

# AM10

## Notice of administrator's progress report



Companies House

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

### 1 Company details

Company number 0 8 1 2 0 2 0 0

Company name in full FundingSecure Limited

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

### 2 Administrator's name

Full forename(s) Daniel

Surname Richardson

### 3 Administrator's address

Building name/number Greg's Building

Street 1 Booth Street

Post town Manchester

County/Region

Postcode M 2 4 D U

Country

### 4 Administrator's name ①

Full forename(s) Edward M

Surname Avery-Gee

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

### 5 Administrator's address ②

Building name/number Greg's Building

Street 1 Booth Street

Post town Manchester

County/Region

Postcode M 2 4 D U

Country

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

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

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

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date	d	1	d	2	m	0	m	5	y	2	y	0	y	2	y	3
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# AM10

## Notice of administrator's progress report



### Presenter information

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

Contact name **Stephanie Adams**

Company name **CG&Co**

Address **Greg's Building**

**1 Booth Street**

Post town **Manchester**

County/Region

Postcode **M 2 4 D U**

Country

DX

Telephone **0161 358 0210**



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



### Important information

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



### Where to send

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

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



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

# Continuation page

Name and address of insolvency practitioner

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

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

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
  
All fields are mandatory unless specified or indicated by \*

## 1 Appointment type

Tick to show the nature of the appointment:

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

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

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

## 2 Insolvency practitioner's name

Full forename(s) Jonathan E  
Surname Avery-Gee

## 3 Insolvency practitioner's address

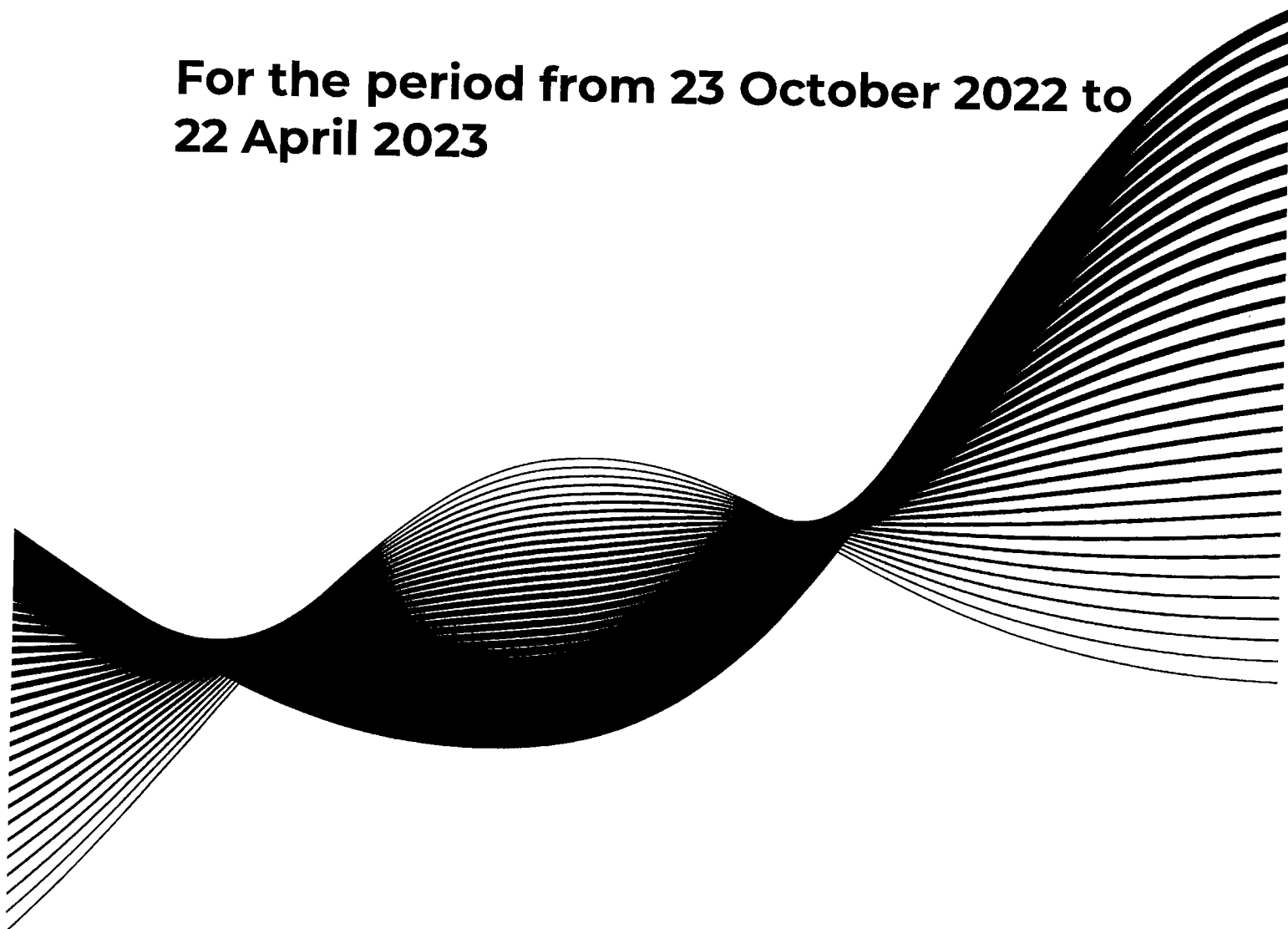
Building name/number Greg's Building  
Street 1 Booth Street  
Post town Manchester  
County/Region  
Postcode M 2 4 D U  
Country



