

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company All in One Finance Limited	Company number 00829441
In the High Court of Justice, Chancery Division, Leeds District Registry (full name of court)	Court case number 390 of 2015

(a) Insert full name(s) and address(es) of administrator(s)

We (a)
Daniel Smith
Grant Thornton UK LLP
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Joseph P McLean
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No 1 Whitehall Riverside
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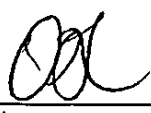
*Delete as applicable

attach a copy of our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 3 July 2015

Signed


 Joint Administrator

Dated

3/7/15

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to researchers of the public record

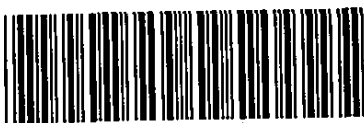
Daniel Smith
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DX Number

020 7184 4300
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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04/07/2015

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COMPANIES HOUSE



Our Ref DRS/PAM/BLA/EZF/A01001/
Your Ref

To the creditors

3 July 2015

Dear Sirs

Recovery and Reorganisation

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All in One Finance Limited - In Administration (the Company/AIOF)
High Court of Justice, Chancery Division, Leeds District Registry
No 390 of 2015

1 Introduction

1.1 Following our appointment as joint administrators of the Company by the Directors on 12 May 2015, Joseph P McLean and I (the Administrators) are submitting our proposals pursuant to paragraph 49(1) of Schedule B1 to the Insolvency Act 1986 for achieving the objectives of the administration

1.2 This report contains the information required by Rule 2.33 of the Insolvency Rules 1986

1.3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Administrators are to be exercised by either or both of them

2 Statutory information

2.1 The Company's statutory details are as follows

Registered number	00829441
Date of incorporation	1 December 1964
Registered office	c/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB
Authorised and issued share capital	2,004,000 of ORD £1 shares
Shareholders	Shareholding
Pennine Metals C Limited	2,004,000 of ORD £1 shares
Directors	
Colin Anthony Houlihan	Nil
Graham Pearson	Nil
Company Secretary	
Sisec Limited	Nil

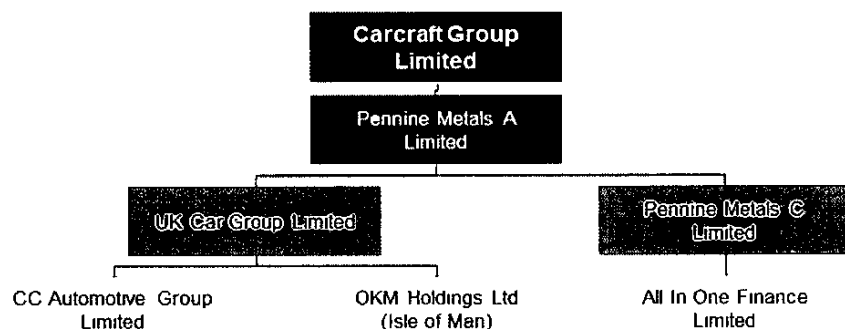
2.2 The Administration constitutes 'main proceedings' under the EC Regulation on Insolvency Proceedings

Chartered Accountants

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3 Background to Administrators' appointment

- 3.1 AIOF operated as the finance arm of the Carcraft Group (defined as Carcraft Group Limited and its subsidiary undertakings)
- 3.2 The Carcraft business had been operated within a legal entity named CC Automotive Group Ltd (CCAG) since 1964. The Carcraft business
- was the UK's seventh largest second hand car retailer with an annual turnover of c£120 million, selling 225 cars a week
 - was headquartered in leasehold premises in Rochdale, North West England and operated from 10 other leasehold sites across England and Wales
 - employed 474 staff prior to redundancies (which had reduced from over 550 historically)
 - brokered finance on behalf of 18 external finance providers, and
 - provided the Drive Happy Guarantee Package (DHP) which was an MOT, servicing, warranty and roadside assistance package, provided to Carcraft customers
- 3.3 AIOF is ultimately owned by Carcraft Group Limited, as noted in the extract of the Carcraft Group structure (which excludes dormant entities)



- 3.3 Three entities within the Carcraft Group are, or have previously been, regulated by the Financial Conduct Authority (FCA), and previously the Office of Fair Trading. These include UK Car Group Limited (UKCG) and AIOF.
- 3.4 AIOF provided finance to Carcraft customers, on a non-exclusive basis, in the form of the following types of loans:

Hire Purchase loans

- A hire purchase loan to a Carcraft customer where AIOF benefited from the security of the underlying vehicle (ie where a customer would ultimately own the car following settlement of the full loan balance)
- These loans
 - typically included a £995 DHP for three years (or a single year's DHP was provided for free)
 - were over three to four year terms
 - were managed by Marsh Finance Limited (Marsh) an independent third party collection agent

- The majority of these loans were subject to block discounting arrangements with Hitachi Capital (UK) PLC (Hitachi), Siemens Financial Services Limited (Siemens) or Conister Bank Limited (Conister) (together the Block Discounters) Such arrangements existed where AIOF received an advance payment from the Block Discounter in return for the Block Discounter taking security over the loans and being repaid over a similar timeframe to the underlying loans
- The terms of the block discounting arrangements meant that in the event of an insolvency of AIOF, the Block Discounters could take control of the loans and direct the customers to make payments directly to them
- There were 1,340 such loans, of which 544 are considered "live" (defined as a loan that is not in default) Of the "live" agreements, 510 have been granted as security to the Block Discounters, leaving 34 unencumbered and owned by AIOF

