



SATURDAY



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22/01/2022

#75

COMPANIES HOUSE

1 Company details

Company number 0 8 5 1 8 4 0 6

Company name in full Myjar Limited

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

2 Administrator's name

Full forename(s) David

Surname Clements

3 Administrator's address

Building name/number Suite 2D Queens Chambers

Street 5 John Dalton Street

Post town Manchester

County/Region

Postcode M 2 6 E T

Country

4 Administrator's name ①

Full forename(s) Paul

Surname Boyle

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

5 Administrator's address ②

Building name/number Suite 2D Queens Chambers

Street 5 John Dalton Street

Post town Manchester

County/Region

Postcode M 2 6 E T

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 2 | ^m 0 | ^m 6 | ^y 2 | ^y 0 | ^y 2 | ^y 1 |
| To date | ^d 2 | ^d 1 | ^m 1 | ^m 2 | ^y 2 | ^y 0 | ^y 2 | ^y 1 |

7 Progress report

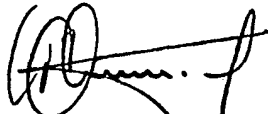
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

| | | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ^d 1 | ^d 8 | ^m 0 | ^m 1 | ^y 2 | ^y 0 | ^y 2 | ^y 2 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

**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 | Julian Moules |
| Company name | Harrisons Business Recovery and Insolvency Limited |
| Address | Suite 2D Queens Chambers 5 John Dalton Street |
| Post town | Manchester |
| County/Region | |
| Postcode | M 2 6 E T |
| Country | |
| DX | manchester@harrisons.uk.com |
| Telephone | 0161 876 4567 |

**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. Attach this to the relevant form. ❶
Use extra copies to tell us of additional insolvency practitioners.

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

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

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

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

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

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

2 Insolvency practitioner's name

Full forename(s) **Anthony**

Surname **Murphy**

3 Insolvency practitioner's address

Building name/number **Suite 2D Queens Chambers**

Street **5 John Dalton Street**

Post town **Manchester**

County/Region

Postcode **M 2 6 E T**

Country

Appendix A1

**Receipts and Payments Account from 22 June 2021 to 21 December 2021 and Cumulative
Receipts and Payments Account from 22 December 2020 to 21 December 2021**

**Myjar Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

| Statement of Affairs £ | From 22/06/2021 To 21/12/2021 £ | From 22/12/2020 To 21/12/2021 £ |
|------------------------------|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS | | |
| Insurance refund | 6,960.62 | 6,960.62 |
| | 6,960.62 | 6,960.62 |
| | 6,960.62 | 6,960.62 |
| REPRESENTED BY | | |
| General Monies Account | | 6,960.62 |
| | | 6,960.62 |

Note:

Appendix A2

Receipts and Payments Account from 22 June 2021 to 21 December 2021 and Cumulative Receipts and Payments Account from 22 December 2020 to 21 December 2021 – TREASURY FUNDS ONLY

**Myjar Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

| Statement of Affairs £ | From 22/06/2021 To 21/12/2021 £ | From 22/12/2020 To 21/12/2021 £ |
|--|---------------------------------------|---------------------------------------|
| SECURED ASSETS | | |
| Cash at Bank | NIL | 3,583,277.89 |
| Post Appointment collections | 1,305,102.22 | 3,389,353.86 |
| | 1,305,102.22 | 6,972,631.75 |
| COSTS OF REALISATION | | |
| Worldpay UK charges on collections | 2,011.72 | 5,219.10 |
| | (2,011.72) | (5,219.10) |
| ASSET REALISATIONS | | |
| Bank Interest Gross | 95.92 | 200.82 |
| Cat1 Support Cen,Redress,IT,Infrastruc | (1,002,636.39) | (2,696,267.39) |
| | (1,002,540.47) | (2,696,066.57) |
| COST OF REALISATIONS | | |
| Administrators' Fees | 38,785.27 | 788,785.27 |
| Cat 1 Bordereau Bonding | NIL | 780.00 |
| Cat 1 Counsel's fees | 4,500.00 | 4,500.00 |
| Cat 1 IT Support | 284,374.00 | 313,761.50 |
| Cat 1 Legal Fees | 18,145.00 | 32,527.80 |
| Irrecoverable VAT | 318,846.92 | 659,688.15 |
| Post Appointment Customer Refunds | 13,997.07 | 58,196.46 |
| Prescribed Part - Claims Agreement | 89,916.50 | 351,889.75 |
| Printing, Postage and Stationery | 2,587.58 | 5,384.73 |
| | (771,152.34) | (2,215,513.66) |
| | (470,602.31) | 2,055,832.42 |
| REPRESENTED BY | | |
| Bank 2 - Current | | 1,890,913.93 |
| Bank 2 - Deposit | | 248,148.48 |
| Trade Creditors | | (83,229.99) |
| | | 2,055,832.42 |

