

AM10

Notice of administrator's progress report



Companies House

SATURDAY



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19/12/2020

#332

COMPANIES HOUSE

1 Company details

Company number 0 8 2 4 4 9 1 3

Company name in full Lendy Ltd

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

2 Administrator's name

Full forename(s) Damian

Surname Webb

3 Administrator's address

Building name/number 25 Farringdon Street

Street

Post town

London

County/Region

Postcode

E C 4 A 4 A B

Country

4 Administrator's name ①

Full forename(s) Phillip

Surname Sykes

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

5 Administrator's address ②

Building name/number 25 Farringdon Street

Street

Post town

London

County/Region

Postcode

E C 4 A 4 A B

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 4	m 0	m 5	y 2	y 0	y 2	y 0
To date	d 2	d 3	m 1	m 1	y 2	y 0	y 2	y 0

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X *Pari V*

X

Signature date

d 1	d 8	m 1	m 2	y 2	y 0	y 2	y 0
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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 **Damian Webb**

Company name **RSM Restructuring Advisory LLP**

Address **25 Farringdon Street**

Post town **London**

County/Region

Postcode **E C 4 A 4 A B**

Country

DX

Telephone **0203 201 8000**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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

Continuation page

Name and address of insolvency practitioner

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

Mark

Surname

Wilson

3 Insolvency practitioner's address

Building name/number 25 Farringdon Street

Street

Post town

London

County/Region

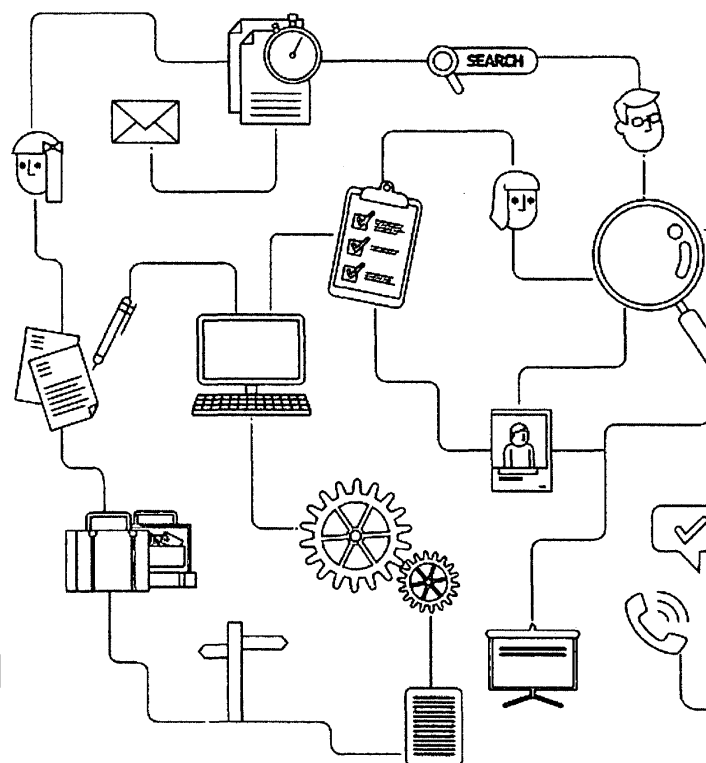
Postcode

E C 4 A 4 A B

Country

JOINT ADMINISTRATORS' PROGRESS REPORT FOR THE SIX MONTH PERIOD TO 23 NOVEMBER 2020

THE POWER OF BEING UNDERSTOOD
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INTRODUCTION

Contact details

The key contacts at RSM in connection with this report are:

Primary office holder

Damian Webb
RSM Restructuring Advisory LLP
25 Farringdon Street, London, EC4A 4AB
Tel: 0203 201 8000

Case manager

Matthew Foy
RSM Restructuring Advisory LLP
25 Farringdon Street, London, EC4A 4AB
Tel: 0203 201 8000

Basis of preparation

This report has been prepared solely to comply with the statutory requirements of the relevant legislation to provide creditors with information relating to the progress of the Administration. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to revision and additional costs. They should not be used as the basis for any bad debt provision or any other purpose. Neither the Joint Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report. The Joint Administrators act as agents of the Company and without personal liability.

General guidance on the Administration process

You may also wish to note that the profession's trade body, R3, have also produced general guidance on the different insolvency processes, which can be located at their website www.R3.org.uk.

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CONDUCT OF THE ADMINISTRATION

Court application for directions

The Joint Administrators have previously set out the legal advice on the contractual basis for the proposed loan distributions and advised that the Joint Administrators have made an application to Court for directions. Please refer to previous reports, which set out the advice and the distribution waterfall in accordance with the loan and security documentation, the legal issues identified and the financial implications thereof.

The purpose of the application is for the Court to consider and direct how asset realisations should be distributed.

The Joint Administrators issued the application for directions at Court on 10 July 2020.

The Respondents to the application are Lisa Taylor (Lendy Action Group) (costs of which are being settled as an expense of the Administration) as a formal representative respondent to advance arguments on behalf of the Model 2 investors and the Conflict Administrators who will be bound by the Court's decision, but are not taking an active role in the proceedings. The Joint Administrators will advance arguments on behalf of the Model 1 investors.

An initial case management conference ('CMC') took place on 23 September 2020. The Court gave directions at the CMC for hearing the application.

The Court set a timetable of the steps up to and including the 10-day trial, commencing on 28 June 2021.

Realisation of assets

Loan book

The Joint Administrators continue to spend significant time overseeing the collect out of the loan book. As previously advised, there were significant issues in the Company's underwriting and administration processed. Therefore, the Joint Administrators allocated an experienced member of staff to oversee both the realisation of property assets and the performance of the Receivers / Administrators appointed to recover the associated loans.

The Joint Administrators are unable to provide any material update on other loans until such time as a property sale or refinance has concluded so as not to prejudice the outcome.

Development finance loans ("DFL's")

There are currently 16 live DFL's with an outstanding value of £89m. 14 of the live loans have formal insolvency proceedings against them, with either Receivers or Administrators having been appointed. SSSHL in its capacity as secured creditor has placed four of these loans into insolvency proceedings.

In the period six DFL's have been realised, with gross realisations of £8.4m to date.

Since appointment nine DFL's have been realised, with gross realisations of £11.2m to date.

Property bridging loans ("PBL's")

There are currently 13 live PBL's with an outstanding value of £28m. 10 of the live loans have formal insolvency proceedings against them, with either Receivers or Administrators having been appointed. SSSHL in its capacity as secured creditor has placed two of these loans into insolvency proceedings.

In the period covered by this report, four PBL's have been realised, with gross realisations of £980k.

Since appointment, nine PBL's have been realised, with gross realisations of £5.6m to date.

The Company's contractual entitlement

Following legal advice which confirmed the manner of distribution was reasonable, in the period covered by this report, the Joint Administrators have drawn the Company's contractual entitlement in respect of the realised loans as set out in the Summary of receipts and payments at Appendix B. However, this sum has been limited to 3% per the management fee that the Company would be entitled to, should the Court disapply the Distribution Waterfall.

Model 1 loans

As previously advised, under Model 1, Investors lent money to the Company which then subsequently lent monies to borrowers as principal (and not on behalf of the Investors). As a result, it has been determined that any related recoveries from borrowers sit on the balance sheet of the Company for the benefit of the Company. The Investors under Model 1 are creditors of the Company for the value of their investment.

Any recoveries from a Model 1 loan, either as a result of enforcing security and selling a secured asset, or by way of the borrower refinancing, will form part of the Company's

Administration estate for distribution to all valid creditors of the Company in accordance with the statutory requirements set out in the Insolvency Act 1986. Following realisation of the assets of the Company, the Joint Administrators will assess and ascertain, in accordance with their statutory duties, which creditors are deemed to be valid creditors of the Company.