Secondary loans

- A fixed sum loan agreement which included one, or both, of the following
 - an up to five year DHP (typically up to a total cost of £1,995)
 - a "top up" element of a vehicle (ie where the total agreed cost of the vehicle (payable by the customer to Carcraft) exceeded the amount that a third party funder would provide on a Hire Purchase loan)
- These loans were
 - typically over three to five year terms
 - managed by The Nostrum Group Limited (Nostrum), an independent third party collection agent
- The majority of the AIOF secondary loans were sold to Aktiv Kapital AS (Aktiv) between February 2014 and February 2015 Aktiv was sold to PRA Group (UK) Limited (PRA, an independent acquirer of consumer debt) in January 2015 following which all of the loans that were sold to Aktiv were novated to PRA Given these events, such loans are now owned by PRA
- We understand that all affected customers were notified (by letter in February/March 2014) of the sale of the loans to Aktiv/PRA, as well as receiving a letter (in late 2014/early 2015) which confirmed that the direct debit payments would change to an account in the name of PRA (affected customers should see the name "PRA" on the direct debits within his/her bank statements)
- There were 14,403 such loans, of which 12,730 have been sold to Aktiv/PRA, leaving 1,673 owned by AIOF

Insolvency of Group companies

- 3 5 Pennine Metals A Limited (PMA) is the parent company of UKCG and acted as an intermediary holding company Pennine Metals C Limited (PMC) is the parent company of AIOF and acted as an intermediary holding company
- 3 6 On 28 March 2014, the Carcraft business was restructured through a Management Buy Out (MBO), backed by various discretionary trusts (the Apollo Trusts) Noel and Darren McKee and Steve Nobes resigned as directors of the Carcraft Group companies at the date of the MBO (although Steve Nobes was subsequently appointed as a non-executive director, see below)
- 3 7 The Chief Executive Officer (CEO) at the point of the MBO, Robin Bridge, resigned as a director on 12 September 2014

- 3 8 The Carcraft Group incurred significant losses in recent years
- c£6.9 million in the financial year ending 30 September 2012
 - c£10.2 million in the 18 month period ending 31 March 2014, and
 - c£9.8 million in the 13 month period ending 30 April 2015 (based on draft management information)
- 3 9 AIOF itself made a profit of
- c£1.69 million in the financial year ending 30 September 2012
 - c£0.73 million in the 18 month period ending 31 March 2014
 - c£0.23 million in the 13 month period ending 30 April 2015 (based on draft management information)
- 3 10 On 11 September 2014, Colin Houlihan was appointed as the Carcraft Group's new CEO. Prior to this, non-executive directors (including Steve Nobes) were appointed to represent the interests of the shareholders. The new board also included Graham Pearson as Chief Operating Officer (COO).
- 3 11 In late 2014 and early 2015, the Directors assessed the position of the business and concluded that the Carcraft Group operated in a highly competitive market, and had suffered from poor market reputation, a lack of investment over a number of years, held a high cost base (including significant rent costs which the Directors believed were above the prevailing market rate), loan notes and an insolvent balance sheet. These issues were exacerbated by legacy Payment Protection Insurance mis-selling (PPI) claims.
- 3 12 Against this backdrop, the Directors, who were in the main, new appointees, prepared a turnaround plan in an attempt to bring the Carcraft business to a breakeven position (with the ultimate aim of returning to profitability) through a change in focus to a high volume, lower margin model. This would have required significant investment in the Carcraft infrastructure and would have seen a rationalisation of costs (including concessions from the Carcraft Group's landlords).
- 3 13 In January 2015, the new Board approached the Apollo Trusts to provide the equity support for the turnaround plan.
- 3 14 Grant Thornton UK LLP (the Firm) was first consulted by the Directors of Carcraft Group Limited (the ultimate holding company of AIOF) on 5 February 2015 with a view to the Firm giving advice on the financial position of the Carcraft Group (defined as Carcraft Group Limited and its subsidiary undertakings) and its options should the necessary equity support not be provided.
- 3 15 Prior to that consultation, neither we, nor the Firm had any dealings or involvement with the Carcraft Group, its directors or secretary.
- 3 16 Carcraft Group engaged the Firm by letter of engagement dated 6 February 2015 to assist with an assessment of the options available to it, as well as to identify potentially interested parties to fund the turnaround plan (should the Apollo Trusts not provide funding).

- 3 17 We understand that on 8 February 2015, the Apollo Trusts confirmed that such equity support would not be provided and the Apollo Trusts confirmed that they would not object to a new investor(s) being identified who could support the turnaround plan
- 3 18 On 9 February 2015, the non-executive directors (who represented the shareholders) resigned (as directors of Carcraft Group Limited)
- 3 19 On 9 February 2015, the Firm's engagement was widened to include an accelerated process to identify, and approach, possible parties who may have been interested in supporting the turnaround plan as well as purchasing the Carcraft business
- 3 20 Over the course of February and March 2015, 28 interested parties were approached, 12 of whom signed non-disclosure agreements (NDAs) and were provided with the turnaround plan
- 3 21 On 27 February 2015, the Firm's duty of care under the engagement letter dated 6 February 2015, was extended to include Lombard as the largest stocking funder at that date
- 3 22 Discussions with interested parties continued, but for the reasons set out above that had driven the need to create the turnaround plan, only one party retained a credible interest in financing a turnaround plan and was prepared to provide the funding to try to implement the plan
- 3 23 As part of the need to reshape the business, the Directors took steps to close the Merseyside site in March 2015
- 3 24 The business had been unable to pay its liabilities as and when they fell due, and as a result the rent payments due on 24 March 2015 were not able to be made
- 3 25 In order to maintain any prospect of delivering the necessary financial support, a short period of due diligence was required. Because of prevailing legal action, the Directors of CCAG and UKCG sought (and received) permission from the FCA to file a Notice of Intention to Appoint Administrators (NOI) on Thursday 16 April 2015. The Directors of PMA also filed a NOI on 16 April 2015.
- 3 26 Having considered all the options, the directors of Pennine Metals C Limited (PMC) concluded that the most appropriate action for that company was for it to be placed into Administration and subsequently, on Thursday 16 April 2015, made the direct appointment of the Administrators in accordance with paragraph 22 of Schedule B1 to the Insolvency Act 1986.
- 3 27 Management continued to explore the structure for a sale of elements of the Carcraft Group, which was critically dependent on future rent concessions with the landlords, and a significant equity investment.

