsecured creditor dividend	(76,431,332.97)
	Unclaimed unsecured creditor dividend	1,265,038.80
	Unclaimed unsecured creditor dividend sent to Insolvency Service	(1,265,038.80)
		<u>(76,431,332.97)</u>
<b>61,057,147.00</b>		<u><b>-</b></u>

## D Payments to the Joint Administrators and their associates

### Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in accordance with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- fee basis
- work done by the Joint Administrators and their team during the Period
- expenses
- sub-contracted work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees).

## Post-appointment costs

### Fee basis of the Joint Administrators

Total cumulative time costs for the Administration (from 25 October 2019 to 21 October 2022) are £8,045,841 of which £7,822,777 has been paid and £223,064 written off. The Joint Administrators' fee request has been split between our Year 1, Year 2 and Year 3 fees and time costs which are detailed further below.

#### **Year 1 fees (for the period from 25 October 2019 to 24 October 2020)**

On 2 January 2020, the creditors resolved that remuneration be fixed by time properly spent by the Administrators and their staff on the administration, with a fee estimate of £3,472,956 for the period from 25 October 2019 to 24 October 2020. For Year 1 we incurred time costs of £3,128,384 of which £3,055,449 was paid and £72,935 was written off.

#### **Year 2 fees (for the period from 25 October 2020 to 24 October 2021)**

On 8 December 2021, the creditors approved a decision that remuneration be fixed according to the time properly spent by the Administrators and their staff on the administration, with a Year 2 revised fee estimate of £3,098,799 (plus VAT) for the period 25 October 2020 to 24 October 2021. For Year 2 we incurred time costs of £3,098,799 of which all was paid.

#### **Year 3 fees (for the period from 25 October 2021 to 24 October 2022)**

On 8 December 2021 the creditors resolved that remuneration be fixed according to the time properly spent by the Administrators and their staff on the administration, with a fees estimate of £1,668,529 (plus VAT) for the period 25 October 2021 to 24 October 2022 (Year 3).

During the Period time costs were incurred totalling £586,684 represented by 1,412 hrs at an average of 416 £/hr of which £1,668,529 has been paid. A description of the work done in the Period is provided in the respective section below. For Year 3 we incurred time costs of £1,819,107 of which all was paid and £150,578 was written off.

Any further time costs beyond the date of this report will be written off.

## Work done by the Joint Administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, against any fees estimate provided. Our fees estimate was included within our progress report to creditors dated 19 November 2021. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the Joint Administrators' fees incurred together with a numerical fees estimate variance analysis. Details of expenses incurred in connection with work done are provided in the 'Expenses' section below.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees (time costs) incurred		
<b>Trading</b>				<b>41 hrs</b>	<b>£22,828</b>	<b>£/hr 553</b>
<b>Trading general</b>	<ul style="list-style-type: none"> <li>Detailed cash flow analysis and projections to feed into our Estimated Outcome Statement</li> <li>Reviewing and approving payments for the wind down of the business</li> <li>Payment of remaining credit balance refunds to customers</li> </ul>	<ul style="list-style-type: none"> <li>To reduce trading costs to a manageable position and to ensure delivery of the key objectives of the administration</li> <li>By reducing the cost of trading, this would maximise the return to creditors</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Service Level Agreement</b>	<ul style="list-style-type: none"> <li>Negotiation of extension of Service Level Agreement (SLA) with Enova Group companies</li> <li>Ongoing monitoring of the SLA to support the wind down of services provided by Enova</li> <li>Termination of the SLA</li> </ul>	<ul style="list-style-type: none"> <li>To support continuation of trading</li> <li>The SLA is critical as CEU does not own a proprietary platform</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Supplier management and wind down of operations</b>	<ul style="list-style-type: none"> <li>Maintaining contact with the remaining suppliers to support orderly wind down of services</li> <li>Terminating the remaining suppliers as appropriate during the wind down process</li> </ul>	<ul style="list-style-type: none"> <li>To secure continuity of supplies and maintenance of key systems necessary to support asset realisations</li> <li>To support orderly wind down of operations and minimisation of operating costs</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Employees</b>	<ul style="list-style-type: none"> <li>Continuing phased redundancy programme in line with wind down of operations for remaining employees</li> <li>Holding regular update meetings with retained employees to continue to implement post-appointment protocols, including payroll, and attending to other ad hoc employee issues</li> </ul>	<ul style="list-style-type: none"> <li>Retention of certain employees is essential to maintain a 'business as usual' strategy necessary to allow recovery of the loan collections and other assets of the Company</li> <li>To maintain customer services to address customer queries including redress inquiries</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Assets</b>				<b>12 hrs</b>	<b>£6,057</b>	<b>£/hr 547</b>