The table below summarises the Model 1 loans that have been realised for the Administration estate in the period:-

Loan	Gross realisation (£)	Third party costs (£)	Costs paid by the Company (£)	Model 1 realisation (£)
DFL001 - Exeter Rydon Court Development	1,500,000	205,784	4,863	1,289,352*

*Note, the Joint Administrators have only paid £800,000 from the client account into the Administration account to date.

DFL032 (Mezzanine loan) - Clewers Lane, Waltham Chase, Southampton

This was a second charge loan, secured behind the first charge, which secured the Platform loan funded by Investors. The funds for this second charge loan were provided from the Company's own cash resources direct to the borrower.

Both the first and second charge loans were repaid in full, with the first charge loan monies being distributed back to Investors and the second charge loan monies, totalling £172,745, were realised in the Administration.

Boat

As noted in the investigations section of this report, in the period a Stingher Rib boat was transferred to the Company.

The Joint Administrators instructed Hilco Global to attend the boatyard to inspect the condition of the boat and consider sale options. Following Hilco's recommendation the Joint Administrators agreed a sale price of £50,000 (following the deduction of outstanding invoices with the boatyard). This sale was finalised outside of the reporting period and therefore is not reflected in the Receipts and Payments account at Appendix B.

Lendy Provision Reserve Limited ('LPRL')

As previously advised, the Joint Administrators carried out an analysis on the intercompany position between the Company and LPRL. At the date of the Administration on the Company's balance sheet there is a debtor of £556,885 due from LPRL.

Following a Notice of Intended Dividend being advertised no further claims were received in the Liquidation of LPRL, therefore the only received claim was from the Company.

In the period, the Company received a dividend payment in the sum of £455,074, which represented 81.76 pence in the £ of the Company's unsecured claim in the Liquidation of LPRL.

Costs paid by the Company

The Joint Administrators realised £84,518 in respect of costs that had been settled by the Company on individual loans. These costs have been drawn in accordance with the distribution waterfall.

Equipment

The Joint Administrators realised £640 for office equipment.

Investigations

Detailed investigations have continued into the Company's affairs during the period.

As noted in the previous report, on 4 June 2020 the Joint Administrators obtained a worldwide freezing injunction over the assets of the former directors, Liam Brooke and Tim Gordon, as well as proprietary injunctions on properties owned by companies linked to the directors. Proceedings were commenced against Liam Brooke, Tim Gordon, RFP Holdings Limited and LP Alhambra Limited. During the period these claims have been progressed, with the assistance of the Joint Administrators' instructed solicitors, Pinsent Masons LLP ("Pinsent Masons") and instructed Counsel. This has involved a significant amount of work, including detailed analysis and review of the Company's records. Due to the nature of these claims, the Joint Administrators are unable to provide further information at this time.

In addition to the above, during the period the Joint Administrators caused the Company to present a winding up petition against Lendy Properties Limited based on sums alleged to be due to it from the sale of a boat. The petition was subsequently withdrawn following a confidential settlement being reached with Lendy Properties Limited and the owner of the boat, which resulted in the boat being transferred to the Company.

The Joint Administrators are continuing to investigate the affairs of the Company, however again, we are unable to provide further information at this time so as not to prejudice these investigations.

Case specific matters

The time costs incurred to date in dealing with these matters are set out in the attached analysis of time costs.

Interim distributions

As Investors will be aware, following realisations on the loan book, the Joint Administrators have continued processing interim distributions of loan proceeds to Investors in relation to a number of specific loans.

A breakdown of interim distributions that have been processed in the period is set out below.

Investors are reminded that these are interim distributions, and there may be further distributions in respect of these loans.

Loan	Gross realisation (£)	Third party costs (£)	Costs paid by the Company (£)	Lendy service fee (£) (3%)	Lendy contractual entitlement (£)	Lenders contractual entitlement (£)
DFL032 - Clewers Lane, Waltham Chase, Southampton	118,969	0	0	0	1,113	117,856
DFL032 (Mezz Loan) - Clewers Lane, Waltham Chase, Southampton	172,745	0	0	0	172,745	0
DFL021 - Heritage House, 29 Jewison Lane, Sewerby	532,800	29,462	2,520	11,868	125,634	363,316
PBL196 - Flat 2, 89 Hatherley Road, Sidcup	182,135	3,393	0	2,784	29,455	146,503
PBL197 - Church Avenue, Sidcup	108,413	2,019	0	1,657	17,034	87,703
PBL137 - 19 Pilmuir Street, Dunfermline, Fife	50,000	4,744	14,337	4,151	12,078	14,690
PBL095 - Gravel Quarry, Scotland	640,000	186,831	32,967	57,758	232,590	129,854
DFL007 - Hightown and Heathfield Avenue, Crewe	650,000	155,910	12,104	34,673	198,724	248,589
DFL033 - Haymarket Yards, Edinburgh	1,650,000	243,247	20,153	72,168	518,824	795,608

Claims underway

As previously advised, these relate to loans where the security has already been realised and an amount of capital and/or interest remains owing to Investors, which the Company was preparing to take action to recover prior to appointment of Joint Administrators. The type of action being contemplated includes demands in respect of a personal or corporate guarantee given by a third party against the loan, or claims for negligence on the part of one of Company's third-party professional advisers.

During the period we have successfully finalised 1 professional indemnity claim against a valuer of a Property Bridging Loan (PBL081) at a mediation meeting held in October 2020.

The Joint Administrators entered into a settlement agreement with the Valuer/Insurer and a settlement payment (of £625k) was made, and we anticipate distributing the monies received once the distribution waterfall process has been completed.

To ensure the position is not prejudiced, the Joint Administrators are unable to provide further comment on other actions or potential actions at this stage.

Conflict Administrators

As previously advised, Chris Lavery, Trevor O'Sullivan and Helen Dale of Grant Thornton UK LLP have been appointed as Conflict Administrators in relation to Saving Stream Security Holdings Limited ('SSSHL') to ensure that any conflict between the 'Model 2' Investors' position and that of the Company is fully considered. The Conflict Administrators role is to:

1. provide an independent oversight in relation to the charging structure and priority where the Company is proposing to deduct costs and charges from the loan recoveries being made by SSSHL under the security it holds on behalf of Investors and to agree what represents a fair charge as between the parties; and
2. act on behalf of SSSHL in relation to any conflict issues which may arise in connection with RSM's appointments over the Borrower Companies.

Where an RSM office holder of a Borrower Company may need to seek approval and/or sanction for certain decisions from the Company as the secured creditor, the RSM office holders will seek such approval from the Conflict Administrators.

The Conflict Administrators will not seek any further information or input from the Joint Administrators of the Lendy Companies and/or the employees of RSM working on the Administrations of the Lendy Companies.

The Conflict Administrators may only provide information on the Proposal to the Joint Administrators of the Lendy Companies and/or employees of RSM working on the Administrations of the Lendy Companies once a final decision on the Proposal has been made.

The Conflict Administrators are working directly with the Lendy team and the Borrower Companies in respect of the affected loans.

Conflict Administrators' Fees

As previously advised, following legal advice received, the Joint Administrators consider that, given the relatively small sums (compared to the total value of the Model 2 loans), the remuneration of the Conflict Administrators shall be settled from the Lendy Ltd Administration, as a cost incurred by SSSHL in connection with the recoveries of the loans.

Creditors' committee

As advised previously, a creditors committee ('the Committee') of five members was established. The Committee are acting in their position as creditors of the Company and not Investors. One committee meeting has been held in the period, via video conference.