# **Joint Administrators' Progress Report**

**FundingSecure Limited - In  
Administration**

**For the period from 23 October 2022 to  
22 April 2023**



**cg-recovery.com**  
+44 (0)161 358 0210

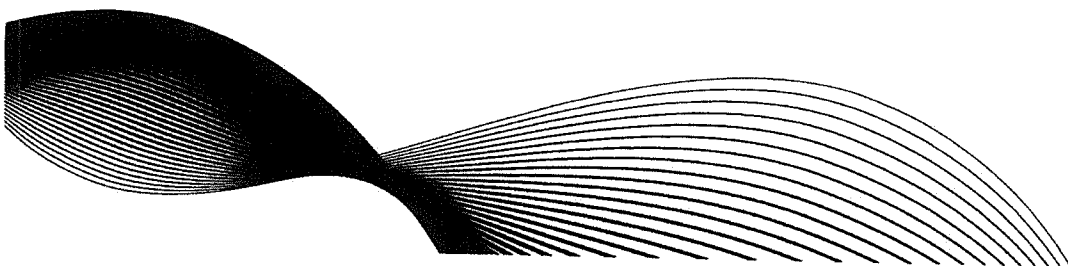


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## APPENDICES

- A Receipts and Payments Account from 23 October 2022 to 22 April 2023 together with the Cumulative Receipts and Payments Account for Period from 23 October 2019 to 22 April 2023
- B Additional Information in Relation to the Joint Administrators Fees, Expenses & the use of Subcontractors



## THE ADMINISTRATORS' PROGRESS REPORT

### 1 Introduction

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

### 2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the period of this report together with a cumulative Receipts and Payments Account from the date of my appointment as Joint Administrator to 22 April 2023.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs. I would, however, bring the following matters about the receipts and payments during the Period to your attention:

### 3 Progress of the Administration

- 3.1 You may recall that the statutory objective being pursued in the Administration was achieving a better result than would be likely if the company were wound up. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 3.2 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Administrators under other related legislation.

## Administration (including statutory compliance & reporting)

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

## Trading

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

## Realisation of Assets

### Loan Book

- 3.8 During the Period, total gross loan realisations amount to £1,970,092.55 and to date gross loan realisations amount to £49,454,468.37.
- 3.9 As previously reported, there remains 3 loans that have completed, whereby the decision was made to hold funds in separate suspense accounts. One of these matters is now resolved. The remaining two are ongoing and updates are being provided via the platform updates to the relevant investors.
- 3.10 As creditors are aware, the issue in respect of the Quistclose trust claim is still ongoing, payments to investors have been suspended. We made an announcement on 26 April 2023 via the Platform to advise Investors that we were seeking to allow some payments to recommence. It is noted that this date falls just outside of the reporting period, but as this matter is of high importance to the Investors, it is being included here. As at the date of this report, work is ongoing to allow these payments to recommence.
- 3.11 The salient claim in respect of the Quistclose trust remains ongoing. As per the previous reports, via an announcement on the Company's Platform, Investors were given the opportunity to obtain a copy of the draft particulars of claim from the proposed claimant's solicitors. It is understood that a number of Investors have done this and also expressed their interest in being joined to any proceedings and they have been in direct correspondence with Boodle Hatfield (solicitors for the proposed claimant) in that regard. As at the date of the report, proceedings have not been issued. Progression in this matter has been protracted and remains on going.
- 3.12 Updates in respect to all live loans are provided to investors on a minimum quarterly basis. The last quarterly update was on 31 October 2022, as at the date of this report, the quarterly update for 30 April 2023 has not been completed due to the Joint Administrators needing to close the platform down for maintenance work to be completed.
- 3.13 The quarterly update will be provided on the portal before 22 May 2023.