Note:



Joint Administrators' Progress Report

**Myjar Limited
- In Administration**

For the period from 22 June 2021 to 21 December 2021

CUSTOMER WARNING

What should I do if I am approached by someone saying they work for Myjar Limited or Harrison's Business Recovery & Insolvency (London) Limited or the Joint Administrators and want to help me submit a claim?

Customers will not be approached by any Harrison's or Company staff directly to assist in submitting a claim. We will advise in the coming months of how you can submit your claim (if you have not already done so).

Do not give details of your claim to anyone who approaches you, alleging that he or she work for Harrison's or the Company, or otherwise. If you do require assistance or are unsure as to the validity of any correspondence you have received, please contact the Customer Support Team at complaints@myjar.com

What should I do if someone has indicated they can ensure I can get a higher claim amount, but I have to pay them a fee first?

The Joint Administrators are under a duty to treat each claim equally. Every claim will therefore be assessed in the same way, irrespective of who submits the claim. Customers do not need to use a Claims Management Company (CMC) or third party to submit a claim. Using a CMC or third party will not accelerate the claims process, nor entitle you to a higher claim amount. It may also expose you to charges that may be deducted from any final payment you might receive.

Will anyone ask for my bank details?

We may ask you to confirm that your previous bank details are still valid and give you the opportunity to update your bank details (e.g. if you have closed/changed bank accounts), although further proof of identity and other supporting evidence will be required.

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- 3 Introduction
- 4 Receipts and Payments
- 5 Progress of the Administration
- 6 Estimated Outcome for Creditors
- 7 Pre-Administration Costs
- 8 Joint Administrators Remuneration
- 9 Creditors' Rights
- 10 Ending the Administration
- 11 Next Report

APPENDICES

- A Receipts and Payments Account from 22 June 2021 to 21 December 2021 and Cumulative Receipts and Payments Account from 22 December 2020 to 21 December 2021
 - A1 – Administrators receipts and payments account
 - A2 – Receipts and Payments account **TREASURY FUNDS ONLY**
- B Time Analysis for the period 22 June 2021 to 21 December 2021 and Cumulative Time Analysis from 22 December 2020 to 21 December 2021 – **PRESCRIBED PART ONLY**
- C Additional Information in Relation to the Joint Administrators Fees, Expenses & the use of Subcontractors
- D Estimated Outcome Statement as at 21 December 2021

THE ADMINISTRATORS' PROGRESS REPORT

1 Glossary

| | |
|---|--|
| The Company / Myjar | Myjar Limited |
| The Administrators / Joint Administrators | Paul Robert Boyle, David Michael Clements and Anthony Murphy |
| Harrisons | Harrisons Business Recovery & Insolvency (London) Limited |
| Myjar Treasury Limited / Treasury | Myjar Treasury Limited a company incorporated in Jersey |
| Myjar Holdings Limited / Holdings | Myjar Holdings Limited a company incorporated in Jersey |
| Tieta (UK) Limited / Tieta | Tieta (UK) Limited (Formerly TXT Services Limited) a company incorporated in the UK |
| SIP | Statement of Insolvency Practice (England & Wales) |
| IA86 | Insolvency Act 1986 |
| | If preceded by S this denotes a section number |
| Sch B1 | Schedule B1 to the Insolvency Act 1986 |
| | If preceded by P this denotes a paragraph number |
| IR16 | Insolvency (England & Wales) Rules 2016 |
| | If preceded by R this denotes a rule number |
| CVL | Creditors Voluntary Liquidation |
| HCSTC | High Cost Short Term Credit |
| FCA | Financial Conduct Authority |
| Secured Creditor | A secured creditor is a creditor with the benefit of a security interest over some or all of the assets of the Company |
| Preferential Creditors | A preferential (or preferred) creditor refers to a creditor who has the right to payment before others. The priority of secured, preferential, and unsecured creditors is set out in the Insolvency Act 1986. Preferential creditors are prioritised before unsecured creditors in liquidation but below creditors with a fixed charge on assets |
| Unsecured Creditor | An unsecured creditor is a creditor other than a preferential creditor that does not have the benefit of any security interests in the assets of the Company. |

Prescribed Part

Under section 176A of the Insolvency Act 1986 and the Insolvency Act 1986 (Prescribed Part) Order 2003, the Prescribed Part is the part of the proceeds from realising the assets covered by a floating charge which must be set aside and made available to meet the claims of unsecured debts.