The Joint Administrators have been in dialogue with the Committee in respect of the outstanding fee requests which are set out later in this report. The Committee advised the Joint Administrators that they wished to engage an independent expert costs assessor to assist them in discharging their statutory obligations in connection with the fee requests.

The Committee have instructed Mazars LLP and the agreed costs will be settled as an expense of the Administration.

Court application in respect of drawing remuneration in excess of fee estimate

The Joint Administrators considered their position in light of the fact that the Committee was not yet in a position to agree to the request for remuneration to be drawn in excess of the original fee estimate, which was provided within the Joint Administrators' proposals. The Joint Administrators considered the relevant provisions within the Insolvency (England and Wales) Rules 2016 ("Rules") and sought legal advice on the same.

The Rules state that before applying to the Court, an administrator must ask the Committee for approval to draw remuneration in excess of a fee estimate. If the Committee does not give approval, the next step for the Joint Administrators is to seek approval from the general body of creditors by decision procedure. If the creditors do not approve, then an application to Court can be made pursuant to Rule 18.30.

The Joint Administrators must issue any such application within 18 months of appointment (24 November 2020), albeit the application does not need to be determined by then.

Given all parties' concern over costs and specifically incurring costs on an application to Court prior to having a definitive decision in respect of our fee request from the Committee, the Joint Administrators issued an application within the 18 months deadline, but without any supporting

evidence to minimise costs. At the request of the Joint Administrators, the application has been listed for a hearing on 27 May 2021 to allow the costs assessor time to carry out the scope of their work.

If the Committee or the general body of creditors approve our fees prior to the Court considering our application, we will ask the Court to dismiss the application and vacate the hearing.

Financial Conduct Authority ('FCA')

The Joint Administrators are continuing to keep the FCA abreast of key actions and pertinent matters in the Administration.

The Joint Administrators are assisting the FCA with any requests. Creditors will appreciate that we are not permitted to disclose anything further in connection with this aspect of the investigations.

Anti-Money Laundering ('AML')

The table below sets out the current AML verification position for all investors with funds (including non-UK investors).

	Investors	Percentage of remaining investors (%)	Value (£)	Percentage of remaining investors (%)
AML verified	8,332	83	135,937,745	96
Failed/Referred	1,679	17	5,508,474	4

The Lendy team will continue liaising with individuals who currently have not fulfilled the money laundering checks. Please assist the team as this will accelerate the process. Regrettably these final checks are a manual exercise, hence it will take some time to complete these processes.

To confirm, the email address that Investors will receive an email from requesting further documentation from the Verification team is support@lendy.co.uk. The Joint Administrators have agreed a full open extension in providing any outstanding Know Your Customer / AML certified copies of documents.

Client account

The Lendy team continue to manage the Lendy client account. The current balances can be summarised below:

Client account summary as at 15 December 2020	£'000s
Client balances	1,516
Timing differences	1
Remainders to be distributed	39
Amounts contractually due to Lendy Ltd (currently withheld)	5,869
Loan receipts yet to be allocated – PBL081	562
Loan receipts yet to be allocated – PBL102	212
Loan receipts yet to be allocated – PBL106	373
Loan receipts yet to be allocated – PBL193	18
Loan receipts yet to be allocated – DFL001	494
Loan receipts yet to be allocated – DFL012	14
Loan receipts yet to be allocated – DFL013	186
Loan receipts yet to be allocated – DFL016	281
Loan receipts yet to be allocated – DFL020	17
Client account balance as at 15 December 2020	9,582

The Client balances total of £1.516m above includes individual Investors' available balances on their accounts, sums that have been requested for withdrawal but have not yet cleared the account and partially sold loan parts on the secondary market.

Timing differences relate to uncleared payments.

When interim distributions are processed on the investor platform there are remainders left over for amounts that cannot be divided equally across investors. These are cleared out on final distributions. The Remainders figure of £39k shown above is split across 29 loans.

Loan receipts yet to be allocated relate to funds received that are being processed by the team and waterfalls are being drafted to distribute these funds.

Lendy Wealth

The Company launched the Lendy Wealth investment product and received their first investments in August 2018. This product was designed to allow investors to invest in the platform, without investing in individual loan parts. Investors' funds were invested by the Lendy Wealth team. Investor balances were not subject to interest until the cash was invested in a specific loan.

There were two strands to Lendy Wealth, firstly Lendy Wealth 365 where investors would have to commit for their money to be tied up for 12 months and/or the investors had to give 12 months' notice for their money to be withdrawn. The target interest rate paid to investors of Lendy Wealth 365 was up to 10% per annum gross, assuming funds were reinvested. There was a minimum account balance of £10,000 and a minimum deposit of £5,000.

The second strand was Lendy Wealth 60 where the target interest rate was 6% per annum gross, assuming funds were reinvested, and investors had to commit funds for a minimum of 60 days and had the ability to give notice to withdraw their funds on 60 days' notice. Again, the minimum account balance was £10,000 and a minimum deposit of £5,000.

Lendy Wealth was managed separately to the platform. The Company's record keeping of the Lendy Wealth product has required significant additional review by the Joint Administrators to understand the process and reconcile investor positions. The Joint Administrators have also noted that the Company paid interest to investors on occasions when the returns from the loans invested were not sufficient to cover the targeted rate, therefore returning more than the contractual entitlement to investors. The first distribution to Lendy Wealth investors was affected by the Joint Administrators on 10 January 2020.

The Joint Administrators have provided Lendy Wealth 365 investors with a summary of their account, which contains details of the loans within the portfolio and each investor's gross balance following the 10 January distribution and assuming full recovery of the remaining loans. The statements for Lendy Wealth 60 are currently being reviewed by the Joint Administrators and will be provided in January 2021. Once these statements have been provided the Joint Administrators will begin to distribute funds to investors of both Lendy Wealth 365 and 60.

Investor correspondence

Please note, the support@lendy.co.uk email address should now be used for KYC / AML related queries only. For all other queries please contact the team on lendy.structuredturning@trismuk.com.

Employees

In the period, one further employee within the finance department left the Company and several workstreams are being resourced within RSM.

19 December 2020
DW/PXS/MXW/MKF/JPL/C/JAK/EDSHYWMCK/LS/SD/KAL/108485-724/77/MCMP1050/241020

Receipts and payments

A summary of receipts and payments is attached. Receipts and payments are shown net of VAT. However, as the Company was not VAT registered, the VAT is irrecoverable and is shown as a 'cost of realisation'.

OUTSTANDING MATTERS

Assets remaining to be realised

As detailed previously in this report, the Joint Administrators are continuing to work with the relevant parties to manage the wind down of the loan book and consider potential actions in respect of claims underway. The following assets remain to be realised. Details of the work still required and the anticipated costs are set out in the 'Conduct of the Administration' section above, and below.

Other outstanding matters

The Joint Administrators continue to progress matters in the Administration as set out in this report, key workstreams being:-

- Loan book realisations;
- Application to Court for Directions;
- Claims underway;
- AML; and
- Investigations.

Extension of the Administration

The Administration was previously extended by 36 months to midnight on 23 May 2023 by the Court.

End of the Administration

It is not possible to ascertain at present when the Administration will end. Further information will be provided in subsequent progress reports.

It is currently anticipated that the Company will exit Administration by way of Creditors Voluntary Liquidation.

However, if at any point in the Administration should the Joint Administrators reach a conclusion that the Company's property is insufficient to permit a distribution then they shall (unless the Court orders otherwise) be required to file a notice pursuant to paragraph 84 of Schedule B1 to the Insolvency Act 1986 seeking that the company be dissolved.