<b>Debtors</b>	<ul style="list-style-type: none"> <li>Recovery of the pre-appointment prepayment and post-appointment refund balance from suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Necessary to realise the value of the company's asset</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Cash at bank</b>	<ul style="list-style-type: none"> <li>Ongoing monitoring of cash balances ahead of dividend payment</li> </ul>	<ul style="list-style-type: none"> <li>Necessary to ensure the orderly payment of the dividend to c. 72k creditors</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Investigations</b>				<b>4 hrs</b>	<b>£1,934</b>	<b>£/hr 455</b>
<b>Books &amp; records</b>	<ul style="list-style-type: none"> <li>Engaging a specialist data forensic team to assist with the extraction of files and data from the company's servers</li> </ul>	<ul style="list-style-type: none"> <li>Necessary to maintain key data for the company</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul>			
<b>Creditors</b>				<b>880 hrs</b>	<b>£371,300</b>	<b>£/hr 422</b>
<b>Unsecured (incl. redress creditors)</b>	<ul style="list-style-type: none"> <li>Providing updates to redress creditors by way of email, or through a wider update on the Joint Administrators' microsite</li> <li>Continuing to monitor dedicated case inboxes and respond to ad-hoc queries received from Redress Creditors following the dividend</li> <li>Regular communication and updates with the FCA regarding progress of the administration</li> <li>Meetings and correspondence with the FOS over redress claims management</li> <li>Liaison with Claims Management Companies regarding customer claims</li> </ul>	<ul style="list-style-type: none"> <li>To manage stakeholder expectations</li> <li>To ensure that potential redress creditors are kept abreast of all key updates</li> <li>To ensure that the communications process is as commercial as possible</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate</li> </ul>			
<b>Dividends</b>	<ul style="list-style-type: none"> <li>Execution of a dividend payment of c.£76.5m across c.71,000 of creditors</li> <li>Continual liaison with banks and review of bank reconciliations to identify unsuccessful dividend payments</li> </ul>	<ul style="list-style-type: none"> <li>To ensure all creditors details receive their payment where correct details have been provided</li> <li>To ensure communications are as clear as possible</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate</li> </ul>			



- Verification of updated banking details when provided by customer
- Management and execution of ongoing re-attempted dividend payments to customers where updated banking details had been provided
- Issue of cheques to customers with an initial unsuccessful electronic dividend payment
- Transfer of remaining returned dividend payments to Insolvency Service

**Administration****474 hrs    £184,116    £/hr 388****Appointment formalities**

- Filing of the necessary documents in order to discharge the Joint Administrators of their duties ahead of Administration closure
- Statutory requirement
- This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate

**Case management**

- Monitor files for the case and ensure statutory deadlines are adhered to
- Filing statutory documents on Companies House
- Quality assurance of any post-appointment credit balances and working with the Company's staff to refund these to the relevant customer/DMC
- Continual liaison with banks and review of bank reconciliations to identify unsuccessful dividend payments
- Verification of updated banking details when provided by customer
- Review and preparation of the data file for all c.71,000 Redress Creditors to enable the transfer of information from the Company's systems to our Insolvency Practice System
- Updating any creditor detail changes in accordance with the internal processes
- Required as part of the duties of the Administrators and their staff
- This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate

	<ul style="list-style-type: none"> <li>Resolve any issues regarding unclaimed monies</li> </ul>		
<b>Reports to creditors, notices &amp; decisions</b>	<ul style="list-style-type: none"> <li>Preparation of final creditor progress report and statutory notice</li> </ul>	<ul style="list-style-type: none"> <li>Required as part of the duties of the Administrators and their staff</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate</li> </ul>
<b>Treasury, billing &amp; funding</b>	<ul style="list-style-type: none"> <li>Processing and recording transactions arising during the period of the administration</li> <li>Ongoing monitoring and closure of the Administration bank accounts</li> <li>Arranging and accounting for the various receipts and payments of the Company</li> </ul>	<ul style="list-style-type: none"> <li>Required as part of the duties of the Administrators and their staff</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate</li> </ul>
<b>Tax</b>	<ul style="list-style-type: none"> <li>Ongoing consideration of tax position</li> <li>Continued to submit VAT returns</li> <li>Completing the VAT de-registration process</li> <li>Deal with issues should they arise following the submission tax clearance for distribution</li> </ul>	<ul style="list-style-type: none"> <li>Statutory compliance</li> <li>To meet all post administration tax liabilities</li> </ul>	<ul style="list-style-type: none"> <li>This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate</li> </ul>
<b>Total remuneration charged in the Period</b>			<b>1,412 hrs   £586,684   £/hr 416</b>