3.14 Currently, there are 36 remaining defaulted loans. The total capital outstanding in respect of these loans amounts to £22,361,889.34. The Joint Administrators are continuing to realise each loan. As previously reported, the Joint Administrators are unable to provide timescales for when each of the remaining loans will be realised, however the quarterly updates will provide further information and therefore investors should monitor the platform in respect of their investment(s).

3.15 As creditors are aware, various Law of Property Act Receivers and Administrators were appointed by the Company in relation to assets, prior to our appointment, the Administrators have continued to work with these professionals in realising the assets. The Administrators have additionally continued to appoint their own choice of Receivers or Administrators to recover certain loans.

## **Bank Accounts**

3.16 As detailed in previous reports, the Company operated with three operational bank accounts with Barclays Bank PLC ("Barclays"). It should be noted that during the Period the funds held in the Post appointment trust account amounting to £11,445,666.07 were moved into a new bank account with Handelsbanken in order that a higher rate of interest could be applied.

3.17 At the date of our appointment, funds held in Client Account One, which is connected to the electronic platform, amounted to £1,977,160.92. As you will be aware, investor withdrawals were made available in March 2020, and the platform has been functioning since this date until payments were frozen on 17 May 2021.

3.18 During the Period, there have been no investor withdrawals. To date, the total investor withdrawals amount to £24,408,088.33.

3.19 Client Account Two had the main function of holding payments on account of redemptions, prior to the funds being remitted to the e-wallet account. The amount currently held in this account amounts to £511,734.02.

## **Directors Loan Account**

3.20 As previously reported, Richard Luxmore made a payment of £87,794.02 in a previous reporting period.

3.21 In addition, Nigel Hackett had made an offer for settlement however this was rejected and therefore further discussions are ongoing to attempt to finalise this position.

## **Gross Bank Interest**

3.22 During the Period, gross bank interest amounted to £54,094.57. The total gross interest for the entire of the administration amounts to £71,925.20.

## **Creditors (claims and distributions)**

3.23 Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

3.24 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all

preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.

- 3.25 Work undertaken by Administrators in dealing with a company's creditors may only bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however an Administrator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrators in dealing with those claims.
- 3.26 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.27 At this stage, I consider the following matters worth bringing to the attention of creditors:
- There are two secured creditors who were owed £2,832,065.20 as at the date of the appointment. There have been no payments made to the secured creditors.
  - The Redundancy Payments Service ("RPS") have submitted a preferential claim in the sum of £2,050.85.
  - I will be required to deal with the claims of two employees with regard to residual preferential claims.
  - I am still dealing with the issues surrounding the Quistclose Trust.
  - I have received claims totalling £762,177.14 from 20 creditors, however claims are yet to be formally agreed.
  - The Joint Administrators are working to reopen the platform to enable payments to be made to investors, this is anticipated to commence on 22 May 2023.

## Creditors Committee

- 3.14 As at the date of this report there have been twelve creditor committee meetings which have been held in order to assist the Joint Administrators with the required functions. The Creditors committee has continued to assist with the payment of expenses during the period following the determination by the Court in respect of the Company's entitlement of a fee on redeemed loans. In addition, the Committee has continued to assist the Joint Administrators with the proposed reopening of the platform to assist with payments being made to investors.

## Investigations

- 3.15 As previously reported some of the work Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that can be pursued for the benefit of creditors.
- 3.16 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.

- 3.17 As previously advised, the main areas of concern, relate to negligence of receivers and/or office holders appointed by the Company prior to our appointment, and potential claims against valuers. These matters still remain under review.

## **Financial Conduct Authority ("FCA")**

- 3.18 The Joint Administrators have continued to maintain contact with the FCA throughout the Administration in relation to all aspects of the ongoing Administration.
- 3.19 If and when any information is requested from the FCA the Joint Administrators continue to provide any and all necessary responses, and it should be noted that all correspondence with the FCA remains confidential and therefore cannot be disclosed.