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects

	Owed (£)	Paid to date (£)	Estimated future prospects
Secured creditor	N/A	N/A	N/A
Preferential creditors	Not known at this time	N/A	100p in the £
Unsecured creditors	£8.3m*	NIL	Not yet known
Estimated Net Property			N/A
Estimated 'Prescribed Part' available for creditors			N/A

*As per the directors' Statement of Affairs

Prescribed Part

The 'Prescribed Part' is a statutory amount set aside for unsecured creditors from funds ('Net Property') available to a Qualifying Floating Charge Holder ('QFCH'). The amount of Net Property is calculated on a sliding scale up to maximum £800,000 depending on when the floating charge was created and whether or not it is a first ranking floating charge.

However, there are no QFCHs and the Prescribed Part does not, therefore, apply.

Secured creditors

The Company confirmed that there are no chargeholders over the Company

Preferential creditors

The Company's preferential creditors are expected to be minimal, but we are unable to provide a precise figure at this time.

Unsecured creditors

From the Statement of Affairs provided by the Company, the estimated amount currently owed to unsecured creditors is £8.3m. However, this figure has been provided on the assumption

that only Model 1 Investors are creditors. As noted previously, Investors are invited to submit a claim in the Administration for any shortfall they suffer following the distribution waterfall set out in previous correspondence.

Further, we have been made aware of a number of significant potential claims from Investors and other parties in respect of which we have yet to receive detailed claims.

The Joint Administrators expect to be able to provide a more definitive position with regards to Investors positions as creditors following the Court application for directions. However, to the extent that any Investor suffers a shortfall following the distribution waterfall, those Investors will be at liberty to file a proof of debt against Lendy, fully setting out their claim for the Joint Administrators' consideration. The Investor's rights will not be affected by filing a proof of debt.

If you have not already submitted a Proof of Debt, a copy of the form can be obtained at <https://rsmuk.ips-docs.com> or by request to this office.

Please note, prior to a distribution being paid to the unsecured creditors, the Company is required to convert to Creditors' Voluntary Liquidation. We are not at present able to provide guidance on the timing of this.

Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being made to that particular class of creditor.

As noted above, it is anticipated that a dividend will be paid to preferential and unsecured creditors. The anticipated dividends are subject to future realisations and no work has therefore been done as yet to agree preferential and unsecured claims, other than that necessary for the purposes of admitting claims for voting, where applicable. Details of the time spent in relation to this work is set out in the attached time analysis.

Creditors whose debts are treated as a small debt in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a proof of debt if they wish to vote. Rule 14.31(1) states that Office Holders may treat a debt, which is a small debt according to the accounting records or the statement of affairs of the company, as if it were proved for the purposes of paying a dividend. Small debts are defined in Rule 14.1(3) as a debt (being the total amount owed to a creditor) which does not exceed £1,000.

Dividend payments

The timing of any future dividend to preferential and unsecured creditors (other than the Prescribed Part) is dependent on future realisations. Further information regarding any potential dividend payment will be made in due course.

Creditor communication

The following work was done in the period to comply with legislation and best practice and to ensure creditors were kept informed. It is also necessary to enable a dividend to be paid.

- Preparation and issue of progress reports to various parties, including creditors
- Maintenance of schedules of preferential and unsecured creditors' claims
- Dealing with correspondence and telephone calls
- Agreeing employee claims, submitting documentation to, and liaising with, the Redundancy Payments' Service
- Liaising with, and reporting to, the creditors' committee
- Consideration of creditors' claims; acceptance or rejection of claims and complying with the legislative obligations in relation to adjudication of creditors' claims generally for voting and dividend purposes

Creditors only derive an indirect financial return from this work on cases where a dividend has been, or will be, paid.

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.

JOINT ADMINISTRATORS' FEES, COSTS AND EXPENSES

Guide to Administrator's fees and expenses

A Guide to Administrator's Fees, which provides information for creditors in relation to the fees and expenses of an Administrator, can be accessed at <https://rsmuk.ips-docs.com> under 'general information for creditors'. A hard copy can be requested from this office by telephone, email or in writing. All fees, costs and expenses are subject to VAT.

SSSHL

Following legal advice received the Joint Administrators consider that, given the relatively small sums (compared to the total value of the Model 2 loans), the remuneration of the Joint Administrators of SSSHL shall be settled from the Lendy Ltd Administration, as a cost incurred by SSSHL in connection with the recoveries of the loans.

The Joint Administrators of SSSHL have incurred time costs of £3,019 in the current period. An analysis of time incurred in the period is attached.

Relevant Approving Body

The Committee are the Relevant Approving Body responsible for approving the Joint Administrators' post appointment fee basis and, where applicable, 'Category 2' expenses.

Post Appointment fees, costs and expenses

Basis for remuneration

Insolvency legislation allows an Administrator to charge fees on one of, or a combination of, the following bases:

- as a percentage of the value of the property the Administrator has to deal with (percentage basis);
- to the time spent by the Administrator or their staff on the administration of the case (time cost basis);
- as a set amount (fixed fee basis); or
- a combination of the above (mixed fee basis).

The Relevant Approving Body has been asked to approve the Joint Administrators' fees on a time cost basis and to date fee estimates have been provided as follows:-

Period	Fee estimate (£)	Fee requested to date (£)	Approved to date (£)
24 May 2019 to 23 May 2020	2,500,000	2,100,000	1,025,000
24 May 2020 to 23 May 2021	1,482,505	1,000,000	0

Remuneration charged and paid

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done.

During the period, the remuneration charged by the Joint Administrators, totalled £642,184 calculated on the basis set out above. An analysis of time incurred in the period is attached.

Time costs incurred since appointment in the Administration of Lendy and SSSHL, total £3,412,027. Of this £1,025,000 (plus VAT) has been approved and paid. Fees drawn are within the amount approved by the Relevant Approving Body.

Administration and planning

Certain aspects of the work that the Joint Administrators undertake are derived from the underlying legal and regulatory framework for cases of this nature. This work, which does not usually result in any direct financial return to creditors, is a necessary aspect of ensuring that the Joint Administrators are complying with both of their legislative and best practice responsibilities, and ensuring that the case is managed efficiently and effectively. It includes matters such as:

- Periodic case reviews;
- Maintenance of compliance records in relation to the case;
- Weekly update and strategy meetings;
- Liaising with insurers in respect of the Company's assets;
- Arranging for mail redirection to be put in place;
- Maintaining and updating computerised case management records;
- Partners, directors and managers review of documents and correspondence;
- Dealing with routine correspondence not attributable to other categories of work;

- Ongoing consideration of ethical and anti-money laundering regulations;
- General taxation matters;
- Preparation of receipts and payments accounts, maintenance of cashiering records;
- Filing of documentation at Companies House, Court and other relevant parties;
- General administrative matters in relation to administration;
- Reporting to the FCA with updates on case strategy and progression;
- Pension schemes, liaising with PPF/Pensions Regulator/Trustees; and
- Consideration of Health and Safety and environmental regulations.

Investigations

The Joint Administrators have a statutory duty to carry out investigations in relation to the failure of the Company and the conduct of the directors. Some aspects of the investigation work undertaken are required by statute and may not necessarily result in a direct financial benefit for the Company's directors.

Other work that the Joint Administrators have carried out in respect of their investigations include, but are not limited to the following:

- Review and analysis of company records;
- Review and analysis of bank statements;
- Making enquiries with third parties;
- Time associated with bringing claims against third parties (as noted earlier in the report); and
- Liaising with solicitors and instructed Counsel
- Liaising with FCA

Realisation of assets

All matters relating to the collect out of the loan book, progressing claims underway, the LPRL debtor and the boat. This includes, but not limited to:

- Liaising with the Lendy recoveries team;
- Liaising with agents and third parties;
- Liaising with appointed office holders;
- Liaising with debtors;
- Liaising with potential purchasers;
- Negotiations;
- Sale formalities;
- Legal matters; and
- Internal strategy and correspondence.