Redress Creditor

A redress creditor is a creditor of the Company as a result of a claim for compensation on the grounds that loans were incorrectly granted on the grounds of affordability.

2 Executive Summary

- 2.1 As advised previously, all loan book realisations including monies held in Myjar's bank account at the date of our appointment are claimed to be the property of Myjar Treasury Limited, a company incorporated in Jersey.
- 2.2 Notwithstanding Treasury's purported entitlement to the proceeds of all loan book realisations, agreement has been reached with Treasury to retain all funds due to them for the purposes of paying the costs of the Administration and payments to redress creditors
- 2.3 Agreement was also reached with Treasury to set aside the sum of £600,000 an equivalent amount to the Prescribed Part to be utilised towards the costs of agreeing Redress customer claims and payment of a distribution to customers identified as qualifying as Redress Creditors.
- 2.4 The Joint Administrators' fees have been agreed with Treasury, the ultimate owner of the proceeds of all loan book realisations on a combination of bases and detailed later in this report.
- 2.5 The redress methodology has been developed and provided to the FCA. The methodology is being applied to the historic loan book and the Redress Creditors established.
- 2.6 Redress customers entitled to cash refunds will be contacted shortly by the Joint Administrators to update their bank details.
- 2.7 Due to the potential volume of customers eligible to receive redress and the value of these claims, any distribution to customers is likely to be exceptionally small, and not available for a number of months and certainly not until such time as all realisations have been completed.

3 Introduction

- 3.1 I, together with my partners Paul Boyle and Anthony Murphy, was appointed Joint Administrator of Myjar Limited (the **Company**) on 22 December 2020. The appointment was made by the Directors.
- 3.2 This Administration is being handled by Harrison's Business Recovery and Insolvency (London) Limited at Suite 2D, Queens Chambers, 5 John Dalton Street, Manchester M2 6ET. The Administrators' contact details are by phone on 0161 876 4567 or via email at Manchester@harrisons.uk.com. The Administration is registered in the High Court of Justice Business and Property Courts of England and Wales Insolvency, reference number CR-2020-004575.
- 3.3 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 22 June 2021 to 21 December 2021 (**the Period**) and should be read in conjunction with my earlier proposals report.
- 3.4 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://harrisons.uk.com/privacy-policy>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 3.5 The trading address of the Company is Packington House, 3-4 Horse Fair, Banbury, OX16 0AA.
- 3.6 The registered office of the Company is Suite 2D Queens Chambers, 5 John Dalton Street, Manchester, M2 6ET and its registered number 08518406.

4 Receipts and Payments

- 4.1 As advised in our proposals initially, all funds due in from the outstanding loan book are claimed to be the property of Myjar Treasury Limited, a company registered in Jersey. We have however during this period received a refund in respect of insurance which is a general realisation in the Administration.
- 4.2 **Other than the above Insurance refund there have been no further general realisations in the administration and no payments.** Agreement has been reached with Treasury to enable the use of the cash at bank upon our appointment and all further loan book receipts towards the costs of the Administration and also to set aside a fund that would be the equivalent to the prescribed part fund in an Administration of £600,000. For ease throughout this report this will be referred to as the 'Notional Prescribed Part'.
- 4.3 At Appendix A1 and A2 are Receipts and Payments Account for the period of this report. Please note that the Appendix A2 Receipts and Payments account TREASURY FUNDS ONLY is provided for transparency purposes and to demonstrate the use of the funds. **Please note however that due to the nature of the ownership of the funds being with Treasury, the receipts and payments fall outside of the Administration and as such do not constitute receipts and payments within the context of the Administration.**
- 4.4 In Section 5 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:
- Post appointment collections have continued to be far more successful than originally anticipated. We have collected a further £3.396m in this period.
 - Some of the receipts shown as post appointment collections are again currently held in the Company's Barclays bank account or are with third party debt collection agencies and are in the process of being transferred to the Administration bank account and are effectively held on trust for Treasury.
- 4.5 We have concluded our negotiations with Treasury and can confirm that all funds, net of the costs of the Administration including the Joint Administrators fees and monies set aside towards the notional prescribed part, are to be made available to enable a distribution to redress creditors.