- 3 28 Following further negotiations, and the conclusion of due diligence, the sole remaining interested party confirmed that it would not be able to provide the required level of equity investment and Management concluded, on Monday 27 April 2015, that a sale of the Carcraft business was unlikely and that CCAG, UKCG and PMA should prepare for Administration appointments
- 3 29 In light of the impending Administration appointments across the Carcraft Group, and the inability of AIOF to continue to operate as a standalone business (as its sole source of business was Carcraft and it was reliant on common systems), the Directors of AIOF sought permission from the FCA to file a NOI, on Tuesday 28 April 2015
- 3 30 A second NOI was filed by the directors of CCAG, UKCG and PMA on the morning of Wednesday 29 April 2015 given that the first notice was due to expire
- 3 31 At 12 noon on Wednesday 29 April 2015 the largest stock funder to CCAG terminated its vehicle stocking facility and notified the Directors of its intention to repossess its vehicles commencing on Thursday 30 April 2015
- 3 32 In light of this statement of intention, and having considered all the options, the Directors of CCAG, UKCG and PMA concluded that the most appropriate option for those companies, (and their employees and their creditors) was for them to be placed into Administration and consequently, on Thursday 30 April 2015, the Directors made the direct appointments of Administrators in accordance with paragraph 22 of Schedule B1 to the Insolvency Act 1986
- 3 33 On Friday 1 May 2015 the FCA provided consent to the filing of a NOI against AIOF, which was duly served on the qualifying floating charge holders (QFCs) (Hitachi, Conister, Siemens and National Westminster Bank plc (the Bank))
- 3 34 In light of the impending Administration appointment over AIOF
- Hitachi formally terminated its block discounting facility on Tuesday 5 May 2015
 - Siemens formally terminated its block discounting facility on Friday 8 May 2015
- 3 35 Following expiry of the required five clear business days' notice to the QFCs, the Directors of AIOF concluded that the most appropriate option for that company, (and its creditors) was for it to be placed into Administration and consequently, on Tuesday 12 May 2015, the Directors made the direct appointment of Administrators in accordance with paragraph 22 of Schedule B1 to the Insolvency Act 1986
- 3 36 The objective of an Administration is to rescue the company as a going concern or to achieve 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, if neither of these is reasonably practicable, to realise property in order to make a distribution to one or more secured or preferential creditors
- 3 37 Certain of the creditors of AIOF may also be creditors of CCAG and therefore may have already received copies of similar documentation to this document in respect of CCAG

- 3 38 Subsequent to the Administration appointment over AIOF, Conister formally terminated its block discounting facility, on Friday 15 May 2015

4 Assets and liabilities

- 4 1 The Directors have prepared a statement of affairs for the Company, which is attached at Appendix A, together with our comments thereon below, and in Section 6
- 4 2 There is not likely to be a prescribed part of floating charge assets to be set aside for the benefit of unsecured creditors under Section 176A of the Insolvency Act 1986, as we are not aware of any outstanding debt that is secured by a floating charge due by the Company
- 4 3 The Directors' statement of affairs indicates that there may be £1,005,527 of gross realisations
- 4 4 We note that the statement of affairs is presented prior to administration expenses. In addition, the level of net realisations derived from the loan books is as yet uncertain
- 4 5 In order to comply with data protection legislation, we have not separately noted the c15,000 (originally) AIOF/CCAG customers, who may be creditors of AIOF and CCAG (ie where the customers holds "live" loan agreements that were originated by AIOF)

5 Conduct of the administration

Trading and financing of the administration

- 5 1 Following the appointment of Administrators to CCAG on Thursday 30 April 2015, the Directors of AIOF ceased to enter into new loans with Carcraft customers (due to the cessation of the Carcraft business operations)
- 5 2 Upon our appointment, we considered the prospect of achieving a sale to rescue the Company as a going concern, but this was not possible due to
- the inability of AIOF to continue to operate as a standalone business as its sole source of business was Carcraft (which itself had ceased to trade)
 - the fact that the new business operations of AIOF had ceased to trade prior to our appointment
 - AIOF's reliance on common systems provided by CCAG (which were in the process of being closed)
 - the significant contingent liability associated with the cessation of the Carcraft DHP, which comprised c67% of the secondary loan books (thereby providing a significant bad debt risk)
 - the lack of a realistic prospect of finding a buyer for the business in a short timeframe that had both the interest, and ability, to take over the AIOF Company and, critically, had the FCA authorisations required to do so
- 5 3 We concluded that the most appropriate way of achieving the objective of the Administration was to seek to collect out the Hire Purchase and Secondary loan books, in order to maximise the realisations for the creditors and provide a better result for the AIOF's creditors as a whole than would be likely if AIOF were wound up (without previously having been in Administration)

