Rule 2.38 **Form 2.20B(Scot)**

The Insolvency Act 1986

Administrator's progress report

R2.38

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company	Company number
Cheque Centres Limited	SC167596

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

~~I~~/We (a)

Thomas Campbell MacLennan
FRP Advisory LLP
Apex 3
95 Haymarket Terrace
Edinburgh
EH12 5HD

Anthony Collier
FRP Advisory LLP
7th Floor
Ship Canal House
98 King Street
Manchester
M2 4WU

administrator(s) of the above company attach a progress report for the period

(b) Insert date(s)

from	to
(b) 28 February 2018	(b) 28 August 2018

Signed ______________________
Joint / Administrator(s)

Dated 30/8/18

Contact Details:

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

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

Thomas Campbell MacLennan
FRP Advisory LLP
Apex 3
95 Haymarket Terrace
Edinburgh
EH12 5HD

DX Number	+44 (0)330 055 5455 DX Exchange

FRIDAY

S7DHXJBT
SCT 31/08/2018 #556
COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at:-
Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
DXED235 Edinburgh 1 / LP- 4 Edinburgh 2

FRP
Advisory

Cheque Centres Limited (IN ADMINISTRATION)

The Administrator's Final Report for the period 28/02/18 – 28/08/18

31 August 2018

Contents and abbreviations

The following abbreviations may be used in this report:

FRP	FRP Advisory LLP
The Company	Cheque Centres Limited (In Administration)
The Administrators	Thomas Campbell MacLennan and Anthony Collier of FRP Advisory LLP
The Period	The reporting period 28/02/18 – 28/08/18
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
The Proposals	The Administrators' proposals for achieving the purpose of the administration dated 19/10/17

2. Progress of the Administration in the Period

The Proposals

The Administrators identified that the objective of the administration, as set out in the Proposals approved on 7 November 2017, was to achieve a better result for the Company's creditors as a whole than would be likely if the Company had been wound up (without first being in administration).

The objective was to be achieved by realisation of the assets of the company.

It was anticipated that the Company would exit from administration by moving to Creditors Voluntary Liquidation to enable the subsequently appointed Liquidator to make payment of dividends to unsecured creditors. The creditors have approved that the Joint Administrators shall be appointed as Joint Liquidators.

There have been no major amendments or deviations from the Proposals.

Implementation of the Proposals

9 staff were retained to assist with the Administration for a period of 4 months.

The funds with Barclays were secured.

The company's furniture and equipment was valued by Thainstone Specialist Auctions and was sold by private treaty.

A process of agreeing renunciations and surrenders with landlords where appropriate for leases was completed.

As a condition of the surrender of the FCA licence, the US parent company agreed to continue to fund compensation payments for complaints up to a certain limit and the complaints procedure was managed and compensation offers and payments made where appropriate.

Deposit balances held by Eazycollect and First Data were collected.

Balances due from Cash Generators Limited which was a connected company prior to it's sale in July 2017 were reconciled and collected.

The company's Square Today lending platform together with the Cheque Centres brand was marketed for sale by Hilco Valuation Services but no suitable offers were received.

CAPA were appointed as agents to assist with the recovery of rates refunds.

Work undertaken during the Period

Attached at **Appendix C** is a receipts and payments account detailing both transactions for the Period and also cumulatively for the whole period of the administration.

In addition to the matters mentioned above, the following work has been carried out :-

- All statutory matters relating to the administration
- Significant time in dealing with unsecured creditor queries.
- Significant time in dealing with unfair lending complaints that will now be treated as unsecured creditors.

Investigations

Part of my duties included carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they had concerning the way in which the Company's business had been conducted.

I can confirm that no further investigations or actions were required.

2. Progress of the Administration in the Period

Exiting the administration

In accordance with the Proposals, the Company moved to Creditors Voluntary Liquidation on 29 August 2018 and Anthony Collier and Tom MacLennan are acting as Joint Liquidators. The liquidators expect to carry out the following work as part of the liquidation :

- Collection of final deposit balance
- Payment of dividend to preferential creditors
- Payment if dividend to unsecured creditors

3. Outcome for creditors

FRP Advisory

Initial estimated outcome for creditors

The Proposals anticipated that there would be funds to settle preferential creditors in full and pay a dividend to ordinary creditors.

Outcome for Preferential Creditors

The preferential creditors are still to be finalised being the employees' preferential element for arrears of pay, unpaid pension contributions and holiday pay as calculated in accordance with legislation.

A dividend of 100p in the £ will be paid.

This outcome is in line with the proposals.

Outcome for Unsecured Creditors

There are sufficient funds available to make a distribution to unsecured creditors. This distribution will be paid by a subsequently appointed Liquidator, the costs of the liquidation cannot at this stage be estimated and therefore it is not possible to estimate the level of distribution that may be made.

This outcome is in line with the Proposals.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

The prescribed part was not applicable in this matter because there are no holders of floating charges.

4. Administrators' Remuneration, Disbursements and Expenses

FRP Advisory

Administrators' remuneration

The