## ***What remains to be done in the Administration***

- 3.20 As creditors are aware, the Administrators are continuing to realise the remaining assets of the Company. In addition, work is also continuing in regard to the Quistclose trust claim and assistance has been sought from both the appointed legal representatives and the creditors committee.
- 3.21 At present, the Administrators are unable to provide any further information in order not to prejudice any potential outcomes or provide any quantum for timings. A further update will be provided in due course.

## **4 Estimated Outcome for Creditors**

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

### ***Investors***

- 4.2 During the current Period there have been no permitted investor withdrawals. To date, total investor withdrawals amount to £24,408,088.33. As detailed earlier in this report, the Administrators have advised investors that the online platform is due to reopen from 22 May 2023, which will then enable investors to withdraw funds from their respective accounts.

### **Secured Creditors**

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

### **Preferential Creditors**

- 4.6 As previously advised, the relevant preferential claim for arrears of wages, any arrears of holiday pay and any unpaid pension deductions has been submitted to the Redundancy Payments Service for the sum of £2,050.85. Based on current estimates, it is anticipated a dividend of 100p in the £ will be declared for the preferential creditor claims.

## Unsecured Creditors

- 4.7 I have received claims totalling £762,177.14 from 20 creditors, the claim received during the Period is an additional creditor that the Joint Administrators were not previously aware of. I am yet to receive claims from 28 creditors whose debts total £267,541.31 as per the Company's statement of affairs.
- 4.8 As creditors are aware, The Company granted a floating charge to RK and EZI. Subject to the review of their security (and there being sufficient assets to do so), I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part).
- 4.9 At the present time, I am unable to estimate the value of the Company's net floating charge property as asset realisations remain ongoing. Furthermore, due to the nature of the assets, together with the default positions and the fluctuating costs associated with realising the assets, the dividend position to unsecured creditors has to be noted as uncertain.
- 4.10 Should a dividend become available to the unsecured creditors other than from the Prescribed Part and unless it is more expedient to make an application to court to allow this to be distributed in the Administration, I anticipate that the Company will exit into creditors' voluntary liquidation in due course to facilitate the payment of a distribution to the unsecured creditors. Further details in respect of an unsecured distribution other than the Prescribed Part will be given when appropriate.

## 5 Pre-administration Costs

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

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

- 5.2 These fees have been discharged in full.

## 6 Joint Administrators' Remuneration

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

- Under Rule 18.16 of the Insolvency Rules that the basis of the Administrators' remuneration be fixed at 2.5% of the "defaulted" assets realised (those loans where the term has expired) (exclusive of VAT and disbursements) and 0.125% of the "in term" assets realised (those loans where the term has not expired) during the conduct of the Administration (exclusive of VAT and disbursements) and the allocation of those fees, costs and expenses on pro rata basis

amongst all creditors and investors of the Company as detailed in the Administrators' Report and Statement of Proposals.

- Under Rule 18.16 a set amount of £25,000 (exclusive of VAT) in respect of statutory formalities.
- 6.2 In respect of the agreed fee as a percentage of asset realisations on defaulted and in term loans, fees have been drawn in the sum of £75,091.40 plus VAT in the Reporting Period. Total fees amount to £883,444.70 plus VAT.
- 6.3 As previously reported, it is the duty of the creditors committee to agree the Administrators' remuneration. It should be noted that at the Creditor's Committee meeting held on 17 December 2020, the statutory formalities fee was reviewed in line with the information provided to all creditors on 10 December 2020, and it was resolved that an additional £25,000 (plus VAT) per annum could be charged by the Administrators in respect of statutory formalities, due to the required extension of the Administration.
- 6.4 Total statutory remuneration to date has been drawn in the sum of £100,000 plus VAT.
- 6.5 In addition to the above, and as detailed in my last report, at the same committee meeting on 17 December 2020, it was confirmed that the associated time incurred by the Administrators and their staff, relating to the additional work required by the Confidential Matter (as discussed in the relevant committee meeting), could be charged but not billed, at a capped level of £30,000 plus VAT.
- 6.6 The Administrators completed this exercise accordingly, and in doing so, incurred time costs of £25,539.74. At the committee meeting on 17 March 2021, the committee resolved that these sums could be billed. These fees were discharged in a previous period.
- 6.7 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from [www.r3.org.uk/technical-library/england-wales/technical-guidance/fees](http://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees).
- 6.8 Attached at Appendix B is additional information in relation to the Administrators' fees, expenses and the use of subcontractors and other professional advisers.