5 Progress of the Administration

- 5.1 You may recall that the statutory objective being pursued in the Administration was to realise property in order to make a distribution to the secured creditor. 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.
- 5.2 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)

- 5.3 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 Treasury.
- 5.4 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.
- 5.5 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.

Post appointment collections

- 5.6 As advised above, collections since appointment amount to £3,396,314
- 5.7 In our previous reports we advised that the Administrators' had been in discussions with Treasury since appointment and reached an agreement with Treasury resulting in the release of the cash at bank towards the costs of the Administration and that we were in the process of agreeing to secure any remaining monies thereafter for the benefit of customers entitled to Redress.
- 5.8 I can confirm that those further discussions with Treasury have been concluded and a new agreement has been reached that covers all realisations made post appointment. This results in the Administrators' being able to use all funds realised, after costs of the Administration and thenotional prescribed part towards a distribution to customers entitled to redress.

Trading

- 5.9 As previously advised, Myjar subcontracted all of its operations to Tieta. Myjar itself had no employees other than the directors.
- 5.10 The Joint Administrators have continued to engage Tieta in order to sustain operations. They have continued to provide the necessary support during the period as required.
- 5.11 A further contract has been entered into, for the next six months to aid with the remaining duties in the Administration.
- 5.12 It is anticipated that the work the Administrators and their staff have undertaken to date will bring a financial benefit to redress creditors as it is likely to result in a distribution to redress creditors that would otherwise not be available.

Creditors (claims and distributions)

- 5.13 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.
- 5.14 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.
- 5.15 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.
- 5.16 In this case the Administrators have to deal with a separate class of creditor being the redress creditors entitled to the trust funds created from the secured creditor distributions. This is likely to involve a significant number of creditors and potential claims.
- 5.17 A methodology has been developed by the Joint Administrators' which has been agreed to the satisfaction of the FCA. This is in the process of being applied across the entire Myjar customer database, including both data platforms previously used by the Company.
- 5.18 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 6 below.

Investigations

- 5.19 As previously advised, shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting (where held) or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report or any further potential

What remains to be done in the Administration

- 5.20 The matters outstanding in the Administration are as follows:
- Continue to apply the redress process across the remaining loan book and all calculate claims that are due as a result
 - Complete the sale of potentially 3 separate loan books to interested third parties:
 - (i) The non redress customer loan book
 - (ii) The post redress customer loan book
 - (iii) A further potential loan book, which is currently subject to further investigation.
 - We then need to consider what to do with any remaining loans not subject to the above sales and we are in discussions with certain parties concerning this.

- Update CRA reports and liaise with those relevant CRA's where possible.
- Send out communications to the various categories of customers entitled to redress and implement balance adjustments.
- Update all customers bank details in respect of those entitled to a cash distribution. The Joint Administrators have had to develop a separate CRM system to facilitate this as the Company system is unable to implement the required payments in their system.
- Once all realisations have been made, claims agreed and bank details obtained, payments will then be made to customers entitled to redress from monies available. **Please note payment will not be the amount of your claim, but will be a minimal pro rata percentage due to the high level and value of total customer claims.**

6 Estimated Outcome for Creditors

- 6.1 Attached at Appendix D is an updated Estimated Outcome Statement. This represents my estimate of the outcome of the Administration as at the end of the Period covered by this report.
- 6.2 At the present time, it is anticipated there will be insufficient funds realised after defraying the expenses of the Administration to pay a dividend to unsecured creditors. It is therefore anticipated that the Company will move to dissolution once the Administrators' work is complete. Further updates will however be provided in future progress reports.

Secured Creditors

- 6.3 Myjar Treasury Limited, a company registered in Jersey, holds a fixed and floating charge over the Company's assets. It also claims that all monies held prior to our appointment and realised following our appointment fall due to it under various provisions within the loan documentation. At the date of the Administration the indebtedness to the secured creditor was estimated at £8,918,570.
- 6.4 In accordance with the 2 agreements reached with Treasury as detailed earlier in this report, all funds due and payable to Treasury will be utilised in the first instance towards the costs of the Administration, the notional prescribed part with the remaining balance being distributed to customers entitled to redress.