The cessation of the DHP and its impact on AIOF

- 5 4 As noted above, the DHP was an MOT, servicing, warranty and roadside assistance package, provided by CCAG to its customers. The DHP was provided either as a free 12 month product or could be purchased for up to a total of five years for an additional cost.
- 5 5 Typically, customers
- financed the DHP through third party finance houses, or AIOF (although a small number paid for the DHP in cash or on a credit/debit card)
 - paid for an extended DHP over the full term of the extended policy
- 5 6 The company records of CCAG indicated that the monthly cost of servicing the DHP products exceeded £100,000 (in addition to the overhead and fixed labour cost base of the 10 Carcraft workshops). This ongoing cost led to the immediate cessation of the DHP service on the appointment of the Administrators to CCAG on Thursday 30 April 2015.
- 5 7 As a result of the DHP provision ceasing, CCAG is not able to provide roadside cover, MOT, service or ongoing warranty service. Nor is CCAG able to settle any associated costs of the DHP customers. Any such costs will be an unsecured claim against the CCAG estate.
- 5 8 Prior to June 2011, CCAG provided a product called the Nationwide Automotive Cover (NAC) Guarantee (which provided cover for mechanical failure only).
- 5 9 The CCAG company records indicate that there are c29,000 customers who hold a 'live' DHP (or the NAC).
- 5 10 The Administrators of CCAG, have been unable to source an alternative to the DHP (or NAC), as the costs of a comparable product are seen as prohibitively expensive. As such, customers, regrettably, will have to make their own arrangements for on-going roadside cover, MOT, service or warranty work.
- 5 11 The Administrators of CCAG have been successful in procuring an offer from the RAC of three months' complimentary breakdown cover which all former CCAG DHP customers could enjoy. Customers have been contacted by text message and email, with details as to how to take advantage of this offer (which is subject to conditions and ends on 31 August 2015).
- 5 12 We are aware that the majority of AIOF's customers had used an AIOF loan to pay for a DHP (as well as a vehicle in part or in full in certain instances).
- 5 13 In order to comply with the "Treating Customers Fairly" principles of the FCA, we (in our capacity as Administrators of AIOF) have agreed (without prejudice to any claim AIOF may have against CCAG) to reflect the cessation of the DHP in the on-going AIOF loans. We set out the position regarding the different classifications of loan books below.

Assets

Hire Purchase loan book

- 5 14 Prior to the facility termination action by the Block Discounters, AIOF owned a Hire Purchase loan book of c£3 7 million, across 544 "live" loan agreements
- 5 15 The Block Discounters held security over 510 of these Hire Purchase loans, with a receivable balance of c£3 4 million
- 5 16 A summary of the composition of these loans is set out below

Owner	Remaining balance (£'000)	Number of loans
AIOF	339	34
Siemens	2,795	370
Hitachi	404	96
Conister	199	44
	3,737	544

- 5 17 As noted above, the Block Discounters all terminated their facilities with AIOF and instructed Marsh to account directly to them for the monthly direct debits (which we consider acceptable in the circumstances)
- 5 18 As noted in paragraph 3 4 above, the Hire Purchase loans typically included a DHP Overall, c10% of the unencumbered Hire Purchase loan value related to DHPs
- 5 19 We have retained Marsh as the collection agent for the unencumbered Hire Purchase loans, on a performance basis
- 5 20 In light of the cessation of the DHP, as noted in paragraph 5 13 above, the Administrators of AIOF have instructed Marsh to reduce by a commensurate amount, the monthly payments made by Hire Purchase customers where the loan previously included payments in respect of a DHP
- 5 21 Following the amendments to the Hire Purchase loans, there is a gross unencumbered receivable balance of c£300,000 (subject to future bad debts and direct collection costs)

Hire Purchase loans that were subject to the Block Discounters' security

- 5 22 Following the termination of the Block Discounters' facilities, we are unable to comment on the status of the loans that were subject to the Block Discounters' security, as AIOF no longer is the beneficiary of the loan payments
- 5 23 If a customer is unsure if his/her loan was subject to Block Discounters' security, please contact allinonefinance@uk.gt.com with your name, address and AIOF loan reference number

Secondary loan book

5 24 At the date of our appointment, AIOF owned 1,670 secondary loans, with a gross receivable balance of £2.9 million

5 25 This remaining loan book is summarised as follows

	Remaining balance (£'000)	Number of loans	Administrators' approach (without prejudice to any claim AIOF may have against CCAG)
DHP only loans	1,416	967	Cancel the loans with effect from 12 May 2015 (ie the date of the Administrators' appointment to AIOF) Refund any payments received after 12 May 2015 to customers
Mixed loans, including a proportion of DHP and a vehicle			Early settlement of the DHP element, reflected as a reduction in the monthly payment with effect from 12 May 2015
- DHP proportion	531	404	Refund the DHP element of payments received after 12 May 2015 to customers
- Non DHP element	569		
Loans without DHP	392	299	Loans collected on existing terms
	2,908	1,670	

5 26 We have retained Nostrum as the collection agent for the unencumbered loans on a performance basis (with minimum monthly charges). We have also instructed Nostrum to undertake the work to ensure that the Administrators' approach set out above is accurately reflected in the loan paperwork (for a fee of £20,000 plus VAT)

5 27 Following the amendments to the Secondary loans, there is a gross unencumbered receivable balance (including future interest) of c£1.5 million, of which c£0.6 million is classed as "in recoveries" (and therefore is likely to carry a higher bad debt risk)

5 28 Following our appointment, c£82,000 of payments have been received from customers. Of these,

- c£21,000 has been refunded to customers where the payment related to a DHP
- c£29,600 has been transferred to PRA as these funds were held on trust for PRA

5 29 The net funds received post appointment of £31,700, have been retained in the pre appointment bank account and are therefore not yet included within the receipts and payments account presented in Appendix B. We are currently undertaking a reconciliation of these funds to assess the quantum that can be retained.

Secondary loans that were sold to Aktiv/PRA

5 30 Following the sale of Secondary loans to Aktiv/PRA between February 2014 and February 2015, we are unable to comment on the status of the loans as they are now owned by Aktiv/PRA.

5 31 If a customer is unsure if his/her loan has been sold, please contact all@nonefinance@uk.gt.com with your name, address and AIOF loan reference number.

