In accordance with Rule 3.35 of the Insolvency (England & Wales) Rules 2016 & Paragraph 49(4) of Schedule B1 to the Insolvency Act 1986

AM03
Notice of administrator's proposals

Companies House

FRIDAY

A95M86L4
A10 22/05/2020 #36
COMPANIES HOUSE

1 Company details

Company number	0 5 3 9 6 1 4 7
Company name in full	Caversham Trading Limited

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

2 Administrator's name

Full forename(s)	Chris M
Surname	Laverty

3 Administrator's address

Building name/number	30 Finsbury Square
Street	
Post town	London
County/Region	
Postcode	E C 2 A 1 A G
Country	

4 Administrator's name ❶

Full forename(s)	Andrew
Surname	Charters

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	30 Finsbury Square
Street	
Post town	London
County/Region	
Postcode	E C 2 A 1 A G
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM03
Notice of Administrator's Proposals

6 Statement of proposals

☑ I attach a copy of the statement of proposals

7 Sign and date

Administrator's Signature	Signature ✕ ✕
Signature date	21 05 2020

AM03
Notice of Administrator's Proposals

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	Alex J Roberts
Company name	Grant Thornton UK LLP
Address	4 Hardman Square
	Spinningfields
Post town	Manchester
County/Region	
Postcode	M 3 3 E 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 and dated the form.

Important information

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

Where to send

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

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

Further information

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

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

Continuation page
Name and address of insolvency practitioner

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

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

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

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

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

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	Sarah
Surname	O'Toole

3 Insolvency practitioner's address

Building name/number	4 Hardman Square
Street	Spinningfields
Post town	Manchester
County/Region	
Postcode	M 3 3 E B
Country	

Commercial in confidence

Grant Thornton

Our ref: CML/BLA/AJR/LKG/147445-100/

To the Creditors

Recovery and Reorganisation
Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

T +44 (0)161 953 6900
F +44 (0)161 953 6317

20 May 2020

Dear Sir / Madam

Caversham Finance Limited and Caversham Trading Limited
Both in Administration (the Companies)

I was appointed Joint Administrator of Caversham Finance Limited on 30 March 2020 with Trevor O'Sullivan and Helen Dale.

I was also appointed Joint Administrator of Caversham Trading Limited on 30 March 2020 with Sarah O'Toole and Andrew Charters.

I further advise that we are all authorised by the Insolvency Practitioners Association to act as Insolvency Practitioners.

In accordance with paragraph 49(4)(b) of Schedule B1 to the Insolvency Act 1986, I enclose a copy of my statement of proposals.

Decisions of creditors are not being sought because, in accordance with paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, I am of the opinion that the Companies have insufficient property to enable distributions to creditors other than by virtue of Section 176A of the Insolvency Act 1986.

The proposals contained in this statement will be deemed to have been approved by the creditors unless, within 8 business days of this statement being delivered, creditors whose debts amount to at least 10% by value of the total debts of the Companies request that the Joint Administrators seek a decision from the creditors as to whether they approve the proposals.

Yours faithfully
for and on behalf of Caversham Finance Limited and Caversham Trading Limited

Chris M Laverty
Joint Administrator

The affairs, business and property of Caversham Finance Limited ('CFL') are being managed by Chris Laverty, Trevor O'Sullivan and Helen Dale, appointed as Joint Administrators on 30 March 2020. The Joint Administrators act as agents of CFL and without personal liability. Chris Laverty, Trevor O'Sullivan and Helen Dale are authorised by the IPA to act as insolvency practitioners.

The affairs, business and property of Caversham Trading Limited ('CTL') are being managed by Chris Laverty, Andrew Charters and Sarah O'Toole, appointed as Joint Administrators on 30 March 2020. The Joint Administrators act as agents of CTL and without personal liability. Chris Laverty, Andrew Charters and Sarah O'Toole are authorised by the IPA to act as insolvency practitioners.

Caversham Finance Limited and Caversham Trading Limited – both in Administration (the Companies)

Recovery and Reorganisation
Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Joint Administrators' proposals

Appointed in High Court of Justice Chancery Division, Case number 2044 and 2046 of 2020, respectively

Prepared by:	Chris Laverty, Joint Administrator
Contact details:	Should you wish to discuss any matters in this report, please do not hesitate to contact CMU@uk.gt.com If your query relates to your BrightHouse agreement, or if you have made a complaint, or believe you have grounds to make a complaint, arising out of your current or past agreements you should contact BrightHouse customer services on 0800 526 069 or at customerenquiries@brighthouse.co.uk

Definitions

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

Administration(s)	The administration of the Company / the Companies
Joint Administrators/Administrators/our/us/we	Chris Laverty, Trevor O'Sullivan and Helen Dale acting as Joint Administrators of CFL and Chris Laverty, Sarah O'Toole and Andrew Charters acting as Joint Administrators of CTL
CFL	Caversham Finance Limited
CIL	Caversham Insurance Limited
CTL	Caversham Trading Limited
the Company / Companies	Caversham Finance Limited and Caversham Trading Limited – both in administration, company numbers 007855922 (CFL) and 05396147 (CTL) and whose registered address is 4 Hardman Square, Spinningfields, Manchester M3 3EB (trading as BrightHouse)
CMC	Claims management company, a company or other organisation offering claims management services to Redress Creditors
Court	The Courts of England and Wales
Creditors	Preferential and unsecured creditors (including Redress Creditors)
CVL	Creditors' voluntary liquidation
DISP	Dispute Resolution: Complaints sourcebook, part of the FCA Handbook
FCA	Financial Conduct Authority
FCA Handbook	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
FOS	Financial Ombudsman Service
GLAS	Glas Trustees Limited
Gross Loan Book	The value of outstanding loans, before provisions for bad or doubtful debts
HMRC	HM Revenue & Customs
HCST Lending	High cost, short term lending
Insolvency Rules	The Insolvency (England and Wales) Rules 2016
Loan Book	The RTO and Cash lending book
L&E	Logistics and Engineering
Prescribed Part	The part of the proceeds which must be set aside from floating charge assets as described in section 7.3 below
Redress Claim	A redress claim that a customer (current or former) has, or may have, against CFL
Redress Creditors	Customers (current and former) of the CFL (trading as BrightHouse) who were sold an unaffordable loan and are due redress
RTO	Rent to Own
The Board	The Board of directors of the Companies
VAT	Value added tax

1 Executive summary

- Chris Laverty, Trevor O'Sullivan and Helen Dale of Grant Thornton UK LLP were appointed as Administrators of Caversham Finance Limited on 30 March 2020 by order of the Court. CFL trades as BrightHouse and provided rent-to-own and cash lending services to the UK consumer market.
- Chris Laverty, Andrew Charters and Sarah O'Toole of Grant Thornton UK LLP were appointed as Administrators of Caversham Trading Limited on 30 March 2020 by order of the Court. CTL operates a logistics and engineering business supporting servicing, warranty and insurance claims of BrightHouse rent-to-own customers in the UK
- The Administrators are submitting their proposals pursuant to paragraph 49(1) of Schedule B1 to the Insolvency Act 1986 for achieving the objectives of the administrations. This report contains the information required by rule 3.35 of the Insolvency (England and Wales) Rules 2016.
- The objective of the administrations will be to achieve a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up or in the alternative, realising property in order to make a distribution to one or more secured or preferential creditors
- The key workstreams for the administration processes will be:

  CFL
    - maximising the value of the Loan Book collections
    - the stabilisation and preservation of the business' infrastructure (predominantly IT and employees) to support the collection of the Loan Book
    - maximising the value of the assets, by exploring a sale of the business and assets, where appropriate, while continuing with collections of the Loan Book
    - undertaking an orderly wind down of the activities of CFL's operation in line with asset realisations

  CTL
    - stabilising the L&E business with a view to it continuing to provide servicing and support to the CFL RTO book
    - exploring a sale or outsourcing of the L&E business
    - undertaking an orderly wind down of the activities of the Company
- The Administrators will achieve this by:
    - preservation of the Companies' infrastructure to support continued loan collections, continued placements and a loan book sale, should it be deemed appropriate
    - retention of staff to help achieve the Administrators' objectives
    - working with regulators to ensure the processes benefit from their input
- It is anticipated that there will be insufficient funds available after payment to the secured and preferential creditors, to allow for a dividend to unsecured creditors other than by virtue of the prescribed part
- Secured and floating charge creditors will not be paid in full
- Whilst the directors' statement of affairs notes that funds will be available to both Companies' unsecured creditors by way of prescribed part dividend, the likely quantum is unknown at this stage as, for CFL, they have not estimated the liability associated with the CFL's Redress Creditors. In addition, the directors' statement of affairs does not account for the costs of the administration processes
- The administrations are currently due to end on 29 March 2021
- It is anticipated that the administrations will end by the dissolution of the Companies

Chris M Laverty
Joint Administrator

22 May 2020

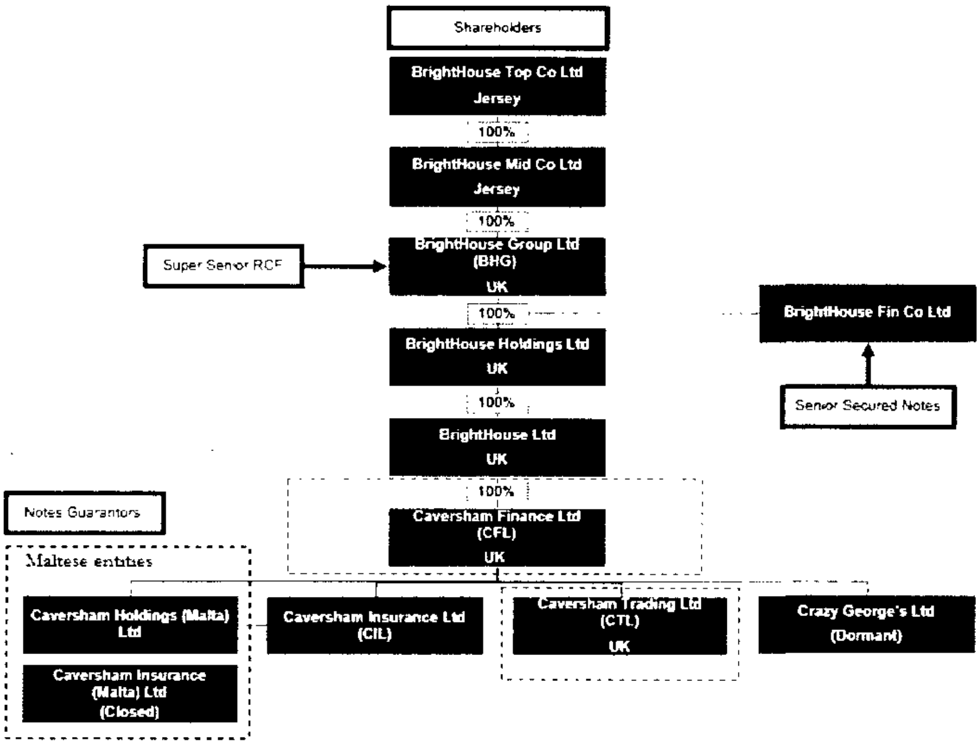
Please be aware that fraudsters have been known to masquerade as legitimate administrators. Fraudsters may contact creditors asking for an upfront fee or tax to release an investment or pay a dividend / to enable release of money payable to the creditor. An administrator would never ask for such a payment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

2 Background to the appointment of the administrators

2.1 Background

Caversham Finance Limited trading as BrightHouse (CFL) was incorporated on 24 December 1963 and is the main trading entity in the BrightHouse group. Caversham Trading Limited (CTL) was incorporated on 17 March 2005 and is the only other English trading entity within the BrightHouse Group.

At the time of the appointment of Administrators the Group structure can be summarised as follows:



2.2 Caversham Finance Limited

CFL is primarily a rent-to-own (RTO) business. It employed c.1,700 employees, operating from c.250 retail store locations nationwide, a head office in North London and a customer relations centre (CRC) in Birmingham. CFL had reported revenue in its audited accounts of £270 million (2019) and £280m (2018). RTO gave customers access to household goods (e.g. white goods, television and audio, mobile phones, furniture etc.) with insurance and after sales service options available. The majority of RTO and cash lending products allowed customers to make weekly payments (typically over a 1-2 year contract length) using both remote and in-store payment channels to meet the capital, interest, insurance and/or warranty (if applicable) portions of their agreement. The representative APR offered at the time of appointment in the RTO agreements was 59.9% with the actual rate offered to individual customers in the range of 42% - 69.9% based upon the customer's individual credit score, the product taken and the length of the agreement. The RTO agreements constitute "regulated consumer hire purchase agreements", regulated by the FCA.

RTO agreements taken out prior to 27 April 2015 included a package of servicing and maintenance benefits within the retail price. From 27 April 2015, product and warranty protection were offered as separate optional cover sold under the name "BrightCare". Customers must have insurance cover in place (for loss through accidental damage, fire and theft) before entering into an agreement, whether through their own provider or through CFL's insurance subsidiary, explained below.

During 2019, CFL expanded its business to provide cash loans. It tested this product with those customers with a higher credit rating. The loans were over a fixed 18-month period, for an amount of up to £1,000 with an APR of 149%.

CFL conducted its operations from c.240 stores located throughout the United Kingdom (excluding Northern Ireland), supported by a contact centre in Birmingham.

At the date of the Administration appointment there were 381,582 active RTO agreements, 139,797 active RTO customers, 16,824 active RTO and loan customers, 18,923 active loan agreements and 2,102 active loan customers.

2.3 Caversham Trading Limited

CTL is a service provider to CFL. Its primary business is logistics and engineering (L&E). CTL generates no revenue, other than recharges to CFL, and CFL meets all of its liabilities to third parties, such as employees, landlords and suppliers through intercompany payments. It is therefore wholly dependent on CFL for support.

CTL provides services that support the CFL RTO Book. It employed c.500 employees operating primarily from the national distribution and service centre in Manchester, in addition to 10 local distribution centres nationwide. CTL had reported revenue in its audited accounts of £46 million (2019) and £53 million (2018).

The L&E services provided by CTL are split as follows:

(a) **Logistics**: headquartered in Manchester, with 10 smaller sites around the UK; and

(b) **Engineering**: this function delivers the requirements of the warranty (BrightCare) and insurance products. This includes field engineers fixing products in customers' homes and a specialist engineering team in Manchester repairing customer products where these cannot be undertaken in the customer's home. In addition, the Manchester engineering team previously refurbished returned products for resale, however, this activity has now ceased.

2.4 Caversham Insurance Limited – Insurance subsidiary

The insurance subsidiary, CIL, is a private limited company incorporated in Gibraltar, with a branch authorisation to carry out services in the UK. It is not the subject of any insolvency process. CIL is, and is expected to remain, solvent.

CIL underwrites the insurance policies sold with the RTO product as noted above. CFL collects the premium on behalf of CIL and takes commission on the insurance sales. The contractual arrangements in place with CIL require CFL to meet CIL's repair and product replacement obligations to policyholders. CFL outsources these services to CTL.

2.5 Factors leading to financial distress

As a result of the factors explained below, namely the trading and regulatory environment, CFL and therefore CTL had a very significant deterioration in its financial position.

CFL

Redress Scheme/Affordability claims

On 24 October 2017, a consumer redress scheme was agreed between CFL and the FCA (the 2017 Redress Scheme). Pursuant to the 2017 Redress Scheme, CFL identified customers that may have been treated unfairly where its processes fell short of FCA expectations. The FCA confirmed in December 2018 that CFL had successfully completed the 2017 Redress Scheme during which is made £14.8 million in redress payments covering: (i) first week refunds owed to customers where there was a cancellation within the cooling-off period or before delivery; and (ii) payments where a customer's circumstances had not been properly assessed in determining the affordability of the loan. This work had materially impacted the business, both commercially and operationally.

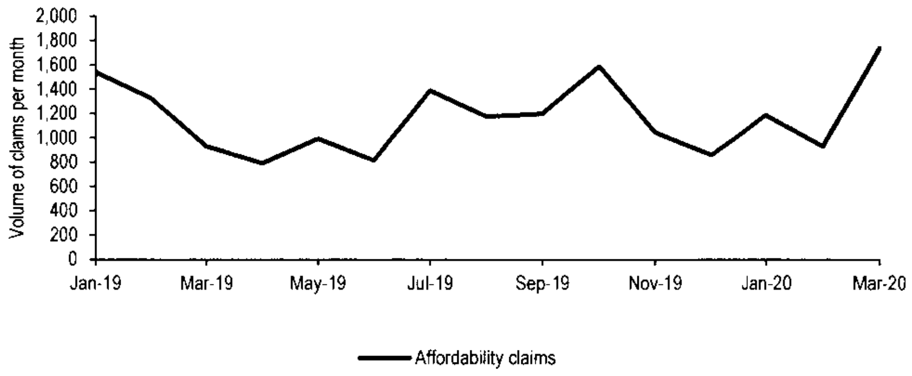
Notwithstanding the fact that the 2017 Redress Scheme completed in December 2018, CFL has continued to receive large volumes of affordability claims from customers. These were submitted predominantly by claims management companies on behalf of customers. CFL was required to investigate each claim and, if it could not be shown that the correct procedures had been followed, reimburse all interest and charges which had been incurred by the customer since the date the loan was issued, along with interest at the statutory rate of 8%. In addition, many customers referred their complaints to the FOS, which resulted in additional costs for CFL.