Preferential Creditors

- 6.5 There are no preferential creditors.

Unsecured Creditors

- 6.6 I have received claims totalling £134,533 from 4 creditors. I have yet to receive claims from 8 creditors whose debts total £150,188 as per the Company's statement of affairs.
- 6.7 Prior to our appointment the Company had agreed 558 redress claims amounting to £312,914 which remained unpaid at the date of our appointment.
- 6.8 The Company granted a floating charge to Treasury on 1 October 2018. Accordingly, we are required to create a fund out of the Company's net floating charge property for the benefit of unsecured creditors (known as the Prescribed Part). **As explained earlier in this report however in addition to the security above, Treasury claims that all proceeds from the customer loan book is payable directly to it.**
- 6.9 As advised previously, we have agreed with Treasury the value of the Company's net floating charge property to be £600,000, the notional prescribed part and have set this money aside outside of the Administration. Please be aware that the value of this fund will reduce as it is subject to the costs in agreeing the claims of unsecured creditors and customers entitled to redress. Further updates concerning this will be provided in future progress reports.

7 Joint Administrators' Remuneration

7.1 The basis of the Administrators' fees was fixed in the Administration with the approval of Treasury. Whilst the fees are referred to as Administrators fees, as they are payable from proceeds claimed to be due to Treasury and not forming realisations in the Administration, the normal rules for agreement of Administrators fees are not applicable. In this instance the fee for acting as Administrator is effectively simply being paid by Treasury directly from the proceeds due to it from the cash at bank upon appointment and all post appointment realisations. Notwithstanding this, as Treasury is also the only secured creditor of Myjar, Administrators fees would in any event be subject to approval by Treasury. Details of the Administrators' fees originally agreed were as follows:-

- As a set amount, and as a percentage of the value of the assets with which the Administrators have to deal with
- and in respect of the Prescribed Part, by reference to the time properly spent by the Administrators and their staff in attending to matters in connection with the agreement of unsecured creditor claims including those relating to customers, dealing with and managing customer complaints arising in the Administration

7.2 Information concerning our fees was originally provided to creditors based on information available to me at that time and prior to determining the settlement agreements ultimately entered into with Treasury

7.3 As previously indicated agreement has now been reached with Treasury whereby all funds can be used for the costs of Administration, the notional prescribed part, the remaining balance being utilised towards a distribution to customers entitled to redress. This results in the volume of our work substantially increasing in the knowledge that a distribution to [how many customers are due redress and then insert] will now definitely be required. As indicated above, further work will also be required in completing at least the sale of 2 separate tranches of Myjar loan book and quite possibly 3. For this reason it has been necessary to request further funds in order to deal with the huge volume of extra work that will be required.

7.4 The increase in fees has been agreed as follows:

- The set fee has been increased by a further sum of £500,000
- The percentage of realisation fee has been increased from 10% to 30% of all realisations

7.5 There is no change in the fees in respect of the prescribed part. In respect of the prescribed part only, my time costs for the Period are £303,905. This represents 523.55 hours at an average rate of £580.47 per hour. Attached at Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Administration. Total time to date in respect of the prescribed part only are £615,455.25. This represents 1,294 hours at an average rate of £475.62. To date, £351,889.75 has been paid on account of these time costs.

7.6 Whilst not applicable as fees have been agreed and are paid by Treasury, nonetheless also for transparency, a copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <http://harrisons.uk.com/creditors-guide-fees>. This can be used as an indicator as to how we have sought to agree our fees directly with Treasury. If you would prefer this to be sent to you in hard copy please contact Julian Moules of this office on 0161 876 4567 or manchester@harrisons.uk.com

7.7 Attached at Appendix E is additional information in relation to the Administrators' fees, expenses and the use of subcontractors and other professional advisers.

8 Creditors' Rights

- 8.1 Under normal circumstances, 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. However in this particular Administration, Administrators fees have been agreed and discharged directly by Treasury from realisations due to it.
- 8.2 Whilst 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, this is not applicable in this instance as the fees have been agreed and paid by Treasury.

9 Ending the Administration

9.1 Given the ongoing discussions with Treasury regarding the use of funds it was necessary to extend the Administration by one year. The Administration was extended by consent from the secured creditor on 10 November 2021.