- 5 32 Following the administration of CCAG and AIOF, the DHP product could not be provided and so, for customers whose loans had been acquired by PRA, PRA has been able to source an alternative provider of products under the DHP. The provider of these services has recently written to all relevant customers to offer them the opportunity to take on this new product and continue to repay their outstanding loan.

Cash at bank

- 5 33 As at the date of our appointment AIOF held c£460,000 in cash at National Westminster Bank plc (the Bank). We have made enquiries with the Bank to ascertain what level of cash is available to transfer to the AIOF Administration.

Corporation tax refund

- 5 34 The company books and records indicate a possible Corporation Tax refund of c£150,000. We will discuss recovery of this refund with HM Revenue & Customs, but we expect Crown set off to apply.

Receipts and payments account

- 5 35 Our receipts and payments account covering the period 12 May 2015 to 3 July 2015 is attached at Appendix B.

6 Liabilities

Secured creditors

- 6 1 AIOF's secured creditors comprised the Bank and the Block Discounters.
- 6 2 We have not yet been notified of any debt due to any of the secured creditors.
- 6 3 As at the date of our appointment, the Bank's accounts were in a net credit position (as noted above).

Preferential creditors

- 6 4 We are not aware of any employees who claim to be directly employed by AIOF, as AIOF utilised CCAG's staff and paid a monthly recharge to cover the services provided.
- 6 5 As such, we do not expect to receive any preferential creditor claims.

Unsecured creditors

- 6 6 The Directors' statement of affairs indicates total creditor balances of £3,406,987 (£3,171,393 of which is due to CCAG).
- 6 7 In addition to these liabilities, we expect that the following creditors may hold claims:
- PRA, in relation to the impact of the cessation of the DHP on its original AIOF loans
 - HMRC in respect of a VAT liability corresponding to AIOF's place in the CCAG VAT Group up to 10 February 2015
 - former customers of AIOF who may have claims in respect of the cessation of the DHP, historic mis-selling, or other complaints

FCA

- 6 8 A regular dialogue has been maintained with the FCA, across the Carcraft Group
- 6 9 Following confirmation, from the FCA, that the collection arrangements in place with Marsh and Nostrum (as set out above) allow AIOF to rely on the exclusion available for the 60B activity of exercising the lender's rights under a Consumer Credit Act 1974 (CCA) agreement, we withdrew AIOF's application for FCA approval on Thursday, 18 June 2015 (confirmation of withdrawal is awaited)
- 6 10 For completeness, CCAG's application for FCA approval was withdrawn (by the Administrators of CCAG) on Friday, 22 May 2015 (confirmation of withdrawal received on Friday, 5 June 2015) as it was clear that CCAG no longer required its interim permission

7 Creditor communication

- 7 1 As noted above, there are c15,000 customers of AIOF who may be affected by the cessation of the DHP product and may ultimately be creditors of the AIOF estate. Each single page letter posted to this quantum of creditors would be a c£9,000 cost in the Administration. As such we have sought, and obtained, Court approval to communicate with creditors through the following website

www.grant-thornton.co.uk/portal

- 7 2 An initial letter has been issued to all creditors setting out the details of the above web portal, together with credentials to access the information
- 7 3 Creditors are invited to access the website regularly for updates and should expect the following key documents
- Joint Administrators' Proposals (this document) dated Friday, 3 July 2015
 - Notice of the outcome of the meetings of creditors
 - Joint Administrators' six month progress report (due within one month after every six months after the Joint Administrators' appointment, or earlier should the Joint Administrators convert the Administrations to Liquidation, which is the intention subject to approval of these proposals)
 - Notification of the Joint Liquidators' appointment (subject to approval of the Joint Administrators' proposals at the aforementioned creditors' meeting)
 - Provision of a claim form for creditors to submit claims to the Joint Liquidators
 - Joint Liquidators' annual progress reports, due within two months of each anniversary of the Joint Liquidators' appointment

8 Creditor claims

- 8 1 Creditors' claims will be requested by, and reviewed by any duly appointed liquidator (this is not a role that an administrator completes). Such a liquidator will provide creditors with a claim form on which to submit their claims, shortly after to appointment of a liquidator(s).

Claims under Section 56 or 75 of the CCA

- 8 2 A customer may have a remedy under the CCA in certain circumstances where the supplier (in this instance CCAG) is unable to fulfil its obligations where a transaction between the customer and the supplier has been financed by a regulated credit agreement.
- 8 3 Section 56 of the CCA may provide a customer with the right to rescind a credit agreement, treat the agreement as having been repudiated and/or recover damages from the finance provider where certain contractual statements or misrepresentations were made by the supplier (as agent for the finance provider) in relation to a particular aspect of the goods or services financed by the regulated credit agreement in the course of negotiations conducted with the customer in the course of the making of the agreement.
- 8 4 Section 75 of the CCA enables a customer to pursue a "like" claim against the finance provider where he/she has a potential claim against a supplier in relation to a breach of contract or misrepresentation relating to the transaction financed by the agreement. This can in effect require the finance provider to fulfil the obligations of the original transaction, where the original transacting party cannot.
- 8 5 We are aware that CCAG is unable to fulfil its obligations under the DHP, which has been paid for (in certain instances) under regulated finance products provided by AIOF. In such circumstances, we expect to receive claims from AIOF customers as a result of CCAG's inability to fulfil its obligations. Such claims are unsecured creditors of AIOF.
- 8 6 Notwithstanding that such claims are unsecured claims against AIOF, we have taken the approach set out in 5 20 and 5 25 above to provide a remedy for these customers.