The level of redress claims from customers put severe pressure on CFL's cashflow. During 2019, there were a number of adverse initial decisions made by the Financial Ombudsman Service in favour of customers which called into question CFL's redress claims assessment policies and caused material uncertainty as to CFL's potential redress liabilities.

CFL agreed to cease to apply any time barring in respect of claims from customers. This meant that CFL was required to consider claims relating to agreements entered into with customers at any point since the FOS obtained jurisdiction in respect of consumer credit complaints on 6 April 2007. This further increased the uncertainty as to CFL's potential redress liabilities, given the materially increased potential population of claimants.

Adverse publicity on 29 February 2020 about the solvency of the BrightHouse Group also led to a spike in affordability complaints. As at the date of the Administrators' appointment, there were approximately 6,650 claims with CFL, and 2,056 cases with the FOS.

These affordability claims have put significant pressure on the liquidity of CFL, given the quantum of redress, and the operational costs of managing and handling claims. This uncertainty, combined with the fact that there is no limitation on claims, meant that CFL could not continue trading.



Regulatory change

The 2018/19 financial year was a challenging trading environment for the retail industry. The consumer credit industry also had to adapt to the FCA's High-cost Credit Review which was finalised on 5 March 2019. For RTO, this included a ban on the sale of extended warranties at the point of sale in February 2019 and a Price Cap and Price Benchmarking from 1 April 2019 for all new products and from 1 July 2019 for existing products, putting further financial strain, and eroding margins for CFL.

Lenders and creditor pressure

As a result of uncertainty, the lenders of a revolving credit facility (Greensill) reduced the amount available under the Credit Facility. In addition, negative press coverage on 29 February 2020 in relation to the solvency of the BrightHouse Group led to suppliers requiring payments in advance or on account, and customer collections paid through third parties withheld from the business to protect the third party from its potential exposure to customers.

COVID-19

In line with numerous other businesses across the UK and globally, the impact of COVID-19 is yet to be fully understood, but in the weeks leading up to the Administration appointment had a significant negative impact on revenues and cash collections in respect of the Loan Book, and led to the closure of all stores on 25 March 2020.

CTL

Given CTL is wholly dependent on funding from CFL, as noted above, any decline or failure of CFL directly impacts CTL's viability.

The impacts to the financial performance of CFL outlined above ultimately reduced the size of its Loan Book and meant that CTL had over capacity.

CTL explored an accelerated process to seek a potential outsourcing arrangement or sale of all or part of its L&E business to reduce operating costs. A sale was not achievable in the time that was available.

2.6 Strategic and Restructuring options

To address the trading and regulatory challenges above, the directors of CFL and CTL took a number of steps prior to the Administration appointment including:

- a strategic review of the CFL business to reduce its reliance on the RTO business
- rationalisation of the store portfolios, reducing occupancy costs through closures, relocations and negotiated rent reductions
- an accelerated process to seek a potential outsourcing arrangement or sale of all or part of its L&E business to seek to reduce operating costs
- third-party investment, in respect of using the BrightHouse store network as a route to market for other businesses and products
- a significant cost reduction programme since the start of December 2019

CFL and CTL directors also explored a number of restructuring options, including but not limited to: (a) a potential scheme of arrangement to compromise and apply a time limit on redress liabilities and compromise the secured creditors to reduce the quantum outstanding; and (b) a potential restructuring of the business involving a transfer of the platform supporting the Loan Book to a wholly-owned subsidiary of CFL, which would then seek third party investment for new lending. It was, however, not possible to achieve any of these options.

The Companies were unable to obtain additional cash funding to allow more time for implementation of a scheme or other solvent alternatives. Without the redress liabilities being compromised or met by a third party, it was not viable for CFL (and therefore CTL) to continue trading.

Consequently, at board meetings on 26 March 2020, the boards of CFL and CTL resolved that they no longer had a reasonable prospect of avoiding insolvent administration or liquidation.

3 The Administrators' appointments

3.1 Initial introduction to the Companies

Grant Thornton UK LLP's (the Firm) Financial Services Restructuring and Insolvency team were instructed by CFL in December 2019 by the Board of directors with a view to assisting CFL prepare its wind down plan for submission to the FCA. During the course of this work the scope of the Firm's work expanded to include contingency planning for a possible insolvency. Advice was provided under two letters of engagement dated 23 December 2019 and 20 January 2020.

Prior to this the Firm's Business Risk Services team had been engaged by CFL and its subsidiaries (the Group) under the terms of letters of engagement dated 20 October 2013 and 27 September 2017.

In addition, the Firm's Financial Services regulatory team has provided services to the Companies.

Other than the roles detailed above, the administrators are not aware of any other professional relationships with either the Group or any of its directors.

The Administrators carefully considered the position prior to accepting the appointment, having regard to their licensing bodies' ethical guidelines, and considered that there were no circumstances preventing them being administrators of CFL or CTL. The Firm obtained written confirmation from the directors of CFL and CTL that they did not consider that there would be either any conflicts of interest nor any independence issues arising from the Firm's prior roles. We set out at Appendix E a detailed summary of the matters considered and conclusions reached in relation to the Firm's previous relationship with the Companies.

3.2 Appointment of Administrators

As indicated above, in light of the Companies' financial difficulties, having considered all the options, the Board concluded that the best option was for the Companies to be placed into administration.

Additionally, on 24 March 2020 pursuant to Section 362A of the Financial Services and Markets Act 2000 consent was also sought from the FCA in relation to the Companies' proposed Administrators.

Upon consent being received from the FCA as required, the Board made an application to court for the appointment of Administrators in accordance with paragraph 22 of Schedule B1 to the Insolvency Act 1986. The Court hearing took place on 30 March 2020 and the Administration Order was effective from that date.

3.3 Objective of the Administration

The Administrators must perform their functions with the objective of:

- 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 CFL had ceased new lending prior to the Administrators' appointment and had an unquantified liability to Redress Creditors it was not possible to achieve the first objective.

The second objective (and if not possible the third objective) will be pursued for both CFL and CTL through collection of the outstanding loan book and orderly wind down of operations.

4 Proposals for achieving the objective of the administrations

4.1 Objective of the administrations

As indicated above, the Administrators will pursue the objective of achieving a better result for the Companies' creditors than would be likely if the Companies were wound up.

This objective will be achieved by the Administrators conducting an orderly wind down of the businesses as the loan book is collected in. The operations and systems of the businesses will continue to be maintained for as long as they believe it appropriate in attempting a more advantageous realisation of assets.

For clarification, if there is a sale of the Loan Book, it is not envisaged that any purchaser will assume any of the existing liabilities (including Redress Claims) of CFL except to the extent that by law they are compelled to do so.

4.2 Exit route

As there will only be a prescribed part to distribute to the unsecured creditors, it is proposed that the Administrators will agree the claims of the creditors and distribute these funds in the course of the administration. For an explanation of the prescribed part see paragraph 7.3 below. The Administrations could require an extension beyond the initial period of one year for this purpose. When all funds have been realised and distributed, the Administrations will end by the Administrators filing notices to dissolve the Companies. The Administrators will nevertheless be empowered to present a petition for the winding up of the Companies if circumstances require.

If the Companies are placed into CVL, it is proposed that the Administrators in office at that date will be appointed liquidators, any act in the liquidation 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.

5 The assets and liabilities of the Companies

5.1 Statement of Affairs

On 3 April 2020 the directors of the Companies were issued with notices requiring them to provide a statement of affairs for each company to the Administrators. A statement of affairs details the assets and liabilities of the Companies as at the date of appointment of the administrators.

The directors have prepared statement of affairs' which are attached at Appendix D.

The content of the statement of affairs is further discussed in the asset and liabilities section of this report.

6 Conduct of the administrations

6.1 Strategy

We consider that the best strategy for the administrations is the orderly wind down of the businesses. This will be achieved by retaining key systems and staff to support collection and realisation of CFL's main asset, the Loan Book. Given the longer-term nature of the Loan Book, the initial strategy is to collect the Loan book whilst the Administrators investigate the opportunity for a sale of the business and assets, and any other assets of CFL and CTL. The Administrators have kept the FCA updated of this strategy and developments thereon.

No new RTO or cash lending will take place following the Administrators' appointment.

Cash balances held at the date of appointment have been transferred to the accounts held by the Administrators. The other assets of the Companies namely stock, office equipment and VAT debtors will be realised during the period of the administration.

Business operations during wind down of operations

To achieve the orderly realisation of the RTO and cash loan book it has been necessary to continue to operate certain aspects of the Companies on a rationalised basis. This is necessary to facilitate repayment of RTO and cash loan agreements, protect customer data and to enable the Companies to continue to respond to other queries arising from customers. It will also allow the Administrators to monitor collections and respond to servicing, warranty and insurance claims.

Therefore, we have arranged for the continuation of services across all aspects of the Companies' activities, including where necessary settling arrears or making 'ransom' payments to secure essential services. The requirement for all services is under frequent review and a plan for the wind down of infrastructure, including IT services, is being implemented as appropriate.

Employees

At the date of the administrations, across both entities there was a total of 2,199 employees. Following the appointments, employees were either retained, furloughed or made redundant, as explained below.

CFL

- CFL consists of 3 main departments, Retail, Head Office and the Customer Resolution Centre
- At appointment 1,713 people were employed in the business

CFL - Employee position as at 30-Mar-20

Department	Retain	Furlough	Redundant	Total
Retail	270	325	759	**1,354**
Head Office	121	2	66	**189**
CRC	138	-	32	**170**
Total	**529**	**327**	**857**	**1,713**

- Upon the conclusion of day one of the appointment CFL retained 856 employees (including those placed on furlough), with 857 employees being made redundant
- Since then the Administrators have not undertaken any further redundancies, however, we have actively engaged in bringing furlough staff from Retail back into the business where capacity allowed. This has been managed by enabling remote working capabilities to allow retail employees to engage with customers
- Note that some employees have resigned from their roles in the post-appointment period and these have been included within the redundant summary

CTL

- CTL consists of ten local distribution centres and one national distribution centre which makes up the logistic and engineering business
- At the date of appointment there were 486 employees

CTL - Employee position as at 30-Mar-20

Department	Retain	Furlough	Redundant	Total
L&E	231	201	54	486
Total	231	201	54	486

Trading

Intercompany arrangements

As indicated above, CFL and CTL are interconnected, therefore, it has been necessary for the Administrators to continue the Service Level Agreement between the two companies.

CFL

Following appointment, the Administrators have focused on ensuring that customer outcomes for the Loan Book are maintained with seamless operation of the remote payment channels. Given the COVID-19 impact in the weeks before appointment and the nationwide retail store closure on 25 March 2020, the key focus of the Administrators has been to ensure the continued operational capability of remote employees including their IT systems and areas of focus to maximise customer engagement. Remote payment channels have been kept fully operational and expanded to offer customers additional payment options not available pre-appointment.

In addition, trading has required:

- Developing targeted and timely communication campaigns with customers, both direct and through website FAQs, text message, email and post to ensure clarity of messaging
- Monitoring and reviewing commitment and forbearance processes to address regulatory developments and the COVID-19 Government guidelines
- Engaging with key suppliers to ensure continued supply, particularly in respect of IT and outsourced collections
- Continuing the implementation of remote working capability for employees across the customer relations centre, retail and head office employees
- Liaising with all landlords in respect of ongoing property requirements
- Engaging with employees

CTL

Following appointment, the Administrators focused on stabilising the operations of the L&E business and ensuring that supplies of critical services were maintained. The CTL Administrators have worked with CFL to ensure continued servicing of the RTO book where possible given the COVID-19 restrictions.

A number of the key trading workstreams are explained below:

- **Vehicles** - An assessment was made of the size and nature of the Company's fleet of commercial vehicles in order to match more appropriately to the volume and nature of the work that will be undertaken in the administration
- **Vehicle operator's licence** - Legal advice has been obtained to ascertain the Administrators' options relating to the vehicle operators' licence (required to operate 7.5t vehicles)
- **Field engineering** - Prior to our appointment, and, considering the on-going COVID-19 restrictions, the Company took the decision to stop allowing field engineers to undertake repairs inside customer homes. Since the appointment, this decision has been under review with consideration being given to the need to ensure that customers have access to essential household products during these challenging times. Where possible CTL has provided "loaner" items to customers to ensure continued access to essential products. This need has been balanced against our priority to ensure that all colleagues are able to operate in a safe working environment. Following detailed risk assessments, the decision has been taken to recommence a reduced level of field engineering services from 6 May 2020 with new policies and procedures in place to ensure the safety of customers and colleagues. Where a field engineering visit is not possible, CTL is continuing to provide remote engineering support by phone along with doorstep product collection and delivery where possible
- **NDC property** - The lease for the NDC site expires on 20 July 2020 with no possibility of an extension. In conjunction with the Group's head of property, the Administrators are exploring options for alternative sites and planning for a significant downsize in warehouse capacity
- **Forecast volumes and stock** - Whilst the stock held at the Company's warehouse is the property of CFL, CTL's strategy to service CFL's warranty and insurance claims is key to establishing the cost-effective use of stock. As such, the Administrators of both CFL and CTL are:
    - forecasting claims volumes expected during run-off of the CFL RTO book
    - establishing the level of stock (owned by CFL) required for the fulfilment of forecast claims
    - in conjunction with CFL, liaising with agents to realise excess stock in the retail network

6.2 Approach to interested parties

Identification of interested parties

As part of the administrations we are exploring the potential for a sale of all or some of the assets of the businesses. Following the announcement of the Administrations a significant number of inbound approaches were received through a number of channels. Based on the Administrators' knowledge of the market, a number of additional parties have been approached through a network of contacts, including a number of parties with whom the directors held discussions prior to the appointment of the Administrators. These approaches brought the total number of interested parties to c.50 for CFL and eight for CTL.

In respect of CFL, through a series of qualifying calls with interested parties, the Administrators have narrowed their focus to a short list of interested parties whom they believe have a credible interest in either all, or a large portion, of the assets of the business. The Administrators have retained a further list of parties who are interested in specific assets of the business (e.g. physical stock or the cash lending portfolio) with whom discussions can restart at a later date if and when appropriate.

In respect of CTL, we have liaised with pre-appointment advisors and undertaken a number of initial calls with interested parties. This has resulted in a list of parties with whom discussions remain on-going.

6.3 Asset sale process to date

CFL

Following the signing of NDAs, the Administrators issued the interested parties on the priority list with a process letter on 25 April 2020. This letter set out the timetable to receive an indicative offer for some or all of the assets of the business and a summary of the detail required to be included within their offer. The Administrators requested that these indicative offers be submitted no later than the week of 11 May 2020.

In order for the priority list of interested parties to make an informed judgement and submit a credible indicative offer, the Administrators issued an initial briefing pack to each party on 28 April 2020. This initial briefing pack provided an overview of the business including details of the objectives of the Administrators, the current trading environment of the business (including the initial impact of COVID-19) and overviews of the group structure, staffing levels, property estate, IT infrastructure, collections platform and lending portfolios.

The Administrators will assess offers received and, based on the number, value and structure of offers received, establish a detailed framework for the process to progress interest in a sale of the businesses assets. At present the Administrators are working to prepare a more detailed suite of information to make available to those parties who submit an acceptable indicative offer, which will allow them to undertake a period of detailed due diligence.

CTL

We continue to explore the possibility of selling all or part of the L&E business and are actively engaged with a number of parties following the signing of NDAs. Information has been issued to these parties in order that they can provide an indication of their proposals.

Upon receipt of offers, the Administrators will make an assessment as to whether any of the offers (individually or in combination) represent a better financial outcome than continuing to operate the services in the current manner. This decision will also take account of the level of future service that will be provided to ensure customers are not impacted.

6.4 Realisation of assets

Loan Book

The most valuable asset of CFL is the Loan Book (both RTO and cash lending), the continued collection of which is supported by the ongoing CTL warranty and insurance servicing business.