## 7 Creditors' Rights

- 7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

## 8 Ending the Administration

- 8.1 Contained within the Administrators' Proposals were various exit routes dependent upon the success of the asset recoveries. As asset recoveries are incomplete at present, the exit route is still undetermined.

- 8.2 As creditors are aware, it was deemed necessary to extend the Administration via an application to Court. The Court extended the Administration to 22 October 2023.
- 8.3 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

## 9 Next Report

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

For and on behalf of  
FundingSecure Limited



**E M Avery-Gee**  
Joint Administrator

## Appendix A

### Receipts and Payments Account from 23 October 2022 to 22 April 2023 together with the Cumulative Receipts and Payments Account for the Period from 23 October 2019 to 22 April 2023

	Statement of affairs	23/10/2022 22/04/2023	23/10/2019 22/04/2023
	£	£	£
<b>RECEIPTS</b>			
Completed Property Redemptions		361,961.51	9,021,224.74
Proceeds from Auction Non Property		0.00	247,298.33
Non Property Assets		363,693.98	1,735,572.40
Part Payment Redemptions Property		0.00	294,929.85
Work in Progress	Uncertain	0.00	0.00
Directors/Former Directors Loan Account	Uncertain	0.00	87,794.02
Insolvency Property Redemptions		1,970,092.55	35,127,417.78
Interest Payments		0.00	90,000.00
Fund held in Client Account 7290		0.00	1,977,160.92
Part Payment Redemption Non Property		0.00	68,810.00
Funds held in Company's Client Acc		0.00	804,160.33
Investors Deposit		0.00	100.00
Miscellaneous Funds		0.00	173.02
Cash at bank		0.00	4,561.37
Office Equipment	500.00	0.00	500.00
Furniture & Fittings	200.00	0.00	0.00
Software Development	Uncertain	0.00	0.00
Bank Refund		0.00	102.25
Bank Interest Gross -Pre Appointment		0.00	1,977.23
Bank Interest Gross - Post appointment		54,094.57	71,925.20
Total		2,749,842.61	49,533,707.44
<b>PAYMENTS</b>			
Salaries		16,998.37	169,283.08
Consultancy Fee		21,000.00	239,316.00
PAYE/NIC		7,379.95	75,346.39
Travel & Expenses		66.48	3,342.33
Pension		0.00	9.29
Subscriptions		0.00	120.00
Rent & Service Charge		0.00	13,656.95
Rates		0.00	4,770.48
Sundry Expenses		0.00	275.79
Office sundries		0.00	707.94
Essential storage costs		133.66	16,963.23
IT/Phone Costs		4,112.36	27,303.59
Accounts Software		206.61	2,388.28
Anti Money Laundering Checks		0.00	113.93
Legal Fees & Disbursements		13,833.00	334,279.43

# CG&CO

Agents/Valuers Fees		15,900.00	80,433.83
Insurance of Assets		648.36	7,019.74
Occupancy & Security Check		7,580.00	10,795.00
Postage & Stationery		0.00	25.75
Quantity Surveyor		0.00	4,250.00
Agents Disbursements		0.00	12,043.08
Storage		0.00	39,994.00
Solicitors Fees re Negligent Claims		10,000.00	23,036.25
Receivership/Insolvency Costs & Expense		284,567.57	3,306,611.60
Receivership/Insolvency Legal Costs		94,756.61	1,046,127.63
Direct Chargeholder		0.00	2,034,499.74
Investors		0.00	24,408,088.33
Respondents Costs		0.00	205,000.00
Remuneration Confidential Matter		0.00	25,539.74
Specific Bond		0.00	1,800.00
Jt Admin.Pre Appointment Fee		0.00	7,500.00
Joint Office Holders Fees		75,091.40	883,444.70
Court Fee		0.00	50.00
Remuneration Statutory Formalities		25,000.00	100,000.00
General Legal Fees		21,708.33	319,297.97
Irrecoverable VAT		108,305.72	1,139,496.99
Forensic accountancy		0.00	4,250.00
Counsels opinion		0.00	16,000.00
IT Consultancy		2,780.00	26,710.00
Committee Expenses		0.00	333.33
Room Hire		0.00	450.00
Statutory Advertising		0.00	142.00
Postal Redirection		0.00	313.00
Other Property Expenses		0.00	161,668.66
Accountancy Advice		0.00	875.00
Bank Charges		0.00	416.63
Enquiry agent		832.00	832.00
Employee Arrears/Hol Pay	-22,081.00	0.00	0.00
Floating Charge Creditor	-3,000,000.00	0.00	0.00
Trade & Expense Creditors	-941,585.25	0.00	0.00
JC Starr Holdings Ltd	-502,520.55	0.00	0.00
Ordinary Shareholders	-3,525.40	0.00	0.00
		710,900.42	34,754,921.68
<b>BALANCE - 22 April 2023</b>			<b>14,778,785.76</b>