9.2 Based on information currently available, the information on the exit route(s) we believe may be appropriate in this Administration is/are set out below.

Dissolution of the Company

9.3 Based on present information, the Administrators do not believe that a distribution will be available to the unsecured creditors from the Prescribed Part by virtue of section 176A(2)(a) as it is not expected that there will be any realisations in the Administration for the reasons set out throughout this report. If one becomes available, this will be distributed in due course within the Administration and a notice will thereafter be filed at Court and with the Registrar of Companies with the Administrators' final report, for the dissolution of the Company.

9.4 The Administrators' appointment will end following the registration of the notice by the Registrar of Companies.

Compulsory Liquidation

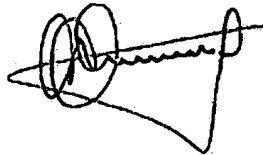
9.5 If a move to Creditors' Voluntary Liquidation is not possible because a dividend to the unsecured creditors (other than by virtue of the Prescribed Part) is not anticipated, but the Administrators conclude that an exit into liquidation is appropriate so that further investigations into the Company's affairs may be carried out for example, an application to Court may be made to exit into Compulsory Liquidation instead. If this exit route is appropriate, at this stage it is anticipated (but is not mandatory) that the Administrators will become the Joint Liquidators in the subsequent liquidation.

9.6 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.

10 Next Report

- 10.1 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
Myjar Limited

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above the name David Clements.

David Clements
Joint Administrator

Appendix A1

**Receipts and Payments Account from 22 June 2021 to 21 December 2021 and Cumulative
Receipts and Payments Account from 22 December 2020 to 21 December 2021**

**Myjar Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

| Statement of Affairs £ | From 22/06/2021 To 21/12/2021 £ | From 22/12/2020 To 21/12/2021 £ |
|------------------------------|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS | | |
| Insurance refund | 6,960.62 | 6,960.62 |
| | 6,960.62 | 6,960.62 |
| | 6,960.62 | 6,960.62 |
| REPRESENTED BY | | |
| General Monies Account | | 6,960.62 |
| | | 6,960.62 |

Note:

Appendix A2

**Receipts and Payments Account from 22 June 2021 to 21 December 2021 and Cumulative
Receipts and Payments Account from 22 December 2020 to 21 December 2021 – TREASURY
FUNDS ONLY**

**Myjar Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

| Statement of Affairs £ | From 22/06/2021 To 21/12/2021 £ | From 22/12/2020 To 21/12/2021 £ |
|--|---------------------------------------|---------------------------------------|
| SECURED ASSETS | | |
| Cash at Bank | NIL | 3,583,277.89 |
| Post Appointment collections | 1,305,102.22 | 3,389,353.86 |
| | <u>1,305,102.22</u> | <u>6,972,631.75</u> |
| COSTS OF REALISATION | | |
| Worldpay UK charges on collections | 2,011.72 | 5,219.10 |
| | <u>(2,011.72)</u> | <u>(5,219.10)</u> |
| ASSET REALISATIONS | | |
| Bank Interest Gross | 95.92 | 200.82 |
| Cat1 Support Cen,Redress,IT,Infrastruc | (1,002,636.39) | (2,696,267.39) |
| | <u>(1,002,540.47)</u> | <u>(2,696,066.57)</u> |
| COST OF REALISATIONS | | |
| Administrators' Fees | 38,785.27 | 788,785.27 |
| Cat 1 Bordereau Bonding | NIL | 780.00 |
| Cat 1 Counsel's fees | 4,500.00 | 4,500.00 |
| Cat 1 IT Support | 284,374.00 | 313,761.50 |
| Cat 1 Legal Fees | 18,145.00 | 32,527.80 |
| Irrecoverable VAT | 318,846.92 | 659,688.15 |
| Post Appointment Customer Refunds | 13,997.07 | 58,196.46 |
| Prescribed Part - Claims Agreement | 89,916.50 | 351,889.75 |
| Printing, Postage and Stationery | 2,587.58 | 5,384.73 |
| | <u>(771,152.34)</u> | <u>(2,215,513.66)</u> |
| | <u>(470,602.31)</u> | <u>2,055,832.42</u> |
| REPRESENTED BY | | |
| Bank 2 - Current | | 1,890,913.93 |
| Bank 2 - Deposit | | 248,148.48 |
| Trade Creditors | | (83,229.99) |
| | | <u>2,055,832.42</u> |

Note:

Appendix B

Time Analysis for the period 22 June 2021 to 21 December 2021 and Cumulative Time Analysis from 22 December 2020 to 21 December 2021 – PRESCRIBED PART ONLY

| Myjar Limited | | | | | | | |
|---|--------------------|-------------|----------------------------|----------------------------|---------------|-------------------|---------------------|
| Period from 22 June 2021 to 21 December 2021 | | | | | | | |
| Redress and Unsecured creditors | | | | | | | |
| Classification of Work Function | Partner / Director | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost | Average Hourly Rate |
| | | | | | | £ | £ |
| 184 : Cashier - Client Account Reconciliations | 0.40 | 0.00 | 0.00 | 4.00 | 4.40 | 860.00 | 195.45 |
| 604 : Regulator / FCA Dealings | 3.00 | 0.00 | 0.00 | 0.00 | 3.00 | 2,250.00 | 750.00 |
| 617 : Redress | 500.95 | 0.00 | 10.10 | 0.00 | 511.05 | 299,527.50 | 586.10 |
| 500 : Creditors | 0.00 | 0.00 | 0.30 | 0.00 | 0.30 | 75.00 | 250.00 |
| 501 : Communication with creditors | 0.00 | 0.00 | 4.00 | 0.00 | 4.00 | 992.50 | 248.13 |
| 504 : Claims Trade and Expense | 0.00 | 0.00 | 0.80 | 0.00 | 0.80 | 200.00 | 250.00 |
| Total Hours | 504.35 | 0.00 | 15.20 | 4.00 | 523.55 | 303,905.00 | 580.47 |
| Total Fees Claimed in Period | | | | | | 89,916.50 | |

| MYJAR001 - Myjar Limited | | | | | | | |
|--|--------------------|-------------|----------------------------|----------------------------|-----------------|-------------------|---------------------|
| Cumulative period from 22 December 2020 to 21 December 2021 | | | | | | | |
| Redress and Unsecured creditors | | | | | | | |
| Classification of Work Function | Partner / Director | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost | Average Hourly Rate |
| | | | | | | £ | £ |
| 184 : Cashier - Client Account Reconciliations | 0.40 | 0.00 | 2.20 | 6.40 | 9.00 | 1,581.00 | 175.67 |
| 604 : Regulator / FCA Dealings | 7.30 | 0.00 | 0.00 | 0.00 | 7.30 | 5,475.00 | 750.00 |
| 617 : Redress | 1,204.50 | 0.00 | 42.90 | 0.00 | 1,247.40 | 599,773.25 | 480.82 |
| 500 : Creditors | 2.00 | 0.00 | 3.20 | 0.00 | 5.20 | 2,208.50 | 424.71 |
| 501 : Communication with creditors | 0.10 | 0.00 | 20.30 | 0.00 | 20.40 | 5,142.50 | 252.08 |
| 504 : Claims Trade and Expense | 0.20 | 0.00 | 4.50 | 0.00 | 4.70 | 1,275.00 | 271.28 |
| Total Hours | 1,214.50 | 0.00 | 73.10 | 6.40 | 1,294.00 | 615,455.25 | 475.62 |
| Total Fees Claimed | | | | | | 351,889.75 | |

Appendix C

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

We have supplied the following information as we would do in any Administration process we are dealing with and in particular again for transparency. As detailed throughout this report however, this information is not applicable in this Administration for the reasons set out relating to the proprietary rights of Treasury to the cash at bank and all post appointment realisations and the settlement agreement entered into with Treasury to utilise monies due to it in settlement of the costs of the Administration.

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.

Given the volume of potential creditors and the work required to deal with the number of claims and queries, the Joint Administrators have procured the assistance of experienced staff in Champion Support Services DMCC a company owned by Paul Boyle and David Clements, but based in Dubai, to assist with this process. This in the view of the Joint Administrators is the most cost effective option as their cost is lower than that of their UK equivalents and has been approved by Treasury.

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 |
|---|--------------------------|
| PDT Solicitors (General legal advice) | Time cost basis |
| Walker Morris (Regulatory legal advice) | Time cost basis |

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. For the avoidance of doubt all costs and expenses have been agreed with Treasury.