The value of the Loan Book is the aggregate net amount of remaining payments due under the RTO agreements and cash lending agreements with customers through the term of the relevant contracts, discounted to reflect that not all outstanding amounts will be paid in full and some contracts will be terminated prior to maturity for example through early settlement, return of the items or write off.

These payments include, in addition to the payments towards the retail price of the product (for RTO agreements), interest, payments on the purchase of BrightHouse insurance and warranty products (BrightCare).

Historically, the primary means for customers to repay their loans was through remote payment channels (e.g. online, by phone or text, through continuous card authority etc) and weekly cash or card payments in BrightHouse stores. CFL has been transitioning customers onto remote pay options, such as continuous payment authorities from other accounts (which represents approximately one third of payments) and introduced PayPoint prior to the Administrators appointment (which is a facility whereby customers can make cash payments at third party shops). Prior to COVID-19, approximately 65% of payments were received remotely. Following the closure of all retail stores as a result of COVID-19, CFL collects all payments remotely, with the only physical payment option being through PayPoint.

In addition to customer contracts terminating prior to or at maturity for the reasons outlined above, CFL may also not recover in full as it offers forbearance options for customers experiencing financial difficulties, including as a result of COVID-19. Once contact with a customer is established, the agent will discuss all of these with the customer in order to arrive at an affordable and sustainable solution. This may encompass a reduced payment plan or a commitment to pay at a later date.

Pre-appointment collections impact

There was a significant decline in the performance of collections which had already materialised prior to the administration appointment, starting two weeks prior to appointment in the week commencing 16 March, due to the impact of COVID-19 and the nationwide retail store closures on 24 March 2020. This resulted in:

- weekly receipts decreasing by c.£1.0 million (24.9%) to £3.0 million
- customer arrears increased from 10% to 28% of the Loan book
- dues-to-cash % (the average cash recovery from a customer agreement net dues) decreased from 90% to 71%.

Post-appointment impact on collections, arrears and commitments

w/c	16-Mar	23-Mar	30-Mar	06-Apr	13-Apr	20-Apr	27-Apr	04-May
Week	51	52	1	2	3	4	5	6
Collections - £'k								
Actual	**3,647**	**3,023**	2,593	2,627	2,464	2,637	2,815	2,498
Loan book value - £'m								
Up to date	**187**	**153**	127	121	114	111	108	104
Arrears or commitments	**54**	**84**	107	110	114	115	115	116
Total Loan book value	**241**	**237**	**234**	**231**	**229**	**226**	**223**	**221**
As a % of total - %								
Up to date	**78%**	**64%**	54%	52%	50%	49%	48%	47%
Arrears or commitments	**22%**	**36%**	46%	48%	50%	51%	52%	53%

Arrears – As a result of COVID-19 and the initial news of the Administration appointment arrears increased materially to 38% of the book. Following the Administrators appointment, we have worked to reduce arrears to 27% as at the time of writing this report. This is a direct result of the continued and targeted customer engagement initiatives post-appointment.

Commitments – Commitments relate to customers making a promise to pay by a certain date or entering into a short period of breathing space in which they make no payments. The volume of commitments both businesses as usual and COVID-19 related have increased to 25% of the book as against 5 to 10% pre-COVID. This will be an area of focus of the Administration to increase engagement with arrears customers through commitments, where necessary, and to then help customers return from commitments into collections.

Collections – collections performance, has been eroded by COVID-19 both pre and post appointment. Notwithstanding this, the Administrators are working to stabilise recoveries with week-on-week improvements in collection metrics, a direct consequence from targeted actions on outbound dialling to customers, improved payment methods and improved capacity in the customer relation centre and amongst remote retail employees to make outbound calls.

In order to recover arrears, the Administrators will continue to implement a number of strategies including incentives, partial payment capability and commitment management.

COVID-19

In response to the COVID-19 pandemic and, where customers have communicated with the CFL that they are in difficulty as a result of COVID-19, CFL has:

- stopped late fees and any additional fees or charges

- extended the range of forbearance options provided, including applied a 28-day breathing space for customers impacted by COVID-19
- provided insurance and extended warranty cover without premium income during the 28 day breathing space
- agreed many new payment options
- increased flexibility to change the loan and/or reschedule payments, including week to week changes

6.5 Additional assets

Fixed Assets

The balance on the statement of affairs is made up of fixtures and fittings, office equipment and computer equipment. This is typically sold at a significant discount to net book value due to limited market appetite for such assets.

There could be some value within computer equipment, although to ensure that this equipment is saleable and no confidential information is available, data cleansing will need to take place. This process will likely impact any sale value.

Property Leases

All retail stores were closed prior to the Administrators appointment.

CFL is a leaseholder of 83 trading BrightHouse stores with the remaining 157 leases being held in CTL's name. It is not considered that there is any value to the retail leases, particularly in the COVID-19 circumstances and the Administrators are working to surrender the leases to the landlords. The Administrators are in discussions with the various landlords about the terms by which the Administrators will use the properties. The lease for the national distribution centre in Manchester expires in July and the Administrators are taking steps to relocate the business to new, lower cost, premises.

Investments in subsidiaries

CIL is a 100% subsidiary of CFL, as explained above providing the insurance products sold through CFL. Following the winding down of the RTO book, CIL will cease to write cover and will be solvently wound down. Any surplus funds in CIL will be distributed to CFL upon completion of the wind down process.

Stock

Stock comprises of new and quality refurbished stock, all of which is owned by CFL. Stock will either:

- be sold as excess stock via agents;
- used to satisfy warranty and insurance claims; or
- if of low resale value, used for parts or scrapped

VAT

The Administrators are working with their tax advisors to facilitate the ongoing recovery of VAT assets

Prior to insolvency, the Companies accounted for VAT on new agreements at the outset of the contract to the full value of goods supplied to customers. To the extent that customers subsequently default on their capital payments under these agreements and/or these agreements are terminated, a VAT adjustment is possible. The administrators are working to quantify, secure and recover this VAT from HMRC.

There is potentially a separate VAT claim relating to the operation of the Companies partial exemption method. A partial exemption method is the mandatory calculation a company uses to determine VAT recovery where it generates both exempt and standard rated income. This potential asset will be considered in the wider context of ongoing negotiations with HMRC regarding the operation of the company's partial exemption method.

Cash at bank

For CFL a sum of £8.22 million is noted in the directors' statement of affairs as cash at bank. A sum of £6.89 million has been transferred to the Administrators account to date and further analysis is being conducted on the balance to ensure it is realised for the benefit of the estate.

CTL held a sum of £1.69 million cash at bank on appointment which has also been transferred to the Administrators' account.

Cash in the store network prior to the COVID-19 lockdown was minimal.

6.6 Receipts and payments accounts

Our receipts and payment accounts covering the period 30 March 2020 to 8 May 2020 are attached at Appendix A.

7 Creditors

7.1 Secured creditors

GLAS Trustees Limited (GLAS), as Security Trustees for Greensill and the Bondholders, have fixed and floating charges and guarantees across CFL and CTL granted on 2 February 2018.

Greensill has a first ranking claim over the Bondholders. At the date of the administration the balance due secured by Greensill and the Bondholders was c.£30 million and c.£134 million, respectively. The Administrators' legal advisor, Freshfields Bruckhaus Deringer LLP, was engaged in order to advise on the validity of the security and have confirmed that the security is valid.

To date no distributions have been made to the secured creditors under their security. There is likely to be a shortfall to the Bondholders as second ranking secured creditor.

7.2 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 will be subrogated to the Secretary of State, following payment of claims by the Redundancy Payments Service.

As indicated previously the Administrators have retained a number of employees to assist with the administration. The total preferential liability is not yet known.

7.3 Prescribed part – unsecured creditors

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is 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.

For both companies, whilst the directors' statement of affairs does not include details of the prescribed part, the net property available is estimated to be at the maximum limit resulting in a prescribed part of £600,000 for each company.

In the case of CFL only, the Administrators are in the process of considering whether the costs of a prescribed part distribution, given both the volume and complexity of affordability claims, would exceed the funds available for distribution. If this is the case the Administrators will likely apply to the Court to disapply the prescribed part.

7.4 Non-preferential unsecured creditors

CFL

The statement of affairs for CFL details unsecured creditors totalling £118 million, albeit this includes the total shortfall to the bond holders. Excluding the shortfall sum there are 185 supplier creditors with total estimated claims of c.£2 million and consumer claims to the value of c.£3 million. In addition, this does not include any future redress claims from CFL customers.

CTL

The statement of affairs for CTL details unsecured creditors totalling £23.8 million, which also includes the total shortfall to the bondholders. Excluding the shortfall sum there are 281 supplier creditors with total estimated claims of c.£1.8 million.

Redress Creditors - CFL

Redress Claims comprise current and former customers who believe that they were sold an unaffordable RTO or cash loan(s) by CFL. As a result, these customers may be due a refund of the interest and fees paid on those loans, plus compensatory interest at 8% from the date of the loan.

As indicated earlier in this report, the volume of redress complaints has been increasing since 2017, particularly due to increased activity of CMCs. At the date of the Administrators' appointment, CFL had c.8,706 complaints yet to be assessed in relation to redress claims. These claims consist of complaints received directly from customers and CMCs on behalf of customers. Since our appointment, CFL has continued to receive and acknowledge redress complaints of c.1,014 bringing the total to c.9,720. Included in these are c.2,056 complaints that were being handled by the FOS which have subsequently been handed back to the Administrators.

Any redress complaints will rank as unsecured claims in the administration.

In addition, as at the date of appointment, there were a significant number of upheld Redress Claims that will now rank as unsecured claims in the administration. It is understood that there are c.1,269 complaints in this category.

As indicated in the directors' statement of affairs it is estimated that the secured creditors will not be paid in full and therefore it is not expected that there will be funds available for unsecured creditors other than by way of the prescribed part, which, as explained above, the payment of the prescribed part will likely outweigh any distribution available.

At this time the Administrators are unable to forecast the likely volume of redress creditors and the total estimated value of these claims, albeit it is expected that Redress creditors will ultimately contribute a significant number of the unsecured creditors in the estate to the extent that if any sum is set aside by virtue of the prescribed part, it will be heavily diluted.

Dividend to unsecured creditors

As indicated above, the net property available to unsecured creditors is estimated to be at the maximum limit resulting in a prescribed part of £600,000 for each company. However, in the case of CFL only, the Administrators are in the process of considering whether the costs of a prescribed part distribution, given both the volume and complexity of affordability claims, would outweigh the funds to distribute.

8 Investigations into the affairs of the Companies

8.1 Statutory investigations

Within three months of our appointments as Administrators, as required by the Company directors Disqualification Act 1986, we will report to the Secretary of State the required facts about the Companies' business and the conduct of its directors (including those acting within the past three years).

We would be pleased to receive from any creditor any useful information concerning the Companies, their dealings or conduct which may assist us.

9 Joint Administrators' remuneration and disbursements

9.1 Overview

As indicated previously in this report, the Administrators think that the Companies have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A(2)(a) of the Insolvency Act 1986 (the "prescribed part" to be carved out of money which would otherwise be payable to the holder of a floating charge).

A consequence of this statement is that rule 18.18(4) of the Rules provides that the basis of the Administrators' remuneration shall be fixed, if, as in this case, there is no creditors committee, by (a) the consent of each of the secured creditors; or (b) if the Administrator has made or intends to make a distribution to preferential creditors (i) the consent of each of the secured creditors, and (ii) a decision of the preferential creditors in a decision procedure.

Although the unsecured creditors are not involved in fixing the basis of the Administrators' remuneration, rule 18.16(4) nevertheless requires that where the proposed basis of remuneration is by reference to the time properly given by the Administrators and their staff in attending to matters arising in the administration, the Administrators must, prior to the determination of the basis, deliver to the creditors (a) a fees estimate and (b) details of the expenses which will be or are likely to be incurred.

CFL

Our remuneration basis has not yet been fixed.

We have incurred time costs and expenses in the period amounting to £1,204,223 and £50 respectively. Upon review of the time incurred to date it is anticipated a sum of £136,407 will be written off.

In due course we will seek fee approval from the appropriate creditors. It is anticipated the Administrators will propose remuneration be fixed on a time cost basis with a fees estimate totalling £4,193,558 for the period to 29 March 2021.

CTL

Our remuneration basis has not yet been fixed.

We have incurred time costs and expenses in the period amounting to £676,772 and £27 respectively. Upon review of the time incurred to date it is anticipated a sum of £39,679 will be written off.

In due course we will seek fee approval from the appropriate creditors. It is anticipated the Administrators will propose remuneration be fixed on a time cost basis with a fees estimate totalling £1,323,133 for the period to 29 March 2021.

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

10 Future strategy

10.1 Future conduct of the administrations

We will continue to manage the affairs, business and property of the Companies in order to achieve the purpose of the administrations. This will include but not be limited to:

CFL

- collection of the balance of RTO and cash lending books, as far as possible
- investigating a sale of assets where appropriate
- working with the company's supplier base to support operations
- winding down and rationalising the businesses operations as appropriate to meet the needs of the administration
- payment of administration expenses, including our remuneration
- distributing funds to the secured creditors
- distributing funds to the preferential creditors
- finalisation of the Company's tax affairs, including completion of corporation tax and VAT returns and settlement of any post administration liabilities, and
- complying with statutory and regulatory obligations.

CTL

- continuing the businesses operations to support CFL and the collection of the RTO lending book as far as possible
- investigating a sale of assets where appropriate
- working with the company's supplier base to support operations
- winding down and rationalising the businesses operations as appropriate to meet the needs of the administration
- payment of administration expenses, including our remuneration
- agreeing the claims of the unsecured creditors and payment a dividend, if future realisations make this feasible
- paying a final distribution to the secured creditors
- distributing funds to the preferential creditors
- finalisation of the Company's tax affairs, including completion of corporation tax and VAT returns and settlement of any post administration liabilities, and
- complying with statutory and regulatory obligations.

10.2 Extension of the administrations

The duration of an administration is restricted to 12 months from the date of commencement, unless it is extended with the consent of the creditors, or by order of the court.

If it is identified that extensions are required, the Administrators will seek a resolution from the creditors in our next progress report requesting an extension of up to 12 months.

10.3 Deemed approval

Decisions of the creditors are not required because, in accordance with paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, we are of the opinion that the Companies have insufficient property to enable a distributions to be made to unsecured creditors, other than by virtue of section 176A of the Insolvency Act 1986.

The proposals contained in this statement will be deemed to have been approved by the creditors unless, within eight business days of this statement being sent out, creditors whose debts amount to at least 10% by value of the total debts of the Companies request that the Administrators seek a decision from the creditors as to whether they approve the proposals.

10.4 Data protection

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

10.5 Future reporting

Our first progress reports will cover the 6 months from our appointments to 29 September 2020, to be delivered to creditors within one month after that date.

10.6 Covid-19

This report has been produced during the Covid-19 restrictions. We have taken every reasonable step to ensure that the information is accurate, but if anything is incorrect or incomplete, we will provide an explanation and corrected information in the next progress report.

Appendix A

Caversham Finance Limited - in administration
Joint Administrators' receipts and payments account
from 30 March 2020 to 9 May 2020

Receipts	**Statement of Affairs (£)**	**Total (£)**
Sales		3,578.70
Worldpay Receipts		13,255,113.91
Advances From Factors		558.37
Computer Hardware	952,108.00	0.00
Rental Assets	56,204,669.00	0.00
Investments	8,500,000.00	0.00
Stock	749,479.00	0.00
Book Debts	9,270,000.00	0.00
VAT Refund	9,064,500.00	0.00
Cash at Bank	8,225,571.00	6,893,222.95
Other receivables		1,858,220.58
Misc Refunds		73,546.35
		22,084,240.86
Payments		
Purchases (1)		858,561.53
Professional Fees		5,225.00
Worldpay Charges		85,000.00
Postages		2,435.00
Net Wages		1,522,731.78
Other Payroll Deductions		153,284.84
Employee Expenses/Redundancy		4,805.42
Ransom Payments		110,545.83
Legal Fees (1)		2,340.00
Professional Fees		16,600.00
Stationery & Postage		548.36
Bank Charges		1,050.90
VAT on Purchases		187,315.34
		2,950,444.00
Balance - 9 May 2020		19,133,796.86

Made up as follows

RBS Current Account	120,850.77
RBS - Worldpay Receipts	15,013,839.42
Santander Current Account	3,999,106.67
	19,133,796.86

Appendix A

Caversham Trading Limited - in administration
Joint Administrators' receipts and payments account
from 30 March 2020 to 9 May 2020

Receipts	**Statement of Affairs (£)**	**Total (£)**
Computer Hardware	333.00	0.00
Stock	349,490.00	0.00
Cash at Bank	1,695,111.00	1,693,670.17
Misc Refunds		9,183.58
		1,702,853.75
Payments		
Purchases (1)		61,016.19
Rents		303,224.00
Vehicle Running Costs		11,500.00
Net Wages		644,918.36
Other Payroll Deductions		48,227.41
Ransom Payments		15,000.00
Stationery & Postage		636.76
Bank Charges		0.40
VAT on Purchases		71,757.77
		1,156,280.89
Balance - 9 May 2020		546,572.86

Made up as follows

RBS Current Account	480,058.22
Santander Current Account	66,514.64
	546,572.86

Caversham Finance Limited

Payments, remuneration and expenses to the Administrators or their associates

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction 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:

- pre-appointment costs
- fee basis
- work done by the Administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-administration costs are fees charged and expenses incurred by Administrators or other qualified insolvency practitioners before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the Company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment Grant Thornton UK LLP was engaged by the Company through an engagement letter (the Agreement) dated 25 March 2020, under which the fee basis was time costs and out of pocket expenses. The Administrators will seek approval to draw fees of £221,226 (from a total of £276,657 actually incurred).