## Appendix B

### Additional Information in Relation to the Joint Administrators' Fees, Expenses & the use of Subcontractors

#### Staff Allocation and the Use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We have not utilised the services of any subcontractors in this case.

#### Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

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

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

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

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

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

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

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

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

## Joint Administrators' Expenses

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

### Category 1 expenses

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

Expense	Paid in the Period Covered by This Report £	Paid in Prior Periods £	Incurred but Not Paid to Date £	Estimated Overall Cost £
Salaries	16,998.37	152,284.71	-	-
Consultancy Fee	21,000.00	218,316.00	-	-
PAYE/NIC	7,379.95	67,966.44	-	-
Travel & Expenses	66.48	3,275.85	-	-
Pension	-	9.29	-	9.29
Storage Costs	133.66	16,829.57	-	-
IT/Phone Costs	-	23,191.23	-	-

Accounts Software	206.61	2,181.67	-	-
IT Consultancy	2,780.00	23,930.00	-	-
Subscriptions	-	120.00	-	-
Accountancy Advice	-	875.00	-	240.00
Postage & Stationery	-	25.75	-	875.00
General Legal Fees incl. Respondents Costs	21,708.33	502,589.64	10,400.00	-
Counsel Opinion	-	16,000.00	5,633.33	-
Rent & Service Charge	-	13,656.95	-	-
Rates	-	4,770.48	-	13,656.95
Sundry Expenses	-	275.79	-	4,770.48
Office Sundries	-	707.94	-	275.79
Anti-Money Laundering Checks	-	113.93	-	707.94
Specific Bond	-	1,800.00	-	-
Court Fee	-	50.00	-	1,800.00
Forensic Accounting	-	4,250.00	-	50.00
Committee Expenses	-	333.33	-	4,250.00
Room Hire	-	450.00	-	333.33
Statutory Advertising	-	142.00	-	450.00
Postal Redirection	-	313.00	-	142.00
Bank Charges	-	416.63	-	313.00
Solicitors costs re negligent valuation claims	10,000.00	13,036.25	-	-

It should be noted that there has been continual assistance in respect of this case from legal advisors and it was considered necessary for a solicitor to be present at the creditor's meetings, committee meetings and during certain conference calls, for example, with the FCA.

Due to the nature of this case, there are certain costs that the total overall costs cannot be calculated as the costs continue to be incurred to enable asset realisations to complete.

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

Expense	Paid in the Period Covered by This Report £	Paid in Prior Period £	Incurred but Not Paid to Date £
Legal Fees & Disbursements	13,883.00	334,279.43	-
Agents/Valuers Fees	15,900.00	80,433.83	-
Agents Disbursements	0.00	12,043.08	-
Insurance of Assets	648.36	7,019.74	-
Occupancy & Security Checks	758.00	10,795.00	-
Receivership/Insolvency Costs & Expenses	284,567.57	3,306,611.60	-
Receivership/Insolvency Legal Costs	94,756.61	1,046,127.63	-
Quantity Surveyor	0.00	4,250.00	-
Storage	0.00	39,994.00	-

The remaining solicitors across all matters have outstanding WIP of £257,365.54 plus VAT and this is inclusive of time incurred in relation to receivership appointments.

As advised in the Administrators' Proposals, the costs that would be incurred in respect of each specific loan would be difficult to accurately advise. In the main, the above costs have primarily been deducted at source from the gross realisation or is a payment that has been made, that will be recoverable from the specific loan, and is a necessary disbursement in respect of the recovery action for that loan, which will be repaid in priority to the amounts recovered for investors.

It should be noted that the Company is not registered for Value Added Tax ("VAT"). Therefore, receivable VAT is irrecoverable and is noted accordingly as an expenditure on the Receipts and Payments account.



### *Category 2 expenses*

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