PPI claims

- 8 7 The Joint Administrators have been in correspondence with the Financial Services Compensation Scheme (FSCS) to understand how the scheme may be able to assist customers of the Company with potential PPI claims.
- 8 8 The FSCS is the UK's statutory fund of last resort for customers of financial services firms. This means that FSCS can pay compensation to consumers if a financial services firm is unable, or likely to be unable, to pay claims against it. The FSCS is an independent body set up under the Financial Services & Markets Act 2000 (FSMA). It does not charge individual consumers for using the service.
- 8 9 For further information you may wish to visit the website at www.fscs.org.uk.
- 8 10 Should you have any queries in respect of your potential PPI claim, please contact the FSCS customer services team directly on 0207 741 4100 or Freephone 0800 678 1100.

9 Proposals for achieving the objective of the Administration

- 9.1 The Administrators will pursue the objective of 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)
- 9.2 This objective will be achieved by the Administrators
- seeking to collect out the Hire Purchase and Secondary loan books, after reflecting the cessation of the DHP products as set out in Section 5 above
 - undertaking a detailed analysis of the pre appointment cash at bank, as well as post appointment receipts, to assess what level of these funds may be retained
 - withdrawing the AIOF application for FCA approval following confirmation from the FCA that AIOF may rely on the exclusion available for the 60B activity of exercising the lender's rights under a CCA agreement given the engagement of Marsh and Nostrum
 - communicating through the Carcraft website (and Giant Thornton UK LLP web portal), by email and text message the position regarding the loan agreements
 - liaising with PRA to provide information in respect of the loan agreements to mitigate their losses (and therefore creditors' claims)
 - engaging
 - Marsh to manage collections of the unencumbered Hire Purchase loan book on a performance basis
 - Nostrum to manage collection of the Secondary loan book and to reflect the necessary changes to the Secondary loans as set out in Section 5
 - Addleshaws Solicitors, Leeds to act on all legal matters on a time costs basis (a payment on account of £15,000 plus disbursements and VAT has been made in respect of post appointment advice)
 - legal counsel where the Administrators see fit (on a time costs basis)
 - other agents to seek recovery of other assets
 - liaising with customers to assist with ad hoc queries
- 9.3 For clarification, it is not envisaged that the remaining unencumbered loan books will be sold immediately and these will be collected by the Administrators. The Administrators will consider all avenues to accelerate recovery of the loan books and may explore bulk sale options in due course
- 9.4 It is proposed that the Administration will end by the Company entering creditors' voluntary liquidation, or if there are no monies available for unsecured creditors, by the dissolution of the Company. If the Company is placed into creditors' voluntary liquidation, it is proposed that the administrators in office at that date will be appointed liquidators, and that any act in the liquidation(s) is to be done by any one or more of the liquidators. However, creditors may nominate a different liquidator (or liquidators) if nomination to that effect is received before the approval of these proposals

10 Administrators' remuneration and disbursements

- 10.1 The basis of the Administrators' remuneration is to be fixed by the creditors. If a creditors' committee is appointed at a meeting convened to consider this statement of proposals, then this is a matter for such a committee.
- 10.2 If no committee is appointed at the meeting of creditors (see Section 11 below), a resolution will be put to creditors. A resolution in this regard is included within the proxy/voting form enclosed.
- 10.3 Pre-administration costs unpaid at the date of appointment of the Administrators may also be approved as above under Rule 2.67A to rank as an expense of the Administration. Approval of the statement of proposals does not constitute approval either of the Administrators' remuneration, or of unpaid pre-administration costs.

Unpaid pre administration costs

- 10.4 In accordance with our letters of engagement dated 6 and 9 February 2015, we have incurred costs in relation to work with a view to AIOF entering administration, as follows:
- Grant Thornton UK LLP (Grant Thornton) time costs totalling £18,423 plus VAT
 - Addleshaws Solicitors time costs relating to legal advice provided with a view to AIOF entering administration, totalling £15,000 plus disbursements and VAT
- 10.5 These costs primarily relate to the following work:
- contingency planning for an administration process including assessing the legal implications of the cessation of the DHP and its impact on the AIOF loans
 - maintaining a dialogue with the FCA
 - liaising with AIOF's secured creditors regarding the impending administration process
 - assessing the likely outcome for all stakeholders of AIOF
- 10.6 The parties to our engagement letters were:
- Carcraft Group Limited (and its subsidiary undertakings) and Lombard for the letter dated 6 February 2015
 - Carcraft Group Limited (and its subsidiary undertakings) for the letter dated 9 February 2015
- 10.7 The above listed work was undertaken outside of an administration process in order to maximise realisations and to seek an orderly Administration, as well as to enable prompt communication with the AIOF customers and thereby minimise the loss to creditors.
- 10.8 As set out in paragraph 9.3 above, we will seek approval from the creditors to the above costs ranking as an expense of the administration in accordance with Rule 2.67A of the Insolvency Rules 1986.

Settled pre appointment costs

- 10.9 Whilst no pre appointment costs were paid by AIOF, for completeness we outline below the pre appointment costs incurred and paid by CCAG.

10 10 Grant Thornton was paid £258,858 in relation to the letters of engagement dated 6 and 9 February 2015. The scope of work was to

- seek a buyer for the Carcraft Group, including
 - identifying potential investors
 - assisting management to prepare information to potentially interested parties
 - approaching buyers and attending meetings with interested parties
 - preparing regular updates on the progress of the sales process
- assist the Carcraft Group to assess its options in light of the financial difficulties experienced
- prepare a contingency plan for the Carcraft Group as well as for Lombard
- attend meetings with key stakeholders
- make enquiries with HMRC in respect of the VAT position of entities within the Carcraft Group
- prepare regular updates on the cash position of the Carcraft Group

10 11 Our firm's time costs for this assignment totalled £271,510. The balance of £12,651 has been written off.

Post appointment Administrators' remuneration

10 12 Background information regarding the fees of administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, we will supply this information by post on request.