Trading

This section includes, but is not limited to:

- Day to day management of the case;
- Preparation of trading accounts such as cash flow forecasts and profit & loss accounts; and
- Managing the Lendy team.

Creditors

This section relates to time spent dealing with correspondence from creditors and Investors. Please note, there are over 10,000 investors and significant time has been charged dealing with a wide range of different queries. This includes, but is not limited to:

- Fielding telephone calls from investors and creditors;
- Written correspondence (including email and postal) with investors and creditors;
- Preparing, reviewing and issuing reports to creditors and other parties;
- Agreement of claims;
- Distributions to investors;
- Updates to creditors/investors;
- Partners, directors and managers review of documents and correspondence and reports;
- Liaising with the Creditors' Committee; and
- Attending Creditors' Committee meetings (via teleconference).

Case specific matters

All other matters on the case including, but not limited to:

- Correspondence with legal advisers;
- Application for to Court directions;
- Calculating the distribution waterfalls and applying the contractual position;
- Reconciliation of the Lendy Wealth position;
- Liaising with the FCA and other bodies; and
- Any other matters.

Further fee approval

The amount of fee that can be drawn will be limited to the amount approved by the Relevant Approving Body, whether calculated on the basis of time in accordance with a fee estimate, or for a fixed amount or a percentage rate, and cannot be either increased or the percentage rate changed, without their further approval.

The Joint Administrators will provide a fee estimate for each year of the Administration and will provide a fee estimate for the period 24 May 2021 to 23 May 2022 in the next progress report.

Expenses and disbursements for the period 24 May 2020 to 23 November 2020

The total costs and expenses (including category 1 and category 2 disbursements) estimated to be incurred by the Joint Administrators are set out below together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account.

The quantum of costs and expenses is higher than the estimates previously provided to creditors on 15 July 2019. This is because the Joint Administrators were unable to provide a realistic estimate due to the uncertainty on the work that we required be undertaken by third parties.

Legal costs incurred have been high due to the complexities of the case and the required actions that the Joint Administrators have been required to take.

The Joint Administrators have provided a high-level scope of engagement below for professional firms that have been paid in the period.

Please note, the statement of expenses table set out below includes costs incurred by RSM and charged as a disbursement to the case. Stationery and Books largely relates to various IT costs and subscriptions that have to be settled by credit card by an RSM employee and recharged to the case. These costs are fundamental to the systems that the Company operates.

Expenses (including category 1 disbursements)

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the Relevant Approving Body prior to being paid but all costs are subject to review by the Joint Administrators before being paid.

Type of expense	Total estimated (£)	Incurred in period (£)
Bond	500	0
Company Search Fee	0	71
Statutory advertising	142	0
Website fee	10	0

Storage agent (collection/storage of records)	2,000	0
Courier	0	220
Chattel asset agent valuation	2,500	0
Land Registry fees	66	0
Library Services	0	645
Stationery and Books (IT system payments on Credit Card)	286	5,823
Travel	7,041	0
Postage	0	14
Bank Charges	0	87
Contractors – Fees	0	3,937
Court costs	0	190
Critical Supplier - Other	0	1,252
IT Costs	0	66,239
Initial Call centre fees	8,716	1,320
Insurance	2,694	0
Legal Fees & Disbursements	TBC	197,748
Mail Redirection	0	519
Utilities	0	394
PAYE & NIC	0	183,610
Payment Trace Fee	0	20

Payroll Services	0	2,000
Pension Contribution	0	4,525
Professional Fees & expenses	0	171,401
Staff Expenses	0	565
Sundry Expenses - Mediator's Fees	0	3,000
Third party costs - Agents	0	100,477
Third party costs - Agents disbursements	0	41
Third party costs - Legal disbursements	0	4,218
Third party costs - Legal fees	0	32,592
Third party costs - Miscellaneous Costs	0	61,012
Wages & Salaries	0	192,078
Total	23,955	1,033,998

Category 2 expenses

These are costs which are not capable of precise identification or calculation, or that may include an element of shared or allocated costs. Payments to outside parties that the Office Holder, firm, or any associate has an interest, are also treated as 'Category 2' expenses. These expenses require the specific approval of the Relevant Approving Body before being paid from the insolvency estate.

There were no Category 2 disbursements incurred or paid during the period.

Other professional costs for the period 24 May 2020 to 23 November 2020

The office holders retained the following advisers based on their experience and expertise. These costs are not subject to approval by the Relevant Approving Body. However, they are subject to review and approval by the Joint Administrators.

Legal fees

Shoosmiths LLP, solicitors, have been retained as legal advisors in view of their expertise in the following matters. They have advised the Joint Administrators on several matters pertaining to the Administration, including:-

- General legal advice;
- General insolvency advice;
- In-house legal matters;
- Legal advice regarding a claim from a former employee;
- Advising in relation to the construction of Model 1 & Model 2 loan and security documentation, and the application of the Distribution Waterfall;
- Instructing Counsel on the above;
- Assisting and advising on the recoveries of outstanding loans, including the insolvency process in relation to enforcement;
- Reviewing the contractual documentation on each live loan and applying to the Distribution Waterfalls;
- Reviewing and advising on the validity of appointments and security documentation for each loan that is in an insolvency process or may enter an insolvency process;
- Assisting and advising on the claims underway as set out above;
- Liaising with the FCA and the creditors committee;
- Assisting the administrators with investor queries;
- Dealing with any borrower counterclaims and legal proceedings;
- Drafting the witness statement on the above and liaising the Administrators in that respect;
- Assisting with the application to Court for directions;
- Attending case management conferences in respect of the application to Court;
- Drafting the witness statement on the above and liaising with the Joint Administrators in that respect;
- Meetings with the Lendy team to assist with the drafting of the above witness statement;
- Attending Creditors' Committee meetings; and
- Regular update calls and with the Joint Administrators.

We have agreed Shoosmiths' remuneration based on their standard hourly charge-out rates, plus VAT and disbursements, and their agreed fees of £9,883 (plus VAT) and disbursements of £15,200 (plus VAT) have been paid in the period. Please note, the majority of these disbursements relate to Counsels' fees. Please also note that additional fees have been incurred and not paid

PinsentMasons LLP, solicitors, have been retained as legal advisors in view of their expertise in the following matters. They have advised the Joint Administrators on several matters pertaining to the Administration, including:-

- General legal advice;
- General insolvency advice;
- Assisting and providing advice in respect of claims being brought against the directors and other third parties
- Instructing Counsel on the above;
- Liaising with the FCA

We have agreed their remuneration based on their standard hourly charge-out rates, plus VAT and disbursements, and their agreed fees of £81,372 (plus VAT) and disbursements of £12,643 (plus VAT) have been paid in the period.

Burges Salmon LLP, solicitors, have been retained as legal advisors in view of their expertise and have been assisting and advising the Joint Administrators on the claims underway as set out above. We have agreed their remuneration based on their standard hourly charge-out rates, plus VAT and disbursements, and their agreed fees of £13,000 (plus VAT) and disbursements of £8,000 (plus VAT) have been paid in the period.

Clyde & Co LLP, solicitors, have been retained as legal advisors to the Conflict Administrators (Grant Thornton). We have agreed their remuneration based on their standard hourly charge-out rates, plus VAT and disbursements, and their agreed fees of £57,651 (plus VAT) have been paid in the period.