Commercial in confidence

Detailed SIP9 time cost analysis for the period and fee estimate variance analysis as at period end  
Period from 25/04/2022 to 24/10/2022

Area of work	Partner		Manager		Executive		Administrator		Period total			Year 3 fee estimate			Variance		Cumulative total as at period end (Year 1 & 2 & 3)		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£	Hrs	£	£/hr
Trading:																			
Trading (general)			41	22,828					41	22,828	553	366	231,098	631	325	208,271	4,207	2,212,569	526
Realisation of Assets:									12	6,507	547	216	137,712	639	204	131,205	1,587	925,192	583
Cash at bank			12	6,435					12	6,435	550						150	64,160	429
Insurance																	16	6,548	422
Loan book																	1,314	793,255	604
Other assets (incl. Trademark, IT platform, Legal & Property)					0	72			0	72	360						108	61,230	566
Investigations:									4	1,934	455	30	14,913	493	26	12,979	67	32,368	481
Debtor / director / senior employees																	35	18,545	528
Books & records			4	1,934					4	1,934	455						13	5,576	434
Investigations (general)																	19	8,247	427
Creditors:									880	371,300	422	992	623,681	629	112	252,381	6,089	2,985,582	490
Employees & pensions																	119	58,872	497
Unsecured (incl. Redress creditors)	11	9,668	326	178,000	157	72,383	237	38,240	731	298,291	408						5,768	2,818,082	489
Dividends	5	4,140	119	64,245	1	196	25	4,428	149	73,009	489						203	108,629	535
Administration:									474	184,116	388	1,571	661,124	421	1,097	477,008	4,260	1,890,130	444
Case management	10	8,740	128	74,956	7	2,254	34	8,058	177	92,006	521						1,529	894,476	585
Compliance & general administration matters																	341	112,171	329
Pensions																	66	37,271	565
Reports to creditors, notices & decisions			33	17,419	2	429	2	324	37	18,172	497						383	165,504	432
Tax	1	648	16	7,346	5	2,073	1	126	22	10,193	455						544	272,767	501
Treasury, billing & funding	1	460	47	22,148	161	35,694	30	5,445	239	63,746	267						1,396	407,941	292
Total	26	23,656	725	395,310	333	113,100	328	54,619	1,412	586,684	416	3,175	1,668,529	526	1,763	1,081,845	16,210	8,045,841	496

**Notes:**

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant manager and executives
- Adverse variances are presented in brackets
- Year 1 time costs paid £3,055,449 (excludes VAT)
- Year 2 time costs paid to date £3,098,799 (excludes VAT)
- Year 3 time costs paid to date £1,668,529 (excludes VAT)
- Total time costs paid to date: £7,822,777

- Please note that the actual time incurred in the Period may slightly differ to that reported in the table above. This is due to lags between time being recorded on our internal system by staff and then being posted to the case. We do not expect any differences to be material and any such discrepancies will be noted in our next report.

## Statement of expenses incurred in the Period

This table provides details of expenses incurred in the Period in connection with the work done by the Joint Administrators, description of which is provided in the 'Work done' / 'Fees estimate and work done in the Period' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
<b>Category 1 expenses</b>			
<b>Insolvency Bonding</b>	0	1,875	1,875
<b>Office Consumables</b>	245	1,163	1,163
<b>Trading Expenditure</b>	883,995	19,753,738	19,753,738
<b>Agents/Valuers Fees (1)</b>			
Lambert Smith Hampton	2,878	2,878	2,878
<b>Bank Charges</b>	200	113,371	113,171
<b>Corporation Tax</b>	0	450	450
<b>Data Protection fee</b>	0	120	120
<b>Debt sale related costs</b>	0	878,770	878,770
<b>Legal Fees</b>			
Squire Patton Boggs (US) LLP	0	10,549	10,549
Slaughter & May	12,507	584,582	584,582
Paul Hastings (Europe) LLP	0	226,644	226,644
<b>Ransom Payment (debt collection costs)</b>	0	60,487	60,487
<b>Re-Direction of Mail</b>	0	519	519
<b>Stationery &amp; Postage</b>	0	872	872
<b>Statutory Advertising</b>	0	154	154
<b>US Employee Costs</b>	361,959	7,873,570	7,873,570
<b>VAT irrecoverable</b>	137,370	2,313,296	2,313,296
<b>Total expenses</b>	<b>1,399,154</b>	<b>31,825,231</b>	<b>31,825,031</b>