10 13 The Administrators will request that their remuneration be calculated according to the time properly given by the Administrators and their staff in attending to matters arising in the Administration. Time is charged in 6 minute units at the following hourly rates:

Grade	£ per hour
Partner	760
Director	580
Senior Manager / Associate Director	525
Manager	400
Senior / Executive	305
Administrators, Assistants, Apprentices and others	95 to 175

10 14 The Administrators will charge out of pocket expenses at cost. Mileage is charged at the standard rates used from time to time by Grant Thornton UK LLP. VAT is added to disbursement charges as necessary.

10 15 Payments of the Administrators' remuneration and disbursements are to be met from funds held in the administration in priority to the claims of creditors.

10 16 Time costs to date amount to £124,069.

10 17 An analysis of time in accordance with Statement of Insolvency Practice 9 is attached at Appendix C.

11 Meeting of creditors

11.1 A meeting of creditors, pursuant to paragraph 51 of Schedule B1 to the Insolvency Act 1986 will be held on Monday, 20 July 2015 at the offices of Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB, at 2.30pm

11.2 Formal notice of the meeting of creditors is enclosed

11.3 If you have any questions relating to the meeting itself, please contact allinonefinance@uk.gt.com

Yours faithfully
for and on behalf of All In One Finance Limited



Daniel Smith
Joint Administrator

The affairs, business and property of All in One Finance Limited are being managed by Daniel Smith and Joseph P McLean, appointed as joint administrators on 12 May 2015

Name of Company: All in One Finance Limited (00829441)
Date of Appointment: 12 May 2015

A - Summary of assets

Assets	Book Value £	Estimated to realisable £
Assets subject to fixed charge		
HP loan book	1,332,115	
Less: Asset's Documentary Debt	(1,332,115)	
Equity in HP loan book	1,033,798	0
Assets subject to floating charge		
PLA loan book	1,339,155	276,798
Trade debtors	411,802	411,802
Other debtors	46,814	46,814
Intercompany debtors	308,996	0
	194,000	0
Uncharged assets		
Estimated total assets available for preferential creditors	6,746,115	1,005,577

A1 - Summary of liabilities

Liabilities	Estimated to realisable £
Estimated total assets available for preferential creditors (carried from page A)	1,005,577
Preferential creditors:	
Estimated deficiency/ surplus in respect of preferential creditors	0
Estimated prescribed part of net assets where applicable (to carry forward)	0
Estimated total assets available for floating charge holders	1,005,577
Claims secured by floating charges	
Estimated deficiency/ surplus of assets other floating charges	0
Estimated prescribed part of net assets where applicable (brought down)	0
Total assets available to unsecured creditors	1,005,577
Unsecured non-preferential claims (including any shortfall in floating charge holders)	
Estimated deficiency/ surplus in respect of non-preferential creditors (including any shortfall in floating charge holders)	1,424,817
Charged to floating charge holders (brought down)	
Estimated deficiency/ surplus in respect of charged creditors	0
Interest and called up capital	1,005,577
Estimated deficiency/ surplus in respect of unsecured creditors	
Signature: <i>[Signature]</i>	
Date: 8/6/15	

Notes to Statement of Affairs

- HP loan book realisations previously assumed as full given observations notwithstanding which could be marshalled given ADP's bankruptcy
- PLA loan book
Gross loan book 8,198,215
Less loan cost 185,002
Net realisable value 7,993,213
Estimated to realisable 126,798
- Net realisable value of 126,798 assumed for preference. Realisation to realisable value is a realisable value of 126,798 assumed as 126,798. Cash to realisable for floating charge holders (estimated) 126,798. Estimated to realisable 126,798.
- Total debtors realisations assumed at 126,798 of loan value is given for value for interest due for March for collections under uncharged arrangements
- Other debtors
Prepayment 3,824
Deferred facility re-employment 5,716
Corporation tax 88,471
Tax and social security 10,113
TOTAL 108,130
Realisations of other debtors likely to be negligible. Cash assumed for preference
- Intercompany debtors
Business Loan Order 194,000
Realisable realisations from ICA realisations (including unsecured creditors in other small companies) therefore assumed 100 for preference
- ADP had no direct employees
- No prescribed part given the company didn't have any assets
- PLA given (brought down) report from its fixed charge assets
Unsecured creditors
Cash Creditors 1,375,393
Other Creditors 1,339
Trade Creditors 1,176
Trade Creditors - Other 1,176
Deferred Income 47,476
Accounts 5,027
TOTAL UNCHARGED CREDITORS 2,920,507
ADP (including surplus of all other creditors with unsecured claims with debtors (i.e. net))
Excludes surplus 77 debtors which result in surplus as a result of CCA(2) and having able to pay 100% in collections under DAP
Excludes any debt and amount VAT (including from ADP being part of the Carriage VAT split)

Grant Thornton UK LLP
All in One Finance Limited
B - Company Creditors

Key	Name	Address	£
CA00	Accruals		53,027 00
CC00	Conister Bank Limited	FAO Kevin Farrington GCGI, Clarendon House, Victoria Street, Douglas, Isle of Man, IM1 2LN	0 00
CC01	CC Automotive Group Limited	c/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB	
CD00	Deferred Income		3,189,216 00
CG00	Mr J Green	15 King George Avenue, FY2 9SW	97,476 00
CH00	HM Revenue & Customs	Debt Management, Enforcement & Insolvency, Durrington Bridge House, Barrington Road, WORTHING, West Sussex, BN12 4SE	0 00
CH01	HM Revenue & Customs	For PAYE/NI Deductions from employee dividends, enter address of relevant HM Revenue & Customs offi	0 00
CH02	Hitachi Capital Business Finance	FAO Mr Carroll and Mr Woodhouse, Wallbrook Business Centre, Green Lane, Hounslow, Middlesex, TW4 6NW	0 00
CH03	Ms D Hunt	68 Melton Avenue, B92 8HL	0 00
CN00	National Insurance Fund	Insolvency Service, Finance Redundancy Payments Team, Cannon House, 18 Priory Queensway, Birmingham, B4 6BS	0 00
CN01	The Nostrum Group	FAO Neil Warman, Simpson House, Windsor Court, Clarence Drive, Harrogate, HG1 2PE	0 00
CP00	PRA Group (UK) Limited	FAO Miriam Hall, Group Senior Counsel - Europe, 58 Portland Street, Kilmarnock, KA1 1JG	53,992 00
CP01	Mr M Phillips	45 Gillscroft Road, B33 9PS	0 00
CS00	Siemens Financial Services	FAO Mr Dearden, Ms Goldsmith, Mr Graca, Sefton Park, Bells Hill, Stoke Poges, Buckinghamshire, SL2 4JS	0 00
CT00	Trade Creditors		13,276 00
15 Entries Totalling			3,406,987 00