Contractors

BJM Recovery Ltd has been engaged to provide in-house financial support to the Company. In the period they have submitted invoices for fees of £3,937 (plus VAT) which have been paid during the period.

Professional Fees & expenses

Grant Thornton UK LLP, Conflict Administrators. We have agreed their remuneration based on their standard hourly charge-out rates, plus VAT and disbursements, and their agreed fees of £170,151 (plus VAT) have been paid in the period.

Lambert Smith Hampton, agents, were paid £1,250 (plus VAT) during the period.

Third party costs paid in the period

The third-party costs listed below have been settled by the Company on behalf of various loans and are recoverable upon once a loan has been realised or refinanced.

Third Party costs - Agents

- Lambert Smith Hampton – £39,250 (plus VAT)
- Stroud Alarms - £3,130 (plus VAT)
- Colston & Colston LLP - £10,000 (plus VAT)
- Aztec Asset Assured - £15,432 (plus VAT)
- Kempton Carr - £5,425 (plus VAT)
- Graham + Sibbald - £8,750 (plus VAT)
- Savills (UK) Limited - £5,500 (plus VAT)
- DS.Emotion (Manchester) - £4,490 (plus VAT)
- Avison Young (UK) Limited - £8,500 (plus VAT)

Third Party costs – Legal disbursements

- JWM Solicitors LLP - £2,992 (plus VAT)
- HCR Legal LLP - £1,076 (plus VAT)
- Gillespie McAndrew - £150 (plus VAT)

Third Party costs – Legal fees

- Stevens & Bolton - £2,000 (plus VAT)
- JWM Solicitors LLP - £17,417 (plus VAT)
- DAC Beachcroft LLP - £375 (plus VAT)
- HCR Legal LLP - £1,200 (plus VAT)
- Radcliffe Chambers - £2,000 (plus VAT)
- Shoosmiths LLP - £600 (plus VAT)

Third Party costs – Miscellaneous Costs

- QED Developments Limited - £30,000
- NTS Comms Ltd - £26,012.50
- Settlement Fee to the former tenant at the Convent - £5,000

Creditors' right to information and ability to challenge fees

Creditors have a right to request further information about fees or expenses (other than pre-Administration costs) and to challenge such fees or expenses.

If you wish to make a request for further information it must be made in writing within 21 days of receipt of this report either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question).

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may

apply to court that the fees charged, the basis fixed or expenses incurred by the Administrator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of fees or incurring of the expenses in question.



Damian Webb
RSM Restructuring Advisory LLP
Joint Administrator

Damian Webb is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

Phillip Sykes is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

The affairs, business and property of the company are being managed by the Joint Administrator who act as agents of the company and without personal liability

A. STATUTORY INFORMATION

Company information

Company name:	Lendy Ltd
Company number:	08244913
Date of incorporation:	9 October 2012
Trading name:	Lendy Ltd
Trading address:	Brankesmere House, Queens Crescent, Southsea, Hampshire, PO5 3HT
Principal activity:	Financial service activities, except insurance and pension funding
Registered office:	RSM Restructuring Advisory LLP, 25 Farringdon Street, London, EC4A 4AB
Previous company names:	N/a
Directors:	Liam John Brooke
Secretary:	N/a

Administration information

Court reference:	High Court of Justice, business and Property Courts in Birmingham, Insolvency and Companies List No 443 of 2019		
Joint Administrators:	Damian Webb, Phillip Sykes and Mark Wilson		
Date of appointment:	24 May 2019		
Joint Administrators:	Primary office holder Damian Webb RSM Restructuring Advisory LLP 25 Farringdon Street, London, EC4A 4AB 020 3201 8000 IP Number: 14970	Joint office holder Phillip Sykes RSM Restructuring Advisory LLP 25 Farringdon Street, London, EC4A 4AB 0203 201 8000 IP Number: 6119	Joint office holder Mark Wilson RSM Restructuring Advisory LLP 25 Farringdon Street, London, EC4A 4AB 0203 201 8000 IP Number: 008612

B. RECEIPTS AND PAYMENTS SUMMARY

Lendy Ltd
In Administration
Joint Administrators' Summary of Receipts & Payments

	From 24/11/2019 To 23/05/2020 £	From 24/05/2019 To 23/05/2020 £
ASSET REALISATIONS		
Bank Interest Gross	103.80	1,281.44
Cash at Bank	0.00	903,797.84
Client account - Quarterly interest	292.41	9,926.74
Court refund	0.00	1,240.00
Contractual entitlement (limited to 3%)		
- DFL012	0.00	189,821.92
- DFL034	0.00	12,733.48
- PBL163	0.00	28,247.22
- PBL164	0.00	52,450.14
- PBL103	0.00	144,373.97
- PBL193	0.00	24,969.86
- PBL177	0.00	10,451.88
- PBL178	0.00	11,584.55
- DFL020	0.00	64,035.62
- DFL031	0.00	56,145.21
DFL032 (Mezzanine loan)	172,745.04	172,745.04
Lendy Provision Reserve Distribution	455,074.03	455,074.03
Model 1 loans	0.00	0.00
- DFL001	800,000.00	800,000.00
- DFL002	0.00	2,253,910.07
- PBL056	0.00	60,331.91
Other Refunds and return of overpayments	571.38	24,208.94
Sale of Equipment	640.00	640.00
Tax / Insurance Refunds	0.00	244.94
Third party costs paid by Lendy Ltd		
- DFL012	0.00	81,565.89
- DFL031	3,240.00	3,240.00
- DFL020	12,000.00	12,000.00
- PBL137	14,337.57	14,337.57
- DFL007	12,104.47	12,104.47
- PBL095	32,967.35	32,967.35
- DFL033	9,869.00	9,869.00
- PBL163	310.00	310.00
	1,514,255.05	5,444,609.08

COST OF REALISATIONS

Agents/Valuers Fees	0.00	(7,480.00)
Bank Charges	(87.18)	(979.70)
Client Liaison Body expenses	0.00	(187.36)
Client account reconciliation funds	0.00	(5,394.34)
Committee Expenses	0.00	(1,561.85)
Consulting services	0.00	(14,231.80)
Contractor Fees & Disbursements	(3,937.50)	(263,759.49)
Court costs	(190.00)	(10,545.00)
Critical Supplier	(1,252.60)	(25,660.67)
IT Costs	(66,239.69)	(178,074.11)
Cleaning/Waste Collection	0.00	(1,681.14)
Data room costs	0.00	(1,161.60)
FCA Associated costs	0.00	(9,125.00)
Hardship Creditor Payment	0.00	(27,130.08)
Initial Call Centre costs	(1,320.21)	(15,404.83)
Insurance of Assets	0.00	(11,592.05)
Joint Administrators' Disbursements	0.00	(44,575.70)
Joint Administrators' Fees	0.00	(1,025,000.00)
Legal Fees & Disbursements	(197,748.68)	(1,105,852.86)
Legal Fees - overpayment	0.00	(19,858.00)
Mail redirection	(519.00)	(519.00)
Meeting Costs	0.00	(27,406.15)
Mediator fees	(3,000.00)	(3,000.00)
Other Property Expenses	0.00	(1,254.78)
Utilities	(394.99)	(2,879.08)
Security	0.00	(7,237.80)
PAYE & NIC	(183,610.54)	(491,170.26)
Payment & Trace Fee	(20.00)	(20.00)
Payroll Services	(2,000.00)	(5,200.00)
Pension Contribution	(4,525.08)	(22,279.72)
Pension Contribution - overpayment	0.00	(3,776.50)
Professional Fees & Expenses	(171,401.40)	(220,661.70)
Settlement - fee dispute	(10,000.00)	(10,000.00)
Sundry Expenses	0.00	(1,887.51)
Staff Expenses	(565.27)	(3,416.06)
Stationery and office equipment	0.00	(426.63)
Third Party Costs		
- Agents fees and disbursements	(100,518.91)	(105,818.91)
- Legal disbursements	(4,218.00)	(7,026.80)
- Legal fees	(32,592.67)	(55,370.91)
- Miscellaneous costs	(61,012.50)	(61,012.50)
- Rates	0.00	(7,295.00)
VAT Irrecoverable	(117,139.07)	(596,710.80)
Wages & Salaries	(192,078.18)	(546,165.99)
	(1,154,371.47)	(4,949,791.68)