Expenses are any payments from the estate which are neither the Joint Administrators' remuneration nor a distribution to a creditor or member, but they may include disbursements which are payments first met by and then reimbursed to the Joint Administrators from the estate. Expenses fall into two categories:

### Category 1 expenses

These are also known as 'out of pocket expenses' and are payments to third parties not associated with the Joint Administrators where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval from creditors.

**Category 2 expenses**

These are expenses directly referable to the insolvent estate but payments that are either to an associate, or that include shared or allocated costs that may be incurred by the Joint Administrators or their firm and that can be allocated to the appointment on a proper and reasonable basis. Category 2 expenses require approval in the same manner as the Joint Administrators' remuneration.

No category 2 expenses have been incurred to date.

**Payments to associates**

We confirm that, in the Period, we have not enlisted services from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has an association.

We confirm that in the Period, we have not enlisted any other services from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has an association.

Associate name	Services enlisted	Fee basis
Grant Thornton UK LLP	<ul style="list-style-type: none"><li>Tax work/advice (narrative is included within the above narrative of work done)</li><li>Data Forensics team (narrative is included within the above narrative of work done)</li></ul>	<ul style="list-style-type: none"><li>Costs are included within the above SIP9 time cost analysis</li></ul>

**Relationships requiring disclosure**

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the Joint Administrators' fee basis.

**Sub-contracted work**

We confirm that, in the Period, we have not sub-contracted any work that could otherwise have been carried out by us or our team.

**Information for creditors and members**

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.grantthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.

## Appendix E

### Notice of deemed consent procedure

Company name	CashEuroNet UK, LLC
Company number	FC032279
Court name and number	In the High Court of Justice, Business and Property Courts of England & Wales 007155 of 2019
Decision date	9 November 2022

NOTICE IS HEREBY GIVEN that under paragraphs 57 and 98 of Schedule B1 to the Insolvency Act 1986, decisions of the creditors are sought as follows:

- 1 The Joint Administrators be discharged from liability in accordance with paragraph 98 of Schedule B1 to the Insolvency Act 1986 with effect from 14 days after we send our final report to creditors
- 2 No creditors' committee be formed

Under section 246ZF of the Insolvency Act 1986 and rule 15.7 of the Insolvency (England and Wales) Rules 2016 if less than the appropriate number of creditors object to the proposed decision in accordance with the procedure set out below, creditors are to be treated as having made the proposed decisions.

The "appropriate number" of creditors is 10% in value of the creditors. If this threshold of objections is met, the deemed consent procedure will terminate without a decision being made and if a decision is sought again on the same matter it will be sought by a qualifying decision procedure.

A creditor may object to any one or more of the resolutions:

- by email to [cmusupport@uk.gt.com](mailto:cmusupport@uk.gt.com)
- in writing delivered to Chris M Lavery at Grant Thornton UK LLP, Landmark, St Peter's Square, 1 Oxford Street, Manchester, M1 4PB

Objections need to be received no later than 23:59 on the decision date. An objection must be accompanied by a proof of debt, unless a proof of debt has previously been submitted, failing which the objection will be disregarded.

I will aggregate objections and will presume the value of the claims of creditors, who in my view would have been entitled to vote had the decision been sought by a decision procedure, even where those creditors had not already met the criteria for such entitlement to vote.

A creditor whose debt is treated as a small debt in accordance with rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must deliver a proof of debt if they wish to object, unless a proof of debt has previously been submitted, failing which the objection will be disregarded.

A creditor who has opted out from receiving notices may nevertheless object if a proof of debt is submitted, unless a proof of debt has previously been submitted, failing which the objection will be disregarded.

A decision of the convenor is subject to appeal to the court by any creditor in accordance with rule 15.35 of the Insolvency (England and Wales) Rules 2016. An appeal under this rule may not be made later than 21 days after the decision date.

A physical meeting will be held to replace this deemed consent procedure if requested not later than five business days after the date of delivery of this notice by not less than one of the following:

- 10% in value of the creditors;
- 10% in number of the creditors; or
- 10 creditors.

DATED THIS 21ST DAY OF OCTOBER 2022



---

Chris Lavery  
Joint Administrator