Signature _____

All in One Finance Limited - in administration
 Joint Administrators' receipts and payments account
 from 12 May 2015 to 3 July 2015

Receipts	Statement of Affairs (£)	Total (£)
Pre App Funds held by Marsh Finance		184,713 16
Book Debts		1,836 15
Cash at Bank	466,926 00	0 00
Bank/ISA InterestGross		10 12
Top Up Loan Book	3,159,255 00	0 00
Trade Debtors	415,802 00	0 00
		<hr/> 186,559 43 <hr/>
Payments		
Nostrum collection fees		6,389 07
VAT irrecoverable		1,200 00
Sub contractor payments		1,000 00
Legal Fees (1)		15,000 00
Vat on Purchases		3,077 81
		<hr/> 26,666 88 <hr/>
Balance - 3 July 2015		<hr/> 159,892 55 <hr/>
Made up as follows		
Floating A/c - AIOF - Marsh Finance		158,523 28
Floating A/c - AIOF - Nostrum		1,351 92
Floating A/c - AIOF - other		17 35
		<hr/> 159,892 55 <hr/>

C SIP 9 time analysis

Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with Statement of Insolvency Practice 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown below. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

	From 01/07/14
	£
Partners	760
Director	580
Senior Manager/Associate Director	525
Manager	400
Senior / Executive	305
Administrators, Assistants and others	95 to 175

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at the standard rates used from time to time by Grant Thornton UK LLP. VAT is added to disbursement charges as necessary.

All In One Finance Limited - In Administration A30201001 - SIP 9 Time Cost Analysis

Standard	Partner		Manager		Executive		Administrator		Total		Av Hrly rate
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	
Administration and Planning	53 50	40,660 00	22 80	11,538 00	7 65	2,333 25	28 45	4,574 25	112 40	59,105 50	536 13
Creditors			10 75	5,237 50	44 25	13,496 25	7 60	1,254 00	62 60	19,987 75	331 89
Hiatus period											
Investigations			2 50	1,312 50			0 35	57 75	2 85	1,370 25	480 79
Realisations of Assets			53 50	28,087 50	50 50	15,402 50	0 70	115 50	104 70	43,605 50	462 37
Trading											
Total	53 50	40,660 00	89 55	46,175 50	102.40	31,232 00	37 10	6,001.50	282 55	124,069 00	467 36

Total fees billed to date (Time) £

Notes to help completion
of the form

Proxy (Administration)

All in One Finance Limited

Please give full name and address
for communication

Name of creditor

Address

Please insert name of person
(who must be 18 or over) or the
'chairman of the meeting' If you
wish to provide for alternative
proxy-holders in the circumstances
that your first choice is unable to
attend, please state the name(s) of
the alternatives as well

Name of proxy-holder

- 1 _____
- 2 _____
- 3 _____

Please delete words in brackets if
the proxy holder is only to vote as
directed ie he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the
meeting of creditors to be held on 20 July 2015 or at any adjournment of that
meeting The proxy holder is to propose or vote as instructed below (and in
respect of any resolution for which no specific instruction is given, may vote
or abstain at his/her discretion)

* Please delete as appropriate

Voting Instruction for Resolutions

1 For the acceptance/rejection* of the administrators' proposals/revised
proposals* as circulated

2 For/Against* the formation of a creditors' committee

3 For the appointment of _____ as a
member of the creditors committee

The following resolutions to be considered only if no creditors' committee is
formed

4 The administrators' remuneration be fixed according to the time spent by
the administrators and their staff For/Against*

5 That the pre-appointment costs incurred by Grant Thornton UK LLP and
Addleshaw Goddard LLP be discharged as expenses of the administration
For/Against*

6 The administrators be authorised to charge mileage at the standard rates
used from time to time by Grant Thornton UK LLP For/Against*

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor
has not signed in person

Position with creditor or relationship to creditor or other authority for
signature _____

Rule 2.35

Notice of a meeting of Creditors

Name of Company All in One Finance Limited	Company number 00829441
In the High Court of Justice, Chancery Division, Leeds District Registry (full name of court)	Court case number 390 of 2015

(a) Insert full name(s)
and address(es) of
administrator(s)

Notice is hereby given by (a)
Daniel Smith
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

Joseph P McLean
Grant Thornton UK LLP
No 1 Whitehall Riverside
Whitehall Road, Leeds
LS1 4BN

(b) Insert full name and
address of registered
office of the company

that a meeting of creditors of (b)

All in One Finance Limited
c/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

(c) Insert details of place
of meeting

Is to be held at (c)

(c) Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

(d) Insert date and time
of meeting

on (d) 20 July 2015

at 2 30pm

The meeting is

*Delete as applicable

(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')

I invite you to attend the above meeting

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim

Signed

Joint Administrator

Dated

3/7/15

*Delete as applicable

A copy of the proposals is attached