359,883.58**494,817.40****REPRESENTED BY**

Bank - (RBS)

494,817.40**494,817.40**

C. POST-APPOINTMENT TIME ANALYSIS – LENDY LTD

Joint Administrators' post appointment time cost analysis for the period 24 May 2020 to 23 November 2020

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Administration and Planning									
	Background information									
	Company searches	0.0	0.0	0.0	0.0	0.0	0.1	0.1	£ 7.50	75.00
	Total	0.0	0.0	0.0	0.0	0.0	0.1	0.1	£ 7.50	75.00
	Case Management									
	Case review / KPI Reports	0.0	0.0	0.0	0.9	0.0	0.7	1.6	£ 689.50	430.94
	Communication with Joint office holder	0.3	0.0	0.0	0.0	0.0	0.0	0.3	£ 187.50	625.00
	Communication with Other office holder	0.0	0.0	0.0	0.0	0.0	1.0	1.0	£ 625.00	625.00
	Compliance/Task updates/checklists	1.3	0.0	0.0	0.0	0.0	0.0	1.3	£ 812.50	625.00
	Filing	0.0	0.0	0.0	0.0	0.3	0.3	0.6	£ 90.00	150.00
	Ongoing case planning/strategy	9.2	0.0	1.8	50.8	3.3	1.8	66.9	£ 21,458.50	320.75
	Total	10.8	0.0	1.8	51.7	3.6	3.8	71.7	£ 23,863.00	332.82
	Pension Scheme									
	General	0.0	0.0	0.0	0.0	0.3	0.0	0.3	£ 63.00	210.00
	Total	0.0	0.0	0.0	0.0	0.3	0.0	0.3	£ 63.00	210.00
	Post-appointment - general									
	Statutory filing/advertising	0.0	0.0	0.0	0.0	0.5	0.0	0.5	£ 105.00	210.00
	Total	0.0	0.0	0.0	0.0	0.5	0.0	0.5	£ 105.00	210.00
	Receipts and Payments									
	Bank Reconciliations	0.0	0.0	0.0	0.0	2.8	0.0	2.8	£ 588.00	210.00
	Cashiering	0.0	0.0	0.0	0.0	27.1	0.0	27.1	£ 5,691.00	210.00
	Receipts and Payments	0.0	0.0	0.2	28.8	50.5	0.0	79.5	£ 18,281.00	229.95
	Total	0.0	0.0	0.2	28.8	80.4	0.0	109.4	£ 24,560.00	224.50
	Tax Matters									
	CT/IT/CGT post-appointment returns	0.2	0.0	9.5	2.0	0.8	0.0	12.5	£ 3,851.50	308.12
	Pre-appointment VAT & Tax returns	0.0	0.0	0.5	0.0	0.0	0.0	0.5	£ 172.50	345.00
	Total	0.2	0.0	10.0	2.0	0.8	0.0	13.0	£ 4,024.00	309.54
	Total	11.0	0.0	12.0	82.5	85.6	3.9	195.0	£ 52,622.50	269.86

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Investigations									
	Investigations/CDDA									
	Antecedent transactions other	1.5	0.0	0.0	0.0	2.5	0.0	4.0	£ 1,262.50	315.63
	CDDA report/return	0.0	0.0	0.3	0.0	0.0	0.0	0.3	£ 103.50	345.00
	General review of books & records & other papers	2.5	0.0	3.3	0.0	4.0	0.0	9.8	£ 3,461.00	353.16
	Other general matters	0.0	0.0	25.5	1.2	67.5	0.0	94.2	£ 25,078.50	266.23
	Total	4.0	0.0	29.1	1.2	74.0	0.0	108.3	£ 29,905.50	276.14
	Total	4.0	0.0	29.1	1.2	74.0	0.0	108.3	£ 29,905.50	276.14
	Realisation of Assets									
	Assets - general/other									
	Legal	0.0	0.0	0.1	0.0	0.0	0.0	0.1	£ 34.50	345.00
	Other	0.0	0.3	7.3	1.4	10.8	0.3	20.1	£ 4,560.50	226.89
	Total	0.0	0.3	7.4	1.4	10.8	0.3	20.2	£ 4,595.00	227.48
	Chattels									
	Legal	0.0	0.0	0.0	0.0	0.0	0.5	0.5	£ 312.50	625.00
	Total	0.0	0.0	0.0	0.0	0.0	0.5	0.5	£ 312.50	625.00
	Debtors & sales finance									
	Debt collection	0.0	619.9	0.0	0.0	0.0	0.5	620.4	£ 356,755.00	575.04
	Legal	0.0	40.5	0.0	0.0	0.0	2.0	42.5	£ 24,537.50	577.35
	Total	0.0	660.4	0.0	0.0	0.0	2.5	662.9	£ 381,292.50	575.19
	Land and Property									
	Agent liaison	4.0	0.0	0.0	1.1	0.0	0.0	5.1	£ 2,608.00	511.37
	Legal	1.5	0.0	0.0	1.0	0.0	8.5	11.0	£ 5,990.00	544.55
	Meetings/cores/tel with charge holder(s)	4.0	0.0	0.0	0.0	0.0	0.8	4.8	£ 3,000.00	625.00
	Meetings/cores/tel with directors/debtor	2.5	0.0	0.0	0.0	0.0	1.0	3.5	£ 2,187.50	625.00
	Meetings/cores/tel with others re tenanted property	2.5	0.0	0.0	0.0	0.0	0.0	2.5	£ 1,562.50	625.00
	Meetings/cores/tel with purchaser	0.0	0.0	0.0	0.0	0.4	0.0	0.4	£ 84.00	210.00
	Meetings/cores/tel with Utility suppliers	0.0	0.0	0.0	0.0	0.9	0.0	0.9	£ 189.00	210.00
	Other major land & property issues	19.0	0.0	0.0	20.0	1.9	2.0	42.9	£ 18,953.00	441.79
	Total	33.5	0.0	0.0	22.1	3.2	12.3	71.1	£ 34,574.00	486.27
	Total	33.5	660.7	7.4	23.5	14.0	15.6	754.7	£ 420,774.00	557.54