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 disbursements which are payments first met by an office holder and then reimbursed from the estate.

| Expense | Estimated overall cost £ | Paid in Prior Period £ | Paid in the period covered by this report £ | Incurred but not paid to date £ |
|--|-------------------------------------|-----------------------------------|--|--|
| Contact centre support | 1,750,000 | 773,784 | 639,800 | - |
| Redress support | 450,000 | 307,500 | 46,168 | - |
| Infrastructure support | 234,000 | 234,000 | - | - |
| IT Fixed costs | 1,500,000 | 512,100 | 316,668 | - |
| Solicitors' costs for legal advice relating to the conduct of the Administration | 45,000 | 14,383 | 22,645 | - |
| IT Support | 37,500 | 29,388 | 284,374 | - |
| Statutory advertising | 95 | 95 | - | - |
| Specific penalty bond | 780 | 780 | - | - |
| External storage of company's books and records | 72,000 | - | - | - |

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.

| Expense | Estimated overall cost £ | Paid in Prior Period £ | Paid in the period covered by this report £ | Incurred but not paid to date £ |
|-----------------|-------------------------------------|-----------------------------------|--|--|
| Postage charges | 6,000 | 2,797 | 2,587 | - |

Charge-Out Rates (Prescribed Part only)

Harrisons Business Recovery and Insolvency Limited's current charge-out rates effective from 1 April are detailed below. Please note this firm records its time in minimum units of 6 minutes.

| | 2020/2021 | 2020/2021 [from 1 January 2021] |
|--|-----------|--------------------------------------|
| | £ | £ |
| Directors/Appointment Takers | 425 – 750 | 450 – 775 |
| Managers/Associate Directors | 250 – 425 | 275 – 450 |
| Senior Case Supervisors/Assistant Managers | 175 – 250 | 200 – 275 |
| Case Supervisors | 125 – 175 | 150 – 200 |
| Assistants / Administration | 100 – 125 | 100 – 150 |

Appendix D

Estimated Outcome Statement as at 21 December 2021

| | Notes | Estimated to realise | |
|---|-------|----------------------|-------------------|
| Assets subject to Floating Charge | | | £ |
| Customer Loan Book (Gross of Potential Set Off) | | | 3,300,000 |
| Sale of Loan books | | | 5,000,000 |
| Cash at Bank | | | 3,593,570 |
| | | | 11,893,570 |
| Less: Costs of Administration | | | |
| Trading Expenses (Including VAT thereon) | | 4,000,000 | |
| Administrators' Fees (including VAT thereon) | 1 | 1,300,000 | |
| Administrators Realisation Fee | 2 | 3,568,071 | |
| Legal Costs (including VAT thereon) | | 75,000 | |
| Other Costs (including VAT thereon) | | 100,000 | |
| | | | (9,043,071) |
| | | | 2,850,499 |
| Preferential Creditors – Employees | | | 0 |
| | | | 2,850,499 |
| Prescribed Part Equivalent of Net Property | | | (600,000) |
| | | | |
| Estimated total assets available for floating charge holders | 3 | | 2,250,499 |
| Myjar Treasury Limited | | | Waived |
| | | | 2,250,499 |
| Estimated Prescribed Part of Net Property b/d | | | 600,000 |
| | | | 2,850,499 |
| Estimated Time Costs - Agreement of Unsecured and Customer Redress Claims | 4 | | (600,000) |
| Total assets available to Redress Customers | | | 2,250,499 |
| Estimated Customer Redress Claims (Incl Statutory Interest) | 5 | | 66,400,000 |
| Shortfall as regards Redress Customers | | | 64,149,501 |
| Trade & Expense Creditors | | | 488,884 |
| Estimated deficiency to unsecured creditors | | | 64,638,385 |

Notes:

- 1** The above estimated outcome statement has been produced to demonstrate to creditors the anticipated position following the agreements entered into with Treasury. This Estimated Outcome is not reflective therefore of the outcome of the Administration which will have minimal receipts and payments and no distributions from the Administration itself.
- 2** The Administrators realisation fee represents 30% of estimated realisations from appointment as agreed with Treasury.
- 3** No distribution will be made to Treasury as under the terms of the settlement agreements with it all realisations due to it will be used towards the costs of the Administration, the notional prescribed part and payment of a distribution to those customers entitled to redress.
- 4** On the basis of estimated customer redress claims totalling £66,400,000 including statutory interest, the potential distribution to customers is very small indeed, currently between 2.5p and 3p in the pound. This level of the final distribution is subject to customers entitled to set off, the future costs of the Administration and further level of realisations achieved.