Details of the pre-appointment costs are provided below. No expenses were incurred prior to the appointment:

Details of the pre-administration costs are provided below:

Cost	Work done	Why the work was necessary pre-appointment and how it furthered the achievement of an objective of administration	Incurred			Paid			Unpaid
			Grade	Hours	£	£	Payer	Pre / post	Unpaid
Grant Thornton UK LLP fees	• Liaising with company legal advisers on appointment documents • Preparing input into company documents • Preparation of witness statement • Assess timing of appointment • Preparation of appointment communications • Any necessary communications with the FCA on appointment	• To assess, with senior management, the options, and associated risks available to the business and monitor the impact of changes in the position of the Company • To understand the processes necessary to continue following the appointment of administrators • To confirm that an objective of administration could be achieved and that administration, therefore, was an option for the company • To ensure that management were kept aware of all the risks and impact of an administration involving legal advisors • To ensure that the team could review all appointment documents • To understand the business as a whole and the assets and liabilities	Partner / Director	69.5	55,253	0	N/A	N/A	55,253
			Manager	182.8	102,394	0	N/A	N/A	102,394
			Executive	159.8	56,771	0	N/A	N/A	56,771
			Associate	40.5	6,809	0	N/A	N/A	6,809
			Total	**452.5**	**221,226**	**0**	N/A	N/A	**221,226**
			Costs written off against fees		55,431				

Notes:

- Manager includes associate directors and managers
- Executive includes assistant managers and executives

Post-appointment costs

Fee basis of the Joint Administrators

Proposed fee basis

We propose that the remuneration of the Administrators be fixed on the basis of time charged for the work undertaken.

The Administrators' statement of proposals state that the Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A(2)(a) of the Insolvency Act 1986 (the "prescribed part" to be carved out of money which would otherwise be payable to the holder of a floating charge).

A consequence of this statement is that rule 18.18(4) of the Rules provides that the basis of the Administrators' remuneration shall be fixed, if, as in this case, there is no creditors' committee, by (a) the consent of each of the secured creditors; or (b) if the administrator has made or intends to make a distribution to preferential creditors (i) the consent of each of the secured creditors, and (ii) a decision of the preferential creditors in a decision procedure.

Although the unsecured creditors are not involved in fixing the basis of the Administrators' remuneration, rule 18.16(4) nevertheless requires that where the proposed basis of remuneration is by reference to the time properly given by the Administrators and their staff in attending to matters arising in the administration, the Administrators must, prior to the determination of the basis, deliver to the creditors (a) a fees estimate and (b) details of the expenses which will be or are likely to be incurred.

As time costs form the proposed fee basis we provide, below, a fees estimate and details of the expenses that will be, or are likely to be, incurred - please see the 'fees estimate' section.

We provide details of the work we propose to undertake and details of the expenses we consider will be, or are likely to be, incurred in the table below.

We expect this fee basis to produce a fair and reasonable reflection of work anticipated to be undertaken.

Likely return to creditors

As indicated above, unfortunately, there are insufficient funds available for a distribution to creditors other than by way of the prescribed part (albeit, the administrators are considering whether progressing a prescribed part distribution is viable given the likely quantum of unsecured creditor claims). The timing and quantum of any future dividend is currently unknown.

Fees estimate

The fees estimate is based on all of the information available to us as at the time of preparing this report. We have considered and accounted for the different levels of expertise that we anticipate will be required to do the work we anticipate necessary to progress the first 12 months of the administration, in calculating the time and cost included in the fees estimate table provided below, which also includes a narrative of the work done and anticipated work. A numerical analysis of the work is provided in the 'Work done' section below. We anticipate that if there is either an extension to the administration or conversion to a creditors voluntary liquidation that there will be further costs but, at this time, the nature and extent of continuing work streams, and related costs, cannot be readily identified. A further fee estimate will be provided for any workstreams that are unresolved at 29 March 2021.

The fee estimate is net of VAT.

We also include details of time incurred to date on those work streams that have already commenced.

Please see the 'Hourly charge out rates' section for the rates applied to the fees estimate.

Fee estimate for the period 30 March 2020 to 29 March 2021

Area of work	Work Done	Anticipated work	Why the work is necessary	Financial benefit to creditors	Fees and expense estimate		
Trading					**2,913 hrs**	**£1,193,468**	**£/hr 409**
Trading general	• Cash flow analysis • Reviewing and approving payments for the day-to-day running of the business	• More detailed cash flow analysis and projections • To continue reviewing and approving payments.	• It was fundamental that the trading costs could be reduced to as low as possible, whilst marinating relationships with key suppliers • By reducing the cost of trading, this would ensure maximising the return to creditors	• 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			
Supplier contact and continuation of operations	• Initiated contact with suppliers by telephone, email and letter • Establishing arrangements for continued supplies of services and systems • Implementing administrators controls processes (purchase order system)	• Continue to work with suppliers for continued supplies of services and systems • Help unsecured creditors register their claim	• To secure continuity of supplies and maintenance of key systems necessary to support asset realisations	• 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			
Ongoing supplier management	• Maintain contact with suppliers to support orderly wind down of services	• To continue to maintain contact with suppliers to support orderly wind down of services • Terminating suppliers as appropriate during the wind down process	• Orderly wind down of operations and minimisation of operating costs	• 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			
Employees	• Assessment of employee rights and obligations • Communicated with all employees, supervising payroll and proceeding with a phased redundancy programme in line with wind down of operations • Attending to other ad hoc employee issues	• Holding regular update meetings with continuing staff • Instructions to employees on post-appointment protocols	• Retention of employees is essential to maintain the operations and systems necessary to allow support the assets of the Company • To support loan collection • To maintain customer services to address customer queries including redress inquiries	• 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			

	• Identified key employees for the business • All employee updates						
Pensions	• Initial actions and notifications to Pensions Regulator • Maintenance of employee contributions	• Correspondence Pensions Regulator • Maintenance of employee contributions	• Statutory and employment obligations	• This work is necessary to discharge the office holders' duties. As explained under 'Why the work is necessary', although it might not add financial value to the estate it will add value to the insolvency process			
Closure of sites	• Store closure programme	• Progressing the closure of operational location in UK at the appropriate time	• Structured closure is required to reduce costs.	• This work is necessary to discharge the office holders' duties. As explained under 'Why the work is necessary', although it might not add financial value to the estate it will add value to the insolvency process			
Assets					**2,895 hrs**	**£1,315,494**	**£/hr 454**
IT platform, database	• Working with IT team to understand the IT infrastructure • Recording potential interested parties • Providing information and responding to queries with interested parties • Consolidation of BAU use and ability to wind down operations as appropriate	• Investigating opportunity for disposal of IT platform and know how • Obtaining advice on legal status of database • Considering the options for sale of Company's database • Recording and approaching potential interested parties • Agreeing non-disclosure agreements with interested parties • Considering any offers received • Negotiating sale of IT assets	• To secure realisation of the best value from the Company's IT assets	• 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			

Loan Book – Initial set up and weekly reporting	• Established the status of the Company's Loan Portfolio and overseeing communication with customers and monitoring collections	• To continue monitoring the weekly reporting on the status of the loan book	• To secure collection of the loan book asset	• 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
Loan Book - Arrears management and realisation strategy	• Reviewing existing strategy for management of accounts in arrears and ensuring ongoing regulatory compliance • Implementation of outbound communications, incentives and payment channel strategies to maximise recoveries • Monitoring collection performance	• To continue reviewing existing strategy for accounts in arrears and ensuring ongoing regulatory compliance • To continue monitoring collections of arrears and regarding collection performance • Consider and progress sale of loan book as appropriate	• Necessary to realise the loan book value (which has exceeded the estimated to realise value)	• 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
Cash at bank	• Arranged for transfer of cash balances held by pre-appointment banks or payment • Arrange administration documentation with trading bank to sweep pre and post appointment collections	• To monitor pre-appointment bank account sweeps to administrators' accounts • To monitor and reconcile cash balances in administration accounts	• To secure a significant asset of the Company	• 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
Insurance	• Ensured appropriate ongoing insurance arrangements	• To continue ensuring appropriate ongoing insurance arrangements	• To ensure statutory compliance and to preserve the value of the Company's assets • Necessary to ensure the safety of the assets of the business as well as the safety of the working environment for the employees	• 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
Trademarks	• Reviewing and protecting trademark portfolio	• Monitoring renewal of trademarks as appropriate	• To secure an asset of the Company	• 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

Legal/Regulatory	• Correspondence, including regular telephone calls and emails with the FCA to discuss the proposed post appointment strategy and trading performance • Amendments and updates to the BrightHouse website	• Continue to correspond with the FCA to discuss Administrators strategy and any proposed sale of various company assets • Monitoring of the websites with any updates	• The Company continues to be regulated by the FCA, therefore their involvement is required • The website continues to be running, to provide customers with updates on the administration	• 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			
Investigations					**207 hrs**	**£83,449**	**£/hr 401**
General	• Review of the pre-administration bank statements • Initial review of books and records of the Company	• Review of books and records of the Company • Rationalising books and records held in storage • Securely destroying records as appropriate	• Statutory requirement of the Administrators, as well as an exercise to ensure that all assets have been secured	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Debtor/directors/ senior employees	• Obtained commentary on background of events leading to administration and roles of management in this period	• Complete statutory investigation into the Directors' conduct	• Statutory requirement	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Books & records	• Secured books and records	• Maintain books and records	• Statutory requirement to maintain records	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
IT support	• Investigated company's data handling procedures	• Obtain back-up copies of data	• Statutory requirement to maintain records	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			

Creditors					**1,432 hrs**	**£684,282**	**£/hr 477**
Employees & pensions	• Quantification and agreement of the claims of employees • Implementation of a retention scheme for key employees	• Continue to monitor the utilisation of staff	• To enable settlement of any preferential claims • Establishment of any unsecured claims from employees arising from termination of their employment • The Administrators ensured the retention of key employees in order to assist with the execution of post appointment workstreams	• 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			
Secured	• Reporting to secured creditors of Administration strategy, collections and cost performance	• Ongoing reporting to secured creditors	• To ensure secured creditors are kept informed of Administration progess	• This work is necessary to discharge the office holders' duties. As explained under 'Why the work is necessary', although it might not add financial value to the estate it will add value to the insolvency process			
Unsecured	• Collation of trade creditors and supplier claims • Including Redress creditors	• Quantification and agreement of the claims of trade creditors and suppliers • Adjudication of claims and notifying creditors of their claim • Responding to queries in relation to adjudication of claims • Issuing statutory notices	• To establish the quantum of creditor claims	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Dividends	• *We have not begun work on this stream at this stage*	• Processing of dividends to each class of creditor	• Required as part of the duties of the Administrators	• 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			
Administration					**1,932 hrs**	**£916,863**	**£/hr 474**
Case management: Take on	• Anti-Money laundering and other take-on protocols	• Our work in relation to take on is complete	• Required as part of the duties of the Administrators	• This work is to be completed solely for the purpose of complying with			

	• Creation of case specific files on Joint Administrators' case management systems • Comprehensive UK and Worldwide conflict check across the whole of Grant Thornton UK and its member firms • Review of ethical matters for taking on the case • Take-on panel with senior members of Grant Thornton UK LLP to ensure that the Administrators and their team would be able to take on the appointment, with adequate resources			statutory requirements and has no direct financial benefit to the estate
Case Management: Appointment formalities	• Creation of the necessary statutory documents for appointment • Liaising with the necessary parties (directors and shareholders) to initiate appointment • Filing of the relevant statutory forms on Companies House • Advertisement of the appointment in the London Gazette	• Our work in relation to take on is complete	• Required to ensure that the appointment complies with the statutory requirements	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Case Management: Case set-up	• Setting up the case on the Administrators' case management platform • Setting up various files for the case • Collation of pre administration data from the Company in relation to creditors and suppliers, etc.	• Our work in relation to take-on is complete	• Required as part of the duties of the Administrators and their staff	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Statutory reporting and creditor decision procedures	• Notification of appointment to creditors • Preparation of proposal document for creditors	• Preparation of future progress reports to creditors • Finalising creditor decision procedure in respect of	• Statutory requirement	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate

	• Preparation of fee estimate and remuneration report for creditors • Decision procedure by creditors for approval of proposals and basis of remuneration	resolutions contained in administrators' proposals		
Shareholders / debtor / director communications	• Responding to press enquiries arising from the appointment of Joint Administrators	• Continue to respond to press enquiries arising from the appointment of Joint Administrators	• To address public interest in the administration • To make information available to potential creditors	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Compliance FCA	• Regular communication and updates with FCA regarding progress of the administration •	• Continue communication and updates with FCA regarding progress of the administration •	• To maintain the compliance with regulatory requirements • To ensure regulators were informed of the strategy for the administration and the	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Treasury, billing & funding	• Processing and recording transactions arising during the period of the administration • Setting up the Administration bank accounts • Arranging and accounting for the various receipts and payments of the Company	• Processing and recording transactions arising during the period of the administration • Arranging and accounting for the various receipts and payments of the Company	• Required as part of the duties of the Administrators and their staff	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Tax	• Review of historical tax position of the Company • Review of VAT position of the Company	• Continuation of review of historical tax and VAT position of the Company • Preparation and submission of final pre-appointment tax returns • Preparation and submission of final post appointment tax returns • Liaison with HMRC • Consideration of tax position as regards to redress process	• Statutory compliance • To meet all post administration tax liabilities	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Pensions	• The Grant Thornton Pension Advisory team is engaged to deal with various matters including:	• Correspondence Pensions Regulator	• Necessary for the running of the administration	• This work is to be completed solely for the purpose of complying with

	- Discussions with the Company and Administrators to discuss the pre administration policy and benefits as well as areas and cover to be maintained post administration - Pre-administration pension and benefit data gathering and assessment of cover • Relevant updates in relation to pension cover and benefits	• Maintenance of employee contributions		statutory requirements and has no direct financial benefit to the estate			
Closure	• We have not begun work in relation to this workstream	• Finalisation of the administration process	• Statutory requirement	• 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			
Administrators' costs summary							
Fees incurred to 8 May 2020					2,578 hrs	£1,204,223	£/hr 467
Estimated future fees to 29 March 2021					6,803 hrs	£2,989,335	£/hr 439
Total fees estimate					**9,381 hrs**	**£4,193,558**	**£/hr 439**

Legal fees estimate (ex VAT & disbursements)	**£396,000 - £527,000**	

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 30/03/2020 to 08/05/2020

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£	£/hr
Trading:									**643.90**	**300,909.80**	**467.32**	**2,913.16**	**1,193,468.74**	**409.68**	**2,269.26**	**892,558.94**	**393.33**
Trading (general)	190.90	139,818.75	278.10	131,320.55	11.40	2,793.00	163.50	26,977.50	643.90	300,909.80	467.32						
Realisation of Assets:	-								**358.50**	**171,758.37**	**479.10**	**2,895.78**	**1,315,494.40**	**454.28**	**2,537.28**	**1,143,736.04**	**460.77**
Insurance	2.15	1,709.25	-	-	-	-	-	-	2.15	1,709.25	795.00						
Property	35.00	27,825.00	-	-	-	-	-	-	35.00	27,825.00	795.00						
Debtors	3.50	2,782.50	-	-	146.50	59,332.50	-	-	150.00	62,115.00	414.10						
Cash at bank	0.50	397.50	-	-	-	-	-	-	0.50	397.50	795.00						
Sale of business	7.85	6,240.75	-	-	-	-	-	-	7.85	6,240.75	795.00						
Contributions	2.00	1,590.00	-	-	-	-	-	-	2.00	1,590.00	795.00						
Other assets	3.00	2,385.00	-	-	-	-	-	-	3.00	2,385.00	795.00						
General	-	-	158.00	69,495.87	-	-	-	-	158.00	69,495.87	439.85						
Investigations:									**2.40**	**1,390.50**	**579.38**	**207.95**	**83,449.57**	**401.30**	**205.55**	**82,059.07**	**399.22**
Debtor / director / senior employees	-	-	-	-	0.30	90.00	0.10	18.00	0.40	108.00	270.00						
Books & records	-	-	-	-	-	-	0.50	90.00	0.50	90.00	180.00						
Claims	1.50	1,192.50	-	-	-	-	-	-	1.50	1,192.50	795.00						
Creditors:									**866.25**	**403,457.22**	**465.75**	**1,432.05**	**684,282.30**	**477.83**	**565.80**	**280,825.08**	**496.33**
Secured	23.85	15,751.75	145.00	63,075.00	-	-	-	-	168.85	78,826.75	466.84						
Employees & pensions	10.25	8,148.75	129.15	75,861.90	208.55	84,195.00	-	-	347.95	168,205.65	483.42						
Unsecured	3.95	3,032.25	61.25	33,705.41	130.55	52,074.50	3.35	603.00	199.10	89,415.16	449.10						
Retention of title	-	-	145.25	63,252.15	-	-	-	-	145.25	63,252.15	435.47						
Ransom creditors	4.50	3,577.50	-	-	0.60	180.00	-	-	5.10	3,757.50	736.76						
Administration:									**707.15**	**326,707.33**	**462.01**	**1,932.34**	**916,863.54**	**474.48**	**1,225.19**	**590,156.21**	**481.69**
Appointment formalities	2.50	1,987.50	13.00	5,631.25	11.70	3,502.00	10.00	1,510.00	37.20	12,630.75	339.54						
Case management	118.90	77,128.50	247.00	142,951.78	13.65	3,734.50	109.15	17,029.00	488.70	240,843.78	492.83						
Reports to creditors, notices & decisions	-	-	7.70	3,208.35	3.25	1,316.25	2.25	405.00	13.20	4,929.60	373.45						
Shareholders / debtor / director communications	1.75	1,391.25	-	-	0.20	52.00	-	-	1.95	1,443.25	740.13						
Statement of affairs	3.25	2,583.75	-	-	-	-	0.50	90.00	3.75	2,673.75	713.00						
Treasury, billing & funding	8.75	6,956.25	-	-	47.50	10,117.50	18.10	3,018.00	74.35	20,091.75	270.23						
Tax	13.25	9,341.25	38.70	17,234.30	-	-	1.00	350.00	52.95	26,925.55	508.51						
Pensions	-	-	21.80	11,946.40	0.50	122.50	-	-	22.30	12,068.90	541.21						
General	-	-	12.75	5,100.00	-	-	-	-	12.75	5,100.00	400.00						
Total	**451.05**	**324,696.50**	**1,663.70**	**796,120.33**	**931.70**	**361,447.25**	**584.15**	**95,581.00**	**2,578.20**	**1,204,223.21**	**467.08**	**9,381.28**	**4,193,658.55**	**447.01**	**6,803.08**	**2,989,335.34**	**439.41**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant manager and executives
- Adverse variances are presented in brackets
- Total time costs to be written off to date £136,407.05

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

Grade	From 1 July 2019 to current	
	Insolvency £/hr	Pensions & tax £/hr
Partner	510 – 795	795
Director	485 – 705	705
Associate director	445 – 595	595
Manager	340 – 495	495
Assistant manager	300 – 405	405
Executive	245 – 350	350
Administrator	165 – 200	-
Treasury	180	n/a

The current charge out rates have applied since 1 July 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Subscription			
VAT subscription software renewal	50	50	50
Total	50	50	50
Category 2 disbursements			
Mileage	0	0	0
Expenses			
Bank charges			
RBS	1,051	1,051	1,051
Worldpay charges	85,000	85,000	85,000
Employee Expenses	4,805	4,805	4,805
Legal fees			
Blackhouse Jones Limited	2,340	2,340	2,340
Wages & other payroll deductions			
Net wages	1,522,732	1,522,732	1,522,732
Other 3rd party payroll deductions	153,284	153,284	153,284
Postage			
Webmart Limited	2,435	2,435	2,435
Central Mailing Services	548	548	548
Professional Fees			
Auctus Ltd T/A Cerberus Asset Management	16,600	16,600	16,600
ERA Solutions	23,418	23,418	0
William Brady Accountancy Services Limited	5,225	5,225	5,225
Purchases			
Biffa Waste Services Ltd	3,706	3,706	3,706
Blackfoot UK Limited	3,261	3,261	3,261
Bluechip Customer Engineering Ltd	3,253	3,253	3,253

Caretower	22,594	22,594	22,594
CHH CoNeX Ltd	9,820	9,820	9,820
Coffee4Business	300	300	300
Computer Systems Integration Ltd	8,971	8,971	8,971
CPC	1,729	1,729	1,729
Cromwell	56,444	56,444	56,444
Datagraphic Ltd	2,024	2,024	2,024
DPD UK	5,310	5,310	5,310
HelpSystems	10,876	10,876	10,876
Consultant	9,000	9,000	9,000
Kagool	62,500	62,500	62,500
Kennet Equipment Leasing Ltd	628	628	628
Keystone Law Ltd	760	760	760
Kronos Technology	11,013	11,013	11,013
LOGICALIS UK LTD	20,500	20,500	20,500
M & H Logistics (Glasgow) Ltd	1,713	1,713	1,713
Meeting Zone Ltd	1,122	1,122	1,122
Oracle Corporation UK Ltd	4,032	4,032	4,032
Consultant	41,250	41,250	41,250
PayPoint Collections Ltd	449	449	449
Consultant	3,161	3,161	3,161
Redcentric Plc	174,060	174,060	174,060
Simply Solutions (Europe) Limited	34,996	34,996	34,996
Six Degrees Technology Group Ltd	19,458	19,458	19,458
Skyron Limited	3,206	3,206	3,206
Sodexo Pass Ltd	267	267	267
Telecom Service Centre Limited	324,267	324,267	324,267
Transport for London	600	600	600
UKFast.Net Ltd	365	365	365
Consultant	10,500	10,500	10,500
Webmart Limited	6,427	6,427	6,427

Ransom Payments			
Kagool	28,800	28,800	28,800
Meeting Zone Ltd	598	598	598
Simply Solutions (Europe) Ltd	72,000	72,000	72,000
Datagraphics	11,094	11,094	11,094
Total expenses and disbursements	**2,788,592**	**2,788,592**	**2,765,174**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

During the Period we have sub-contracted out the following work that could otherwise have been carried out by us or our team:

Sub-contractor	Work sub-contracted out	Reason(s) for sub-contracting out	Cost incurred (£)
External consultant – William Brady Accountancy Services Limited	• Cash management	• Experienced in cash management strong relationships with banks	£5,225
ERA Solutions	• Employee claims management	• Employee claims specialists	£23,418

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought 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 a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

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, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (i.e. 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.

Caversham Trading Limited

Payments, remuneration and expenses to the Administrators or their associates

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction 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:

- pre-appointment costs
- fee basis
- work done by the Administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment Grant Thornton UK LLP was engaged by the Company through an engagement letter (the Agreement) dated 25 March 2020, under which the fee basis was time costs and out of pocket expenses. The Administrators will seek approval to draw fees of £39,520 (from a total of £43,738 actually incurred).

Details of the pre-appointment costs are provided below. No expenses were incurred prior to the appointment:

Details of the pre-administration costs are provided below:

Cost	Work done	Why the work was necessary pre-appointment and how it furthered the achievement of an objective of administration	Incurred			Paid			Unpaid
			Grade	Hours	£	£	Payer	Pre / post	Unpaid
Grant Thornton UK LLP fees	• Liaising with company legal advisers on appointment documents • Preparing input into company documents • Preparation of witness statement • Assess timing of appointment • Preparation of appointment communications	• To assess, with senior management, the options, and associated risks available to the business and monitor the impact of changes in the position of the Company • To understand the processes necessary to continue following the appointment of administrators • To confirm that an objective of administration could be achieved and that administration, therefore, was an option for the company • To ensure that management were kept aware of all the risks and impact of an administration involving legal advisors • To ensure that the team could review all appointment documents • To understand the business as a whole and the assets and liabilities	Partner / Director	44.5	33,023	0	N/A	N/A	33,023
			Manager	15.0	5,988	0	N/A	N/A	5,988
			Executive	0.0	0	0	N/A	N/A	0
			Associate	3.0	510	0	N/A	N/A	510
			Total	**62.5**	**39,520**	**0**	N/A	N/A	**39,520**
			Costs written off against fees		4,218				

Notes:

- Manager includes associate directors and managers
- Executive includes assistant managers and executives

Post-appointment costs

Fee basis of the Joint Administrators

Proposed fee basis

We propose that the remuneration of the Administrators be fixed on the basis of time charged for the work undertaken

The Administrators' statement of proposals state that the Administrators think that the company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A(2)(a) of the Insolvency Act 1986 (the "prescribed part" to be carved out of money which would otherwise be payable to the holder of a floating charge).

A consequence of this statement is that rule 18.18(4) of the Rules provides that the basis of the Administrators' remuneration shall be fixed, if, as in this case, there is no creditors' committee, by (a) the consent of each of the secured creditors; or (b) if the administrator has made or intends to make a distribution to preferential creditors (i) the consent of each of the secured creditors, and (ii) a decision of the preferential creditors in a decision procedure.

Although the unsecured creditors are not involved in fixing the basis of the Administrators' remuneration, rule 18.16(4) nevertheless requires that where the proposed basis of remuneration is by reference to the time properly given by the Administrators and their staff in attending to matters arising in the administration, the Administrators must, prior to the determination of the basis, deliver to the creditors (a) a fees estimate and (b) details of the expenses which will be or are likely to be incurred.

As time costs form the proposed fee basis we provide, below, a fees estimate and details of the expenses that will be, or are likely to be, incurred - please see the 'fees estimate' section.

We provide details of the work we propose to undertake and details of the expenses we consider will be, or are likely to be, incurred in the table below.

We expect this fee basis to produce a fair and reasonable reflection of work anticipated to be undertaken

Likely return to creditors

As indicated above, unfortunately, there are insufficient funds available for a distribution to creditors other than by way of the prescribed part. The timing and quantum of any future dividend is currently unknown.

Fees estimate

The fees estimate is based on all of the information available to us as at the time of preparing this report. We have considered and accounted for the different levels of expertise that we anticipate will be required to do the work we anticipate necessary to progress the first 12 months of the administration, in calculating the time and cost included in the fees estimate table provided below, which also includes a narrative of the work done and anticipated work. A numerical analysis of the work is provided in the 'Work done' section below. We anticipate that if there is either an extension to the administration or conversion to a creditors voluntary liquidation that there will be further costs but, at this time, the nature and extent of continuing work streams, and related costs, cannot be readily identified. A further fee estimate will be provided for any workstreams that are unresolved at 29 March 2021.

The fee estimate is net of VAT.

We also include details of time incurred to date on those work streams that have already commenced.

Please see the 'Hourly charge out rates' section for the rates applied to the fees estimate.

Fee estimate for the period 30 March 2020 to 29 March 2021

Area of work	Work Done	Anticipated work	Why the work is necessary	Financial benefit to creditors	Fees and expense estimate		
Trading					**1,988 hrs**	**£700,424**	**£/hr 352**
Trading general	• Cash flow analysis • Reviewing and approving payments for the day-to-day running of the business • Ensuring retained staff adhere to Covid 19 regulations and guidance • Holding strategy meetings with management to ensure an effective approach to trading going forward • Investigating new sites for the national distribution centre ahead of lease expiration on current site • Assessment of operating costs in comparison to alternative options • Recording and approaching potential interested parties • Agreeing non-disclosure agreements with interested parties • Liaising with interested parties and provision of information to facilitate offers for the sale of all or part of the business	• More detailed cash flow analysis and projections • To continue reviewing and approving payments. • Regular purchases of PPE and communications with employees • Continued monitoring of Covid 19 guidance to ensure ongoing compliance • Continued assessment of operating costs in comparison to alternative options • Continued discussions with interested parties	• It was fundamental that the trading costs could be reduced to as low as possible, whilst marinating relationships with key suppliers • By reducing the cost of trading, this would ensure maximising the return to creditors • To ensure compliance with regulations and safeguarding of employees & customers • To ensure premises from which to trade going forward	• 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			
Supplier contact and continuation of operations	• Initiated contact with suppliers by telephone, email and letter • Establishing arrangements for continued supplies of services and systems • Assessing fleet of vehicles for suitability and requirement and corresponding with the Traffic Commissioner on usage	• Continue to work with suppliers for continued supplies of services and systems • Continue to liaise with Traffic Commissioner on usage of fleet vehicles • Assisting unsecured creditors in registering their claim	• To secure continuity of supplies and maintenance of key systems necessary to support asset realisations • To assist in building projections for expected spend	• 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			

	• Implementing administrators controls processes (purchase order system) • Undertaking extensive analysis of spares held at site						
Ongoing supplier management	• Maintain contact with suppliers to support orderly wind down of services	• To continue to maintain contact with suppliers to support orderly wind down of services • Terminating suppliers as appropriate	• Orderly wind down of operations and minimisation of operating costs	• 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			
Employees	• Assessment of employee rights and obligations • Communicated with all employees, supervising payroll and proceeding with a phased furloughing and redundancy programme in line with wind down of operations • Attending to other ad hoc employee issues • Identified key employees for the business • All employee updates	• Holding regular update meetings with continuing staff • Instructions to employees on post-appointment protocols	• Retention of employees is essential to maintain the operations and systems necessary to allow support the assets of the Company • To maintain customer services to address customer queries including redress inquiries	• 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			
Pensions	• Initial actions and notifications to Pensions Regulator • Maintenance of employee contributions	• Correspondence Pensions Regulator • Maintenance of employee contributions	• Statutory and employment obligations	• This work is necessary to discharge the office holders' duties. As explained under 'Why the work is necessary', although it might not add financial value to the estate it will add value to the insolvency process			
Assets					**797 hrs**	**£319,737**	**£/hr 400**
IT platform, database	• Working with IT team to understand the IT infrastructure • Recording potential interested parties • Providing information and responding to queries with interested parties	• Investigating opportunity for disposal of IT platform and know how • Obtaining advice on legal status of database • Considering the options for sale of Company's database	• To secure realisation of the best value from the Company's IT assets	• 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			

	• Consolidation of BAU use and ability to wind down operations as appropriate	• Recording and approaching potential interested parties • Agreeing non-disclosure agreements with interested parties • Considering any offers received • Negotiating sale of IT assets					
Cash at bank	• Arranged for transfer of cash balances held by pre-appointment banks or payment • Arrange administration documentation with trading bank to sweep pre and post appointment collections	• To monitor pre-appointment bank account sweeps to administrators' accounts • To monitor and reconcile cash balances in administration accounts	• To secure a significant asset of the Company	• 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			
Insurance	• Ensured appropriate ongoing insurance arrangements	• To continue ensuring appropriate ongoing insurance arrangements	• To ensure statutory compliance and to preserve the value of the Company's assets • Necessary to ensure the safety of the assets of the business as well as the safety of the working environment for the employees	• 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			
Legal/Regulatory	• Correspondence, to discuss the proposed post appointment strategy and trading performance • Amendments and updates to the BrightHouse website	• Monitoring of the websites with any updates	• The website continues to be running, to provide customers with updates on the administration	• 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			
Investigations					**37 hrs**	**£19,996**	**£/hr 527**
General	• Review of the pre-administration bank statements • Initial review of books and records of the Company	• Review of books and records of the Company • Rationalising books and records held in storage • Securely destroying records as appropriate	• Statutory requirement of the Administrators, as well as an exercise to ensure that all assets have been secured	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			

Debtor/directors/ senior employees	• Obtained commentary on background of events leading to administration and roles of management in this period	• Complete statutory investigation into the Directors' conduct	• Statutory requirement	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Books & records	• Secured books and records	• Maintain books and records	• Statutory requirement to maintain records	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
IT support	• Investigated company's data handling procedures	• Obtain back-up copies of data	• Statutory requirement to maintain records	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Creditors					**292 hrs**	**£130,891**	**£/hr 447**
Secured	• Reporting to secured creditors of Administration strategy, collections and cost performance	• Ongoing reporting to secured creditors	• To ensure secured creditors are kept informed of Administration progess	• This work is necessary to discharge the office holders' duties. As explained under 'Why the work is necessary', although it might not add financial value to the estate it will add value to the insolvency process			
Employees & pensions	• Quantification and agreement of the claims of employees • Implementation of a retention scheme for key employees	• Continue to monitor the utilisation of staff	• To enable settlement of any preferential claims • Establishment of any unsecured claims from employees arising from termination of their employment • The Administrators ensured the retention of key employees in order to assist with the execution of post appointment workstreams	• 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			

Unsecured	• Collation of trade creditors and supplier claims	• Quantification and agreement of the claims of trade creditors and suppliers • Adjudication of claims and notifying creditors of their claim • Responding to queries in relation to adjudication of claims • Issuing statutory notices	• To establish the quantum of creditor claims	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Dividends	• *We have not begun work on this stream at this stage*	• Processing of dividends to each class of creditor	• Required as part of the duties of the Administrators	• 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			
Administration					**337 hrs**	**£152,081**	**£/hr 449**
Case management: Take on	• Anti-Money laundering and other take-on protocols • Creation of case specific files on Joint Administrators' case management systems • Comprehensive UK and Worldwide conflict check across the whole of Grant Thornton UK and its member firms • Review of ethical matters for taking on the case • Take-on panel with senior members of Grant Thornton UK LLP to ensure that the Administrators and their team would be able to take on the appointment, with adequate resources	• Our work in relation to take on is complete	• Required as part of the duties of the Administrators	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Case Management: Appointment formalities	• Creation of the necessary statutory documents for appointment • Liaising with the necessary parties (directors and shareholders) to initiate appointment	• Our work in relation to take on is complete	• Required to ensure that the appointment complies with the statutory requirements	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			

	• Filing of the relevant statutory forms on Companies House • Advertisement of the appointment in the London Gazette			
Case Management: Case set-up	• Setting up the case on the Administrators' case management platform • Setting up various files for the case • Collation of pre administration data from the Company in relation to creditors and suppliers, etc.	• Our work in relation to take-on is complete	• Required as part of the duties of the Administrators and their staff	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Statutory reporting and creditor decision procedures	• Notification of appointment to creditors • Preparation of proposal document for creditors • Preparation of fee estimate and remuneration report for creditors • Decision procedure by creditors for approval of proposals and basis of remuneration	• Preparation of future progress reports to creditors • Finalising creditor decision procedure in respect of resolutions contained in administrators' proposals	• Statutory requirement	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Shareholders / debtor / director communications	• Responding to press enquiries arising from the appointment of Joint Administrators	• Continue to respond to press enquiries arising from the appointment of Joint Administrators	• To address public interest in the administration • To make information available to potential creditors	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate
Treasury, billing & funding	• Processing and recording transactions arising during the period of the administration • Setting up the Administration bank accounts • Arranging and accounting for the various receipts and payments of the Company	• Processing and recording transactions arising during the period of the administration • Arranging and accounting for the various receipts and payments of the Company	• Required as part of the duties of the Administrators and their staff	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate

Tax	• Review of historical tax position of the Company • Review of VAT position of the Company	• Continuation of review of historical tax and VAT position of the Company • Preparation and submission of final pre-appointment tax returns • Preparation and submission of final post appointment tax returns • Liaison with HMRC • Consideration of tax position as regards to redress process	• Statutory compliance • To meet all post administration tax liabilities	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Pensions	• The Grant Thornton Pension Advisory team is engaged to deal with various matters including: - Discussions with the Company and Administrators to discuss the pre administration policy and benefits as well as areas and cover to be maintained post administration - Pre-administration pension and benefit data gathering and assessment of cover • Relevant updates in relation to pension cover and benefits	• Correspondence Pensions Regulator • Maintenance of employee contributions	• Necessary for the running of the administration	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate			
Closure	• We have not begun work in relation to this workstream	• Finalisation of the administration process	• Statutory requirement	• 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			
Fees incurred to 8 May 2020					**1,768 hrs**	**£676,772**	**£/hr 382**
Estimated future fees to 29 March 2021					**1,685 hrs**	**£646,360**	**£/hr 383**
Total fees estimate					**3,454 hrs**	**£1,323,133**	**£/hr 383**

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 30/03/2020 to 08/05/2020

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£	£/hr
Trading:									**1,198.90**	**440,564.78**	**367.47**	**1,988.48**	**700,424.95**	**352.24**	**789.58**	**259,860.17**	**329.11**
Trading (general)	219.00	158,675.00	420.55	172,589.28	211.10	51,719.50	348.25	57,581.00	1,198.90	440,564.78	367.47						
Realisation of Assets:									**149.55**	**56,623.50**	**378.63**	**797.66**	**319,737.78**	**400.84**	**648.11**	**263,114.28**	**405.97**
Property	11.50	9,142.50	-	-	-	-	-	-	11.50	9,142.50	795.00						
Debtors	-	-	-	-	124.00	37,200.00	-	-	124.00	37,200.00	300.00						
Sale of business	4.80	3,816.00	-	-	-	-	-	-	4.80	3,816.00	795.00						
Other assets	7.00	5,565.00	-	-	-	-	-	-	7.00	5,565.00	795.00						
General	-	-	2.25	900.00	-	-	-	-	2.25	900.00	400.00						
Investigations:									**0.70**	**150.00**	**214.29**	**37.89**	**19,996.92**	**527.76**	**37.19**	**19,846.92**	**533.66**
Debtor / director / senior employees	-	-	-	-	0.20	60.00	-	-	0.20	60.00	300.00						
Books & records	-	-	-	-	-	-	0.50	90.00	0.50	90.00	180.00						
Creditors:									**245.70**	**114,490.60**	**465.98**	**292.41**	**130,891.84**	**447.63**	**46.71**	**16,401.24**	**351.13**
Secured	-	-	49.00	21,315.00	-	-	-	-	49.00	21,315.00	435.00						
Employees & pensions	11.50	7,252.50	64.65	37,120.10	1.05	312.25	1.00	180.00	78.20	44,864.85	573.72						
Unsecured	0.25	198.75	40.00	23,800.00	62.45	21,621.00	3.60	648.00	106.30	46,267.75	435.26						
Retention of title	-	-	-	-	-	-	6.20	1,023.00	6.20	1,023.00	165.00						
Ransom creditors	-	-	-	-	-	-	6.00	1,020.00	6.00	1,020.00	170.00						
Administration:									**174.05**	**64,944.11**	**373.13**	**337.97**	**152,081.56**	**449.99**	**163.92**	**87,137.45**	**531.59**
Take-on	-	-	-	-	4.75	1,163.75	-	-	4.75	1,163.75	245.00						
Appointment formalities	1.00	510.00	13.25	5,716.25	26.90	7,127.00	3.50	630.00	44.65	13,983.25	313.17						
Case management	10.05	7,704.75	1.75	673.75	15.60	4,582.00	8.20	1,371.00	35.60	14,331.50	402.57						
Reports to creditors, notices & decisions	-	-	6.15	2,546.71	-	-	1.00	180.00	7.15	2,726.71	381.36						
Shareholders / debtor / director communications	0.50	397.50	-	-	-	-	-	-	0.50	397.50	795.00						
Statement of affairs	0.50	397.50	-	-	-	-	0.50	90.00	1.00	487.50	487.50						
Treasury, billing & funding	0.25	198.75	12.75	5,673.75	19.55	4,181.50	1.65	324.00	34.20	10,378.00	303.45						
Tax	-	-	23.40	10,126.60	-	-	2.70	486.00	26.10	10,612.60	406.61						
Pensions	-	-	19.60	10,740.80	0.50	122.50	-	-	20.10	10,863.30	540.46						
Total	**266.35**	**193,858.25**	**653.35**	**291,202.24**	**466.10**	**128,089.50**	**383.10**	**63,623.00**	**1,768.90**	**676,772.99**	**382.60**	**3,454.41**	**1,323,133.05**	**383.03**	**1,685.51**	**646,360.06**	**383.48**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant manager and executives
- Adverse variances are presented in brackets
- Total time costs to be written off to date: £39,679.15

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

Grade	From 1 July 2019 to current	
	Insolvency £/hr	Pensions & tax £/hr
Partner	510 – 795	795
Director	485 – 705	705
Associate director	445 – 595	595
Manager	340 – 495	495
Assistant manager	300 – 405	405
Executive	245 – 350	350
Administrator	165 – 200	-
Treasury	180	n/a

The current charge out rates have applied since 1 July 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
None			
Category 2 disbursements			
Mileage	27	27	0
Expenses			
Bank charges			
RBS	0.40	0.40	0.40
Net wages and other payroll deductions			
Wages	644,918	644,918	644,918
Healthcare	1,545	1,545	1,545
Other payroll deductions	46,682	46,682	46,682
Purchases			
Consultant	17,100	17,100	17,100
Aquacool Limited	125	125	125
Blancoo Uk Limited	3,688	3,688	3,688
Cell-Tech Innovations Limited	6,223	6,223	6,223
Cito Facilities Limited	4,745	4,745	4,745
DateaPlug Ltd T/A HypaShip	1,459	1,459	1,459
DPD UK	20,602	20,602	20,602
Keystone Law Ltd	500	500	500
M & H Logistics	1,207	1,207	1,207
M & H Logistics (Glasgow) Limited	5,051	5,051	5,051
WEX Europe Services (UK) Limited	317	317	317
Ransom Payments			
MAN Commercial Protection Limited	15,000	15,000	15,000
Rents			
DHL Supply Chain Limited	303,224	303,224	303,224

Stationery & Postage			
CMS Mailing Services Limited	637	637	637
Vehicle Running Costs	11,500	11,500	11,500
Professional fees			
ERA Solutions	1,426	1,426	0
Total expenses and disbursements	**1,085,976**	**1,085,976**	**1,084,523**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

During the Period we have sub-contracted out the following work that could otherwise have been carried out by us or our team:

Sub-contractor	Work sub-contracted out	Reason(s) for sub-contracting out	Cost incurred (£)
ERA Solutions	• Employee claims management	• Employee claims specialists	£1,426

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought 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 a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

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, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (i.e. 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.

C Statutory information

Company information	
Company name	Caversham Finance Limited
Date of incorporation	24 December 1963
Company registration number	00785922
Former trading address and registered office	5 Hercules Way Leavesden Watford WD25 7GS
Present registered office	4 Hardman Square Spinningfields Manchester M3 3EB
Authorised share capital	44,579,389
Issued share capital	44,579,389 (Brighthouse Limited)
Directors and officers shareholding:	

	Brian Brodie	NIL
	Graeme Campbell	NIL
	Stuart Deane	NIL
	Lysa Hardy	NIL
	Ian Larkin	NIL
	Lars Mattsson	NIL
	David Poole	NIL

Administration information	
Administration appointment	The administration appointment granted in the High Court of Justice Chancery Division Business a, 2044 of 2020
Appointor	Order of the court
Date of appointment	30 March 2020
Joint Administrators' names	Chris M Laverty Trevor P O'Sullivan Helen Dale
Joint Administrators' address(es)	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 (without first being in administration)
Estimated values of the net property and prescribed part	The Company's net property is estimated to be c.£92 million. The prescribed part is capped at the statutory maximum of £600,000
Prescribed part distribution	The Administrators intend to apply to court to obtain an order that the prescribed part shall not apply Therefore, it is likely the Administrators will not make a distribution to the unsecured creditors

Functions	In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them.
Current administration expiry date	29 March 2021

Company information

Company name	Caversham Trading Limited	
Date of incorporation	17 March 2015	
Company registration number	05396147	
Former trading address and registered office	5 Hercules Way Leavesden Watford WD25 7GS	
Present registered office	4 Hardman Square Spinningfields Manchester M3 3EB	
Authorised share capital	16,500,000 (Caversham Finance Limited)	
Issued share capital	16,500,000	
Directors and officers shareholding:		
	Graeme Campbell	NIL

Administration information

Administration appointment	The administration appointment granted in the High Court of Justice Chancery Division Business a, 2044 of 2020
Appointor	order of the court
Date of appointment	30 March 2020
Joint Administrators' names	Chris M Laverty Andrew Charters Sarah O'Toole
Joint Administrators' address(es)	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 (without first being in administration)
Estimated values of the net property and prescribed part	The Company's net property is estimated to be c.£1.9 million. The prescribed part is capped at the statutory maximum of £600,000
Prescribed part distribution	The Administrators do not intend to apply to court to obtain an order that the prescribed part shall not apply
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them.
Current administration expiry date	29 March 2021

Appendix D

Statement of Affairs

Statement as to affairs of Caversham Finance Limited

Company number 00785922

On the 30 March 2020,

Statement of Truth

I believe that the facts stated in this statement of the affairs are true

Full name Graeme James Campbell

Signed

Dated 6th May 2020

A – Summary of Assets

Assets

	Book Value £	Estimated to Realise £
Assets subject to fixed charge:	-	-
Assets subject to floating charge:		
Rental assets	67,444,301	56,204,669
Fixed assets - Computer hardware	1,586,847	952,108
Fixed assets - fixtures and fittings	2,195,651	0
Fixed assets - software	9,055,076	0
Fixed assets - Property leases	6,490,995	0
Investment in subsidiaries	19,660,000	8,500,000
Deferred tax asset	9,849,675	0
Stock	2,997,916	749,479
Amounts due from customers for cash loans agreements	8,300,281	8,800,000
Amounts due from customers for overdue RTO agreements	711,000	470,000
VAT debtor	18,129,000	9,064,500
Other trade and other receivables	7,983,931	0
Cash at bank	8,225,571	8,225,571
Uncharged assets		
	162,630,245	92,966,327
Estimated total assets available for preferential creditors		

Signature Barry Brown Date: 6th May 2020

A1 – Summary of Liabilities

			Estimated to Realise
			£
Estimated total assets available for preferential creditors (carried from page A)		£	92,966,327
Liabilities	£		
Preferential creditors:-	(700,457)		
Estimated deficiency/surplus as regards preferential creditors		£	92,265,870
Estimated prescribed part of net property where applicable (to carry forward)	£		
Estimated total assets available for floating charge holders		£	92,265,870
Debts secured by floating charges	£(164,769,913)		
Estimated deficiency/surplus of assets after floating charges		£	(72,504,043)
Estimated prescribed part of net property where applicable (brought down)	£		
Total assets available to unsecured creditors		£	(72,504,043)
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£(118,089,810)		
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		£	(190,593,853)
Shortfall to floating charge holders (brought down)	£		
Estimated deficiency/surplus as regards creditors		£	(190,593,853)
Issued and called up capital	£(44,579,389)		
Estimated total deficiency/surplus as regards members		£	(235,173,242)

Signature _[signature]_ Date: 6th May 2020

COMPANY CREDITORS

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements *and* creditors claiming retention of title over property in the company's possession.

Name of creditor	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
9ML Ltd	5700.00			
ACE Management Services(London) Ltd	10000.00			
Addleshaw Goddards LLP	2658.60			
	72.00			
	266.63			
ANGLIAN WATER BUSINESS (NWG)	868.85			
APAM Ltd (Dunfermline)	5500.00			
APC Hertfordshire Overnight Ltd	986.23			
Argos – Grimsby	4060.00			
Arnold Clark t/a Arnold Clark Vehicle Management	22539.06			
Avia Software	2016.00			
	25.87			
	82.03			
Bidwells (Peterborough)	5106.00			
BIFFA WASTE SERVICES LTD	38020.96			
Bond Wolfe (Kings Heath SC)	486.49			
Bottomline Technologies Limited	3850.69			
Breathfull 1 Ltd (Southport)	6976.62			
Callaway & Co – Torquay	8500.00			
Carol's Catering Service Ltd	15.00			
Carter Towler Ltd (Worcester)	7500.00			
	17851.70			
CBGA Robson (Rugby) Rent	8500.00			
CBGA Robson (Rugby) S/C	5973.60			
CBGA Robson LLP (Crewe)	8766.84			

CBRE Ltd (Cwmbran)	1858.50			
Chapman Petrie (Blackburn)	5000.00			
CHH CoNeX Ltd	17373.69			
	207.90			
	11.00			
Clifford Gordon Ltd (Farnworth)	3000.00			
Coffee4Business	300.00			
COLLIERS (Bridgend)	3183.93			
Colliers (Lincoln)	2900.00			
Colliers International – Haverfordwest	2853.66			
Communisis Data Intelligence	18900.00			
Core Computer Consultants UK Ltd	3703.49			
Cremia Villas Limited	9228.00			
Cromwell Business Systems Ltd	1156.80			
Dashwood Associates (Accrington)	1800.00			
Datagraphic Ltd	33282.44			
David Samuel Management Ltd (Havant Rent)	2100.00			
David Samuel Management Ltd (Havant S/C)	1110.13			
	3000.00			
Dimensions Clothing (MWUK Limited)	6593.30			
Dominplan Scotland Ltd	2800.00			
DTZ (West Drayton)	33504.76			
EDM Group Limited	268.25			
EDS Property Management (Basildon)	2900.00			
Elite Mobile Ltd	84256.75			
Equifax Ltd	30.46			
Estama UK Ltd (Dumfries)	7000.00			
Euro Property Investments Ltd (Birmingham Office)	22095.50			
Eurosafe UK Ltd	189.60			
Experian Ltd	63718.15			
	2329.50			
Financial Conduct Authority	261270.09			
Financial Ombudsman Service	64900.00			

Frank Heald – Middleton	4000.00			
Gerald Eve LLP	3029.96			
	3747.00			
Glasgow Music Centre Limited	1250.00			
Glasshouse Asset Management (Croydon)	6500.00			
Glenny LLP (Holloway SC)	30.48			
Global 4 Communication Ltd	17706.76			
Google Ireland Limited	19394.04			
Graham & Sibbald (Easterhous)	4948.50			
Greenlight Digital Ltd	26777.06			
Greenslade Taylor Hunt (Taunton)	2400.00			
	147.71			
Habro Property Management (Harpuhey)	5803.81			
Hanro Limited	9500.00			
Hanro Ltd – York	2156.40			
	28.27			
	43.80			
Help Systems	13050.99			
	70.10			
Home Marketing Ltd	3078.00			
HSO Enterprise Solutions Ltd	34376.28			
Indigo Blue Properties Ltd (Redcar)	1000.00			
Integral Investment (Brighton)	5000.00			
Iron Mountain Ltd	723.07			
J.Kyle C.S Ltd	1189.50			
Johal Dairies	51.74			
Jones Lang LaSalle - Mansfield Site 2	11877.00			
Kagool	28800.00			
Key IVR Ltd	14338.54			
Keyzone Computer Products Ltd	359.99			
Kingswood Cars	433.20			
Kronos Technology Limited	3007.80			
Lambert Smith Hampton - Colwyn Bay	5263.89			

Lambert Smith Hampton (H/O)	96527.09			
Lambert Smith Hampton (Paisley)	5500.00			
Lambert Smith Hampton Electricity	3029.25			
LCP Properties Ltd (Wolverhampton)	11161.57			
LCP Retail Ltd (Dudley)	7275.60			
	207.00			
Lee Baron – Weymouth	9500.00			
Legat Owen – Bangor	1500.00			
Legat Owen Ltd	1172.50			
Lex Autolease Ltd (DD Account)	47349.77			
Lyreco UK Limited	2765.77			
Maintel Europe Limited	58493.01			
Marcol Industrial Management LLP (Chester Le Street)	1908.00			
	46.91			
Marrant Securities Ltd (Eastleigh)	2050.00			
	3000.00			
Max Logs Consulting Ltd	3156.60			
Mazebrook Estates – Castleford	2083.33			
McCullagh Properties	3000.00			
MCR Commercial Real Estate (Rochdale)	4800.00			
Meeting Zone Ltd	598.24			
MERJE Ltd	3450.00			
MICHAELS,ROSS AND COLE (UK) LTD	13140.00			
Microsoft Ireland Operations Ltd	1166.87			
MindTree Ltd (RCHG)	59068.09			
MindTree Ltd (UKSTD)	88543.93			
MJ Mapp (Wellgate)	8000.00			
	6025.00			
Mr Michaels Florists Limited	40.00			
	10597.31			
	344.86			
Newport Holdings Ltd (newton Aycliffe)	1666.67			
	121.67			

Office Angels	5590.06			
Orbit Property Management Ltd (Dalston)	15749.90			
Outpost 24 (RCHG)	9800.00			
P&D Properties (Keighley)	1111.11			
PaperBoat Insight Ltd	6267.05			
Paragon Customer Communications (London) Ltd	13993.31			
Patrick Fox (Swansea)	3500.00			
PayPoint Network Ltd	13763.90			
Pelham Associates – Walthamstow	4041.67			
Polymorph Limited	720.00			
	781.20			
	22.23			
Rackspace Ltd (Direct Debit)	3032.98			
	40.80			
Real Estate Investors Plc (Kings Heath)	4500.00			
Redcentric	999.05			
Richard Lindsay Consulting Ltd	6000.00			
	335.50			
Rowanfield Ltd (Greenock)	1750.00			
Royal Mail Group Ltd (0305975000)	39.09			
Sanderson Weatherall (Newton Aycliffe)	2171.18			
	83.70			
Savills - Elephant & Castle	19564.00			
Savills (Runcorn)	9505.80			
Savills (UK) Ltd (Exeter)	9500.00			
Shoosmiths	219.00			
Simply Solutions (Europe) Ltd	72000.00			
Skelmersdale Ltd.Partnership	25166.98			
Smith Price LLP	21210.00			
Softcat PLC	26.14			
Sony Europe Ltd	62264.73			
Sorrell (Southend)	3000.00			
South Staffs Waterworks Co	35.85			

St Modwen Developments Ltd (Wythenshawe)	5976.20			
	191.10			
Tandem Property Asset Management (Bradford RENT)	4000.00			
Tandem Property Asset Management (Bradford SC)	1185.22			
The Chatham Property Partnership (Airdrie)	3500.00			
The JPM Group Companies Ltd	5264.64			
Tibo Limited	60690.00			
Twilio Inc.	6136.45			
UK Search Ltd	6916.80			
Unex Investment Trust Ltd (Stratford)	528.00			
Uppercrust2 Sandwich Bar	120.00			
Venus Tradelinks (High Wycombe)	4250.00			
VoiceSage Global Holdings Ltd	34059.55			
	149.40			
Warrington Borough Council (Rates)	312.19			
Water Plus (Severn Trent)	108.31			
Water Plus (United Utilities Water Ltd)	122.18			
Waterberry Limited	6300.00			
Whistl UK Ltd	3325.90			
Willake Ltd (St Austell)	4500.00			
	22.50			
Workman (Cheltenham)	2225.17			
Workman LLP - (Boscombe)	8070.00			
Workman LLP (Huntingdon Rent)	10131.00			
Workman LLP (Huntingdon SC)	731.62			
Workman LLP (Kirkby)	5038.00			
Workman LLP (Trowbridge)	8215.74			
Zellis UK Ltd	322.80			

Signature ____________________ Date 6th May 2020

SCHEDULE OF EMPLOYEES

[Note: This schedule must be omitted from the documents filed with the Registrar of Companies. In administration, this list is not circulated to creditors with the administrator's proposals but may be requested under Rule1.52]

Name of employee	**Address (with postcode)**	**Amount of debt £**	**Details of any security held by employee**	**Date security given**	**Value of security £**
List of employee creditors has been provided to the Administrator	This is the total of 871 employees who are creditors	700,457.00			

Signature ____________ Date 6th May 2020

SCHEDULE OF SHAREHOLDERS

Name of shareholder	Address (with postcode)	Nominal Amount of shares held £	Type of shares held	Number of shares held	Amount per share called up £	Total amount shares called up £
BrightHouse Ltd	5 Hercules Way, Leavesden, Watford, WD25 7GS	44,579,389	Ordinary	44,579,389	1	44,579,389

Signature ____________________ Date 6th May 2020

CONSUMER CREDITOR SCHEDULE

[Note: This schedule must be omitted from the documents filed with the Registrar of Companies. In administration, this list is not circulated to creditors with the administrator's proposals but may be requested under Rule1.52]

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
Customer Creditors or (current complaints) totalling 5,835 customers	Detailed list provided to Administrator	£922,796,81			
Customer cheques issues over 12 months totalling 5,284 customers	Detailed list provided to Administrator	£410,685.00			
Contingent liabilities for historic customers which we have been unable to contact them and donated the funds to charity but remain liable for future claims, totally 126,687 customers	Detailed list provided to Administrator	£1,729,675.51			

Signature Brian Cann Date 6th May 2020

Appendix D

Statement of Affairs

Statement as to affairs of Caversham Trading Limited

Company number 05396147

On the 30 March 2020,

Statement of Truth

I believe that the facts stated in this statement of the affairs are true

Full name Graeme James Campbell

Signed ______________________________

Dated 6th May 2020

A – Summary of Assets

Assets

	Book Value £	Estimated to Realise £
Assets subject to fixed charge:	0	0
Assets subject to floating charge:		
Fixed assets – software	6,452	0
Fixed assets - Computer hardware	834	333
Fixed assets - fixtures and fittings	1,045,036	0
Fixed assets - Property leases	11,894,052	0
Deferred tax asset	5,048,340	0
Stock	873,724	349,490
Prepayments and other debtors	740,819	0
Intercompany debtors	36,189,942	0
Cash at Bank	1,695,111	1,695,111
Uncharged assets	0	0
Estimated total assets available for preferential creditors	**57,494,309**	**2,044,934**

Signature Colin Carmichael Date: 6th May 2020

A1 – Summary of Liabilities

			Estimated to Realise £
Estimated total assets available for preferential creditors (carried from page A)		£	2,044,934
Liabilities	£		
Preferential creditors:-	(57,693)		
Estimated deficiency/surplus as regards preferential creditors		£	1,987,242
Estimated prescribed part of net property where applicable (to carry forward)	£		
Estimated total assets available for floating charge holders		£	1,987,242
Debts secured by floating charges	£ (134,719,913)		
Estimated deficiency/surplus of assets after floating charges		£	(132,732,671)
Estimated prescribed part of net property where applicable (brought down)	£		
Total assets available to unsecured creditors		£	(132,732,671)
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ (23,868,068)		
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		£	(156,600,740)
Shortfall to floating charge holders (brought down)	£		
Estimated deficiency/surplus as regards creditors		£	(156,600,740)
Issued and called up capital	£(16,500,000)		
Estimated total deficiency/surplus as regards members		£	(173,100,740)

Signature ______________________ Date 6th May 2020

COMPANY CREDITORS

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements *and* creditors claiming retention of title over property in the company's possession.

Name of creditor	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
Business Stream - A Scottish Water Co.	1507.82			
2468 Ltd	257.93			
A W Quazi (Luton)	833.33			
Acer UK Ltd (SPARES)	2379.18			
Adair Paxton (Normanton)	8400.00			
Alba Water	132.30			
Alliance Personnel Ltd	23197.24			
Amingham Ltd (Longsight)	1666.67			
ANGLIAN WATER BUSINESS (NWG)	1145.09			
Aoisin Estates Ltd (Wallasey)	4000.00			
APAM Ltd (Huyton- Rent)	4500.00			
APAM Ltd (Huyton-S/C)	1330.80			
Aquacool Limited	109.20			
Archiforms S.R.L (Spares)	93.20			
ARCO LTD	1162.92			
Ashby Lowery (Northampton)	4923.89			
Ashdown Phillips (Ashton - Rent & Insurance)	9250.00			
Ashdown Phillips (Ashton - Service Charge)	5414.32			
Ashdown Phillips (Clydebank - Rent&Ins)	6750.00			
Ashdown Phillips (Edmonton Rent & Ins)	3600.00			
Ashdown Phillips (Edmonton SC)	1781.41			
Ashdown Phillips (Gt. Yarmouth - Rent & Insurance)	7250.00			
Ashdown Phillips (Gt. Yarmouth - Service Charge)	6267.54			
Asus Holland B.V	347.17			
ASWO UK Ltd	947.22			

Austin Friars (Newport)	5516.67			
Balan Properties (Merthyr Tydfil)	2060.00			
Beko plc (Spares)	304.92			
	59.85			
Bhandal Properties (Bloxwich)	1666.67			
Birchwise Ltd (Fleetwood)	2500.00			
Blackpool Town Centre BID	174.52			
Blancco-UK Ltd	4425.00			
Bradley Hall Ltd (Bishop Auckland)	6496.42			
Breathfull 3 Ltd (Wigan)	4150.00			
Broadgate Estates Ltd (Woolwich Rent)	4675.00			
Broadgate Estates Ltd (Woolwich SC & Ins)	460.20			
Broadmarsh Retail General Partner Ltd	14012.31			
Buoyant Upholstery Ltd (Spares)	1257.00			
C.E.F	655.50			
Calmac Ferries Ltd	29.70			
Capital & Regional (Maidstone)	2517.20			
Capital & Regional (Redditch)	7469.65			
Carola Investment Ltd (Burton)	2991.81			
Castle Water (Thames Water)	16.03			
Caxtons (Chatham)	2675.00			
CB Richard Ellis (Blyth)	10328.30			
Centurion Truck Rental Ltd	25295.25			
Chapman Petrie (Huddersfield)	9108.50			
Cito Cleaning Limited	592.80			
Colliers – Beckton	1449.96			
Colliers – Gloucester	3821.20			
Colliers – Walsall	1500.00			
Colliers (Rhyl)	9486.17			
Cooke & Arkwright - (Cardiff)	12698.40			
Cooper Estates (Portsmouth)	2800.00			
Coventry City Council (Rent)	4166.67			
	252.66			

Cromwell Group (Holdings) Ltd	438.83			
DAC Beachcroft	4421.52			
DataPlug Ltd T/A Hypaship	3500.40			
David Samuel Asset Management Ltd (Arbroath)	6879.01			
David Samuel Management Ltd (Mexborough)	5000.00			
DHL (NSC Rent)	195391.11			
Dixon & Hopwood	8958.02			
DPD UK	61923.53			
Dream Lifestyle Leisure Corporation Ltd (Plymouth)	8000.00			
DRINKWORKS	106.50			
DTZ - Holford (WATER)	77.58			
DTZ (Lewisham)	7825.00			
Dwr Cymru Welsh Water	88.04			
Eden Springs UK Ltd	11.28			
EDS Property Management (Crawley)	10500.00			
EDS Property Management (Rotherham)	3393.43			
Environcom England Limited	3272.92			
Envirotex Products Ltd	614.40			
Equorium Property Company Ltd (Carlisle)	15400.00			
Eric Wright Group Ltd (Bolton)	6032.57			
Esprit Warehousing Ltd	1169.56			
Estama (UK) Ltd (Port Talbot)	6513.52			
Etimon Ltd (Wishaw)	500.00			
Eurocity Properties (Central) Limited (Coatbridge)	6100.00			
Europa Group Investments Ltd (Folkestone)	6500.00			
Eurosafe UK Ltd	189.60			
FI Real Estate Management (S/C)	1575.20			
FI Real Estate Management (Swindon)	4704.30			
Fidum Property Management (Wembley)	14345.47			
Fleet Service (Great Britain) Limited	15569.45			
Fraser Real Estate (Grays)	3800.00			
Frazer Kidd & Partners	5338.60			
Gammell & Company (Weston-Super-Mare)	6250.00			

GAP Personnel Holdings Limited	2032.22			
Gatehouse Prop Management (Castlemilk)	2486.47			
Gatehouse Property Management (Cumbernald)	3000.00			
GBR Phoenix Beard – Dagenham	10508.06			
GBR Phoenix Beard (Chesterfield)	11925.26			
George L Ballantyne	713.40			
Gilder Hire Ltd	3600.00			
Gilly`s Yard Ltd	2586.60			
Great Eastern Property Holding Ltd (Hanley)	2250.00			
Greenbank Compactors	549.30			
GVA Grimley (Cannock)	13300.40			
GVFM Property Management Ltd	5143.56			
Homeserve Furniture Repairs Limited	37937.84			
Horace John,Forse Co (Canton)	2916.67			
House Group Developments Ltd (Ipswich)	3000.00			
Ibis Pakaging Solutions Ltd	2404.08			
J E Morton Ltd	600.00			
J. Clarke Properties (Bury)	4200.00			
J.Kyle C.S Ltd	951.60			
James Andrew RSW Ltd (Romford)	12267.60			
JF Noble & Son (West Bromwich)	2083.33			
JLL (AMAS) – Andover	8159.00			
JLL (Harlow)	13500.00			
JLL (Winsford)	6000.00			
JLL AMAS Ltd (Basingstoke)	13132.00			
Jones Lang La Salle(Norwich)	11145.00			
Jones Lang LaSalle – Glenrothes	7000.00			
Jones Lang LaSalle – Uxbridge	26547.00			
Jones Lang LaSalle (Hartlepool)	13498.37			
Jones Lang LaSalle (Kirkcaldy)	5781.85			
Jones Lang LaSalle (Macclesfield)	10680.00			
Jones Lang LaSalle (Northfield)	11052.00			
Jones Lang LaSalle (St Helens - Serv)	5265.00			

Jones Lang Lasalle (Warrington)	2524.53			
Jones Lang LaSalle (Westerhailes)	10725.00			
K & D Longwell (Rent-Whitehaven)	2500.00			
Kallis Properties Ltd (Hemel)	4166.67			
Kans and Kandy Properties Ltd (Newcastle)	6300.00			
Keneth Peters (Sheffield)	9204.76			
Kennedys Law LLP	1745.00			
Kewtech Corporation	405.60			
Knight Frank (Stockton)	9362.91			
Lambert Smith Hampton - (The Forge)	13575.17			
Lambert Smith Hampton (Leith)	3755.80			
Lambert Smith Hampton (Perry Barr)	10313.36			
Landwood Group – Wigan	1459.55			
LCP Real Estate Ltd (South Shields)	3250.00			
Lebus Upholstery Ltd (Spares)	89.86			
Lee Baron (Wakefield)	2500.00			
Lex Autolease Ltd (DD Account)	16648.01			
Lockhart Holdings Ltd (Hounslow)	9657.04			
London & Scottish Property (Bletchley RENT)	4000.00			
London & Scottish Property (Bletchley S/C)	6541.80			
Loughfoyle Farm Estates Ltd (Ayr)	3000.00			
Lyreco UK Limited	1109.10			
M & F Scotland Ltd (Musselburgh)	4583.33			
M & H Logistics (Glasgow) Ltd	21912.73			
M.M Knitwear (1982)	3291.67			
	314.08			
Maddocks	304.98			
MAN Commercial Protection Ltd	26268.98			
Maryland Securities Ltd (Chorley)	4500.00			
Masternaut	4410.00			
Mayfield Asset & Property Management Ltd (Aldershot)	2854.20			
Mayfield Asset and Property Management Limited (Longton)	3101.15			
Message Media	313.92			

Midaforce	4250.00			
MM Knitwear (1982) Ltd (Consett)	2291.67			
Mobile Fleetwash UK Ltd	2495.70			
Montagu Evans - (Bramley)	9109.67			
Montagu Evans - (Lancaster)	9758.67			
Moorgarth (Reading RENT)	8500.00			
Moorgarth (Reading S/C)	4457.80			
Moorgarth Property Management Limited (Rutherglen - Rent)	3985.00			
Munroe K – Preston	4877.31			
Munroe K Asset (Ellesmere Port)	16203.79			
N.E.W.S Srl (Spares)	372.20			
NCD Executive Pension Scheme (Barrow)	4583.33			
Newcastle City Council (Newcastle - BID)	708.90			
NFP Properties Limited	2500.00			
Norham House 2 Ltd (Ramsgate)	3333.33			
Nottingford Estates Ltd (Ashington)	2916.67			
Numatic International Ltd (Spares)	564.47			
Office Beverages	442.86			
Packaging One Ltd	5917.86			
Panther Securities Plc (Springburn)	6000.00			
Patrick Dean Ltd (Kings Lynn)	7500.00			
PBH Shopfitters Ltd	11027.00			
Pelham Associates (Gosport)	2520.00			
Pelipod Ltd	8918.68			
Philip Fisher & Co(Staghold - Gateshead)	358.36			
Portfolio Properties (Kidderminster)	7211.60			
Praxis Real Est Management Ltd (Salford)	8628.54			
Praxis Real Estate (Leeds - Rent & S/C)	14427.56			
Praxis Real Estate Mgt Ltd (Peterlee)	4121.03			
Pro-Driver	399.80			
Pure Staff Ltd	404.70			
Radio Links Communications Ltd	153.60			
Red Giant Recruitment Ltd	2296.24			

Regent Letting & Property Management Ltd (Fulham)	11000.00			
	2459.12			
	4550.00			
Rhodar Ltd	576.00			
River Leigh Ltd – Leigh	900.00			
Riverland Holdings Ltd – Newark	6160.00			
Riverland Holdings Ltd - Newark (Serv)	887.00			
Rombourne Limited	1974.60			
Ross & Liddell (Perth)	15240.00			
Rugby Property Assets Ltd	4583.33			
Ryden International Property (kilmarnock	5500.00			
Ryder Ltd (Contract - DD)	64265.85			
Ryder Ltd (Maintenance - BACS)	6398.81			
S A Properties Limited	4000.00			
Safa Investments (Birkenhead)	4825.00			
Saltire Property Managemnt Ltd	165.00			
Savills – Bootle	10613.50			
Savills – Corby	6000.00			
Savills (Ashford)	13459.51			
Savills (Grantham)	1250.00			
Savills (Gravesend)	9748.80			
Savills (Halifax)	5032.10			
Savills (Jarrow)	4975.67			
Savills (Leicester)	5629.23			
Savills (Oldham)	11138.86			
Savills (Stevenage)	12155.60			
Savills (Telford)	22506.80			
Savills (UK) - (Livingston)	14920.40			
Savills (UK) Ltd (Corby-S/C)	4197.60			
Savills Commercial Ltd (Alloa)	4750.00			
Savills UK Ltd (Hamilton)	3700.00			
Savills UK Ltd (Slough)	10999.99			
Savills UK Ltd (Worthing)	9400.01			

Scoop Am	6055.57			
Search Consultancy Ltd	17429.07			
Seaton Spring Ltd	8.04			
Selmar Properties Limited (Norris Gree)	2500.00			
Sheet Anchor Evolve (London) Ltd (Bulwell)	3018.70			
Sheffield Mutual	5000.00			
Simply Solutions (Europe) Ltd	0.00			
Skelhurst Ltd (Scarborough)	8500.00			
Smith Price LLP	24000.00			
Smiths Hire	453.60			
Solid Investments (Blackpool)	6693.28			
South West Water Ltd	42.69			
Southern Electric	89.83			
St Modwen Developments Ltd (Billingham)	7716.35			
Stirling Council (Rates)	1859.88			
Stockport Metropolitan Borough Council (Rent & Ins)	3650.00			
Swanston Holdings plc (Barnstaple)	7000.00			
Swanston Holdings plc (Bridgwater)	3500.00			
T K Nominees Limited (Poole)	7500.00			
Teknis Ltd	65.70			
Terra Firma (RE) Ltd (Yeovil)	4375.00			
Test Valley Borough Council (Rates)	870.00			
The Best Connection	5488.99			
The GBR Property Group (Burnley)	3166.67			
The Palmer Family Trust Plc (Bedford)	8750.00			
The Townson Pension Scheme	7500.00			
Thought 4 Food Catering Ltd	84.00			
Tibo Limited (Spares)	22124.67			
Tilehouse Properties Ltd – Huntingdon	7000.00			
Trade UK (Screwfix)	94.30			
Universal Properties (Yorkshire) Ltd	2500.00			
Uppercrust2 Sandwich Bar	1683.00			
Vogue Facilities Management	597.79			

Vulkan Industries Ltd	79.25			
Water Plus (Severn Trent)	154.43			
Water Plus (United Utilities Water Ltd)	1306.04			
Whirlpool UK Appliances Ltd (NEW Spares)	2340.79			
Wightlink Limited	279.68			
Wild Property Consultancy Ltd (Wellingborough)	1500.00			
Wilmslow (No3) General Partner Ltd	11087.60			
Winrow Investments Limited	2166.67			
	45.00			
Workman – Dartford	5618.11			
Workman & Partners (Hull - Rent)	9509.75			
Workman (Bridlington)	9192.76			
Workman (Chelmsley Wood)	15277.65			
Workman (Cowley - Rent)	17676.83			
Workman (North Shields)	4848.52			
Workman (Peckham) RENT	16223.46			
Workman (Widnes)	3381.92			
Workman LLP - (Wallsend)	3649.14			
Workman LLP (Crystal Peaks - Rent)	8565.00			
Workman LLP (Crystal Peaks - Serv)	9719.53			
Workman LLP (Darlington)	11663.04			
Workman LLP (Doncaster)	9500.00			
Workman LLP (Kettering - Rent)	3000.00			
Workman LLP (Kettering - S/C)	5625.71			
Workman LLP (Worksop)	2940.25			

Signature ____________________ Date 6th May 2020

SCHEDULE OF EMPLOYEES

[Note: This schedule must be omitted from the documents filed with the Registrar of Companies. In administration, this list is not circulated to creditors with the administrator's proposals but may be requested under Rule1.52]

Name of employee	Address (with postcode)	Amount of debt £	Details of any security held by employee	Date security given	Value of security £
List of employee creditors has been provided to the Administrator	This is the total of 62 employees who are creditors	57,692.56			

Signature _______________ Date 6th May 2020

SCHEDULE OF SHAREHOLDERS

Name of shareholder	Address (with postcode)	Nominal Amount of shares held £	Type of shares held	Number of shares held	Amount per share called up £	Total amount shares called up £
Caversham Finance Ltd	Grant Thornton Uk Llp 4 Hardman Square, Spinningfields, Manchester, M3 3EB	16,500,000	Ordinary	16,500,000	£1	16,500,000

Signature ______________ Date 6th May 2020

CONSUMER CREDITOR SCHEDULE

[Note: This schedule must be omitted from the documents filed with the Registrar of Companies. In administration, this list is not circulated to creditors with the administrator's proposals but may be requested under Rule1.52]

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
none					

Signature ________________ Date 6th May 2020

Appendix E

Considerations in relation to the existing client relationship

The Firm has had a client relationship with Caversham Finance Limited (CFL) since 2013. The Firm has not provided any prior services to Caversham Trading Limited (CTL). Our relationship involved

- Business Risk Services
- Regulatory compliance/advisory instructions

The Business Risk Services commenced in 2013 and the Firm continued to provide this service until shortly before the appointment of the Joint Administrators. Our first Business Risk Services engagement letter was dated 28 October 2013 and the second was issued on 27 September 2018.

The ad-hoc advisory instructions were undertaken by the Financial Services regulatory team. This work was undertaken pursuant to 9 letters of engagement over a period from February 2015 to August 2019

We do not consider that any of the business risk services or the regulatory advice would impact our independence and impartiality in accepting an insolvency appointment.

Where there is a threat to any of the fundamental principles, Integrity, Objectivity, Professional Competence, Confidentiality and Professional Behaviour, Insolvency Practitioners are required to identify any safeguards that are available to offset them to an acceptable level. If this is not possible then they should not accept the appointment

We did not identify any issues that could call into question our Professional Competence, threaten Confidentiality or our Professional Behaviour. Therefore, we focused our consideration on matters that may affect our integrity and objectivity.

The threats identified that might affect our integrity or objectivity fall into the following main headings:

- Self interest
- Self-review and management
- Advocacy
- Familiarity
- Intimidation

Self interest
We did not identify any financial or other interests that could pose a threat to our objectivity or independence regarding our potential role advising the Board when considering its restructuring options. Furthermore, we did not consider that our previous roles would pose a threat to our objectivity or independence acting as Insolvency Practitioners to CFL and CTL as all our activities and remuneration as administrators would be reported to, and approved by, the creditors.

Self-Review
As noted above, the Firm had been engaged to provide business risk and ad-hoc regulatory services. We comment further below under the heading Familiarity.

We have reviewed the details surrounding the business risk and regulatory compliance services that the Firm provided to CFL and have concluded that they are in the nature of assurance and regulatory compliance/advisory, therefore, we do not consider that the provision of these services pose a threat to our objectivity as we do not see that our role as administrators of CFL and CTL would require a review of the work. In the event this was required, we would consider appointing conflict Administrators or adopting other forms of mitigation.

We also considered that any advice we gave to CFL on its restructuring options and contingency planning would be helpful in informing our potential role as Insolvency Practitioners in that it would lead to a planned and seamless entry into administration, which would result in a more effective insolvency process for the benefit of creditors generally.

Advocacy

The Firm has rigorous processes in place to identify any relationships that it may have had with a prospective client. We have not identified any roles that the Firm may have taken with regard to being an advocate for or against CFL or other group companies. Therefore, we did not foresee any issues that could impact our independence or objectivity to act as administrators.

Familiarity

It is acknowledged that our work providing business risk and regulatory compliance services means that there is a working relationship with CFL dating back to 2013. This includes familiarity with certain internal processes, functions and people. We do not consider that this of itself would pose a threat to our objectivity or independence as administrators of CFL and CTL. This is primarily because we do not see that, we would be asked to consider or review our work. Nor do we see that it would be prejudicial to any officer conduct report we are obliged to complete.

In addition, the insolvency work is resourced from a team completely independent of the business risk and regulatory compliance service teams with no sharing of resources or information between the respective teams.

Intimidation

From our internal review of relationship checks and discussion with the engagement teams providing the services set out above we have not identified any pressure being applied by CFL to any of the Firm's teams working for it. We have not identified any threats of litigation against the Firm arising out of our work and we have not been made aware of any potential complaints arising from our work.

Significant Professional Relationship

When considering whether we might have Significant Professional Relationship with CFL and CTL we referred to the Financial Reporting Council's (FRC) ethical standards, which contain a definition of "audit related services". Paragraph 79 of the IPA Ethics Code for Members provides that where the Firm has carried out audit related services within the previous three years then a Significant Professional Relationship will arise. In this case, an Insolvency Practitioner should conclude that it is not appropriate to take the insolvency appointment. The Ethics Code does not define the term "audit" however, the FRC ethical standards defines (in the definitions) an "Audit Engagement as follows:

"*Audit engagement – An engagement to perform an audit in accordance with the ISAs (UK) and, where applicable, relevant legislation. It includes statutory audit performed pursuant to the EU Audit Directive and Regulation or otherwise designated by national law as a statutory audit*".

We set out below an extract from the FRC ethical standards, which contains a definition of audit related services:

Audit Related Services

5.40 Audit related services are those *non-audit services* specified in this Ethical Standard that are largely carried out by members of the *audit engagement team*, and where the work involved is closely related to the work performed in the audit and the threats to auditor independence are clearly insignificant and, as a consequence, safeguards need not be applied. However, such services provided to *public interest entities*, other than those required by Union or national legislation, are still subject to the 70% cap (see paragraphs 4.34R and 4.35R of Section 4 of Part B of this Ethical Standard) and still require approval by the audit committee.

5.41 Audit related services are

- Reporting required by law or regulation to be provided by the auditor,
- Reviews of interim financial information;
- Reporting on regulatory returns;
- Reporting to a regulator on client assets
- Reporting on government grants;
- Reporting on internal financial controls when required by law or regulation;
- Extended audit work that is authorised by those charged with governance performed on financial information[56] and/or financial controls where this work is integrated with the audit work and is performed on the same principal terms and conditions

We do not provide the audit report in the statutory accounts of CFL or any member of the wider group. These services were provided by EY. Notwithstanding that, we are not statutory auditors, we obtained the scopes and copies of the outputs from the teams that provided the business risk and regulatory compliance services to CFL to understand if the nature of their work was similar to any of the definitions set out in the FRC definition of audit related services . We concluded that our work did not constitute audit related services as defined by the FRC.

Based on all the evidence we concluded that the services provided to CFL and CTL did not constitute audit related services and therefore we did not have a significant professional relationship as defined by the FRC ethical standards.

Conclusion

We do not consider that we have a conflict in relation to being appointed as administrators of CFL and CTL.

The key risk is whether past services provided by the Firm would create a conflict or a perceived conflict. Our view, set out above, is that the work completed by our regulatory and business risk teams does not create an actual or perceived conflict, as this is primarily concerned with a review of controls and processes and any Insolvency Practitioner would not seek to rely on this work, so no conflict exists.

We note that our Regulator (Insolvency Practitioners Association (IPA)) has in the past asked us to consider perceived conflicts. Our view, which has been documented, is that based on the work undertaken by the Firm there are no circumstances in respect of CFL and CTL that a fair minded and informed observer would perceive there to be a conflict issue, which would preclude our appointment.

Safeguards

Following our appointment as administrators of CFL and CTL we will continue to monitor the potential for a conflict, either real or perceived, to arise in the future. To facilitate the monitoring of conflicts we will instruct the engagement team to report on their activities on a monthly basis to an Independent Insolvency Practitioner from within the Firm who will then assess whether any additional safeguards are necessary. These safeguards could include the appointment of a conflicts administrator to deal with any issues identified – this is a well-recognised approach to safeguard against conflict issues in insolvency appointments.

F Notice about this report

This report has been prepared by Chris M Laverty, the Administrator of the Companies – in administration, solely to comply with the Administrators' statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the administrations, 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 Companies.

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 Insolvency (England and Wales) Rules 2016 do so at their own risk. To the fullest extent permitted by law, the Administrators do not assume any liability in respect of this report to any such person.

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

The Administrators are bound by the Insolvency Code of Ethics.

The Administrators act as agents for the Companies and contract without personal liability. The appointment of the Administrators is personal to them and to the fullest extent permitted by law, Grant Thornton UK LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administrations.

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

Disclaimer

This report has been prepared by the Administrators of the Companies, solely to comply with the statutory duty under rule 3.35 of the the Insolvency (England and Wales) Rules 2016 to report to creditors on the Administrators statement of proposals, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has 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 Companies.

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