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Trading									
	Trading									
	Agent liaison	0.0	0.0	0.0	0.6	0.0	0.0	0.6	£ 168.00	280.00
	Legal	0.1	0.0	0.0	0.0	0.0	0.0	0.1	£ 62.50	625.00
	Other major trading issues	0.0	0.0	0.0	67.3	18.2	0.0	85.5	£ 23,100.00	270.18
	Set up/day to day management	0.0	0.0	0.0	1.2	0.0	0.0	1.2	£ 336.00	280.00
	Suppliers/production/stock	0.0	0.0	0.0	1.3	0.0	0.3	1.6	£ 551.50	344.69
	Trading accounts/projections/funding	6.0	0.0	0.0	11.5	0.0	0.0	17.5	£ 6,970.00	398.29
	Total	6.1	0.0	0.0	81.9	18.2	0.3	106.5	£ 31,188.00	292.85
	Total	6.1	0.0	0.0	81.9	18.2	0.3	106.5	£ 31,188.00	292.85
	Creditors									
	1st creditors/shareholders meetings and reports									
	Partner/manager review	3.0	1.0	0.0	0.0	0.0	0.0	4.0	£ 2,450.00	612.50
	Total	3.0	1.0	0.0	0.0	0.0	0.0	4.0	£ 2,450.00	612.50
	Committee									
	Fomalities	0.0	0.0	0.0	1.8	0.0	0.0	1.8	£ 504.00	280.00
	Meetings/corres/tel	10.8	0.0	2.1	15.2	3.3	3.6	35.0	£ 14,673.50	419.24
	Total	10.8	0.0	2.1	17.0	3.3	3.6	36.8	£ 15,177.50	412.43
	Deferred/Postponed Creditors									
	Meetings/corres/tel	0.0	0.0	0.0	0.0	16.7	0.6	17.3	£ 3,621.00	209.31
	Total	0.0	0.0	0.0	0.0	16.7	0.6	17.3	£ 3,621.00	209.31
	Employees									
	Discussions	0.0	0.0	0.0	5.1	0.0	0.0	5.1	£ 1,428.00	280.00
	ERA	0.0	0.4	0.0	5.5	0.0	0.0	5.9	£ 1,678.00	284.41
	Other major issues	2.2	0.0	3.1	2.7	0.8	0.0	8.8	£ 3,368.50	382.78
	Total	2.2	0.4	3.1	13.3	0.8	0.0	19.8	£ 6,474.50	326.99
	Other Creditor Meetings and Reports									
	Formal reports	0.1	0.0	0.2	21.5	7.6	0.3	29.7	£ 7,792.50	262.37
	Meeting documentation	1.0	0.0	0.0	0.0	0.0	0.0	1.0	£ 625.00	625.00
	Total	1.1	0.0	0.2	21.5	7.6	0.3	30.7	£ 8,417.50	274.19
	Secured Creditors									
	Distributions	0.0	0.0	0.0	0.0	0.0	0.9	0.9	£ 562.50	625.00
	Meetings/corres/tel	0.0	0.0	0.0	0.0	0.2	0.0	0.2	£ 42.00	210.00
	Total	0.0	0.0	0.0	0.0	0.2	0.9	1.1	£ 604.50	549.55
	Unsecured Creditors									
	Agreement of claims	0.0	0.0	0.8	5.1	0.0	0.0	5.9	£ 1,704.00	288.81
	Correspondence/tel	0.8	0.0	0.5	46.4	6.1	3.0	56.8	£ 15,961.50	281.01
	Dividend payment	0.0	0.0	0.0	7.0	0.0	0.7	7.7	£ 2,397.50	311.36
	Total	0.8	0.0	1.3	58.5	6.1	3.7	70.4	£ 20,063.00	284.99
	Total	17.9	1.4	6.7	110.3	34.7	9.1	180.1	£ 56,808.00	315.42

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Case Specific Matters - Legal Matters										
	Legal Matters									
	Advice	5.5	0.0	0.0	5.6	0.0	0.0	11.1	£ 5,005.50	450.95
	Litigation	3.0	0.0	0.0	0.0	6.0	5.9	14.9	£ 6,282.50	421.64
	Meetings/cores/tel	18.4	0.0	0.5	16.9	1.9	9.4	47.1	£ 18,891.00	401.08
	Other major issues	10.6	0.8	16.1	8.5	1.6	8.9	46.5	£ 20,707.00	445.31
	Total	37.5	0.8	16.6	31.0	9.5	24.2	119.6	£ 50,886.00	425.47
	Total	37.5	0.8	16.6	31.0	9.5	24.2	119.6	£ 50,886.00	425.47
	Total Hours (From 24 May 2020 to 23 November 2020)	110.0	662.9	71.8	330.4	236.0	53.1	1,464.2	£ 642,184.00	438.59
	Total Time Cost (From J24 May 2020 to 23 November 2020)	£ 67,621.00	£ 380,822.50	£ 28,236.00	£ 91,517.50	£ 45,725.00	£ 28,262.00	£ 642,184.00		
	Total Hours	110.0	662.9	71.8	330.4	236.0	53.1	1,464.2	£ 642,184.00	438.59
	Total Time Cost	£ 67,621.00	£ 380,822.50	£ 28,236.00	£ 91,517.50	£ 45,725.00	£ 28,262.00	£ 642,184.00		
	Average Rates	614.74	574.48	393.26	276.99	193.75	532.24	438.59		

C. POST-APPOINTMENT TIME ANALYSIS – SSSHL

Joint Administrators' post appointment time cost analysis for the period 24 May 2020 to 23 November 2020

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
	Administration and Planning									
	Case Management									
	Case review / KPI Reports	0.0	0.0	0.0	0.8	0.0	0.0	0.8	£ 224.00	280.00
	Filing	0.0	0.0	0.0	0.0	0.0	0.1	0.1	£ 9.00	90.00
	Ongoing case planning/strategy	0.0	0.0	0.0	0.9	0.2	0.0	1.1	£ 294.00	267.27
	Total	0.0	0.0	0.0	1.7	0.2	0.1	2.0	£ 527.00	263.50
	Post-appointment - general									
	Statutory filing/advertising	0.0	0.0	0.0	0.0	0.5	0.0	0.5	£ 105.00	210.00
	Total	0.0	0.0	0.0	0.0	0.5	0.0	0.5	£ 105.00	210.00
	Receipts and Payments									
	Cashiering	0.0	0.0	0.0	0.0	0.6	0.0	0.6	£ 126.00	210.00
	Total	0.0	0.0	0.0	0.0	0.6	0.0	0.6	£ 126.00	210.00
	Total	0.0	0.0	0.0	1.7	1.3	0.1	3.1	£ 768.00	244.52
	Trading									
	Trading									
	Trading accounts/projections/funding	0.0	0.0	0.0	1.2	0.0	0.0	1.2	£ 336.00	280.00
	Total	0.0	0.0	0.0	1.2	0.0	0.0	1.2	£ 336.00	280.00
	Total	0.0	0.0	0.0	1.2	0.0	0.0	1.2	£ 336.00	280.00
	Creditors									
	Other Creditor Meetings and Reports									
	Formal reports	0.0	0.0	0.0	3.2	4.3	0.0	7.5	£ 1,799.00	239.87
	Total	0.0	0.0	0.0	3.2	4.3	0.0	7.5	£ 1,799.00	239.87
	Unsecured Creditors									
	Correspondence/tel	0.0	0.0	0.0	0.0	0.6	0.0	0.6	£ 126.00	210.00
	Total	0.0	0.0	0.0	0.0	0.6	0.0	0.6	£ 126.00	210.00
	Total	0.0	0.0	0.0	3.2	4.9	0.0	8.1	£ 1,925.00	237.65
	Total Hours (From 24 May 2020 to 23 November 2020)	0.0	0.0	0.0	6.1	6.2	0.1	12.4	£ 3,019.00	243.47
	Total Time Cost (From 24 May 2020 to 23 November 2020)	£ 0.00	£ 0.00	£ 0.00	£ 1,708.00	£ 1,302.00	£ 9.00	£ 3,019.00		
Total Hours		0.0	0.0	0.0	6.1	6.2	0.1	12.4	£ 3,019.00	243.47
Total Time Cost		£ 0.00	£ 0.00	£ 0.00	£ 1,708.00	£ 1,302.00	£ 9.00	£ 3,019.00		
Average Rates		0.00	0.00	0.00	280.00	210.00	90.00	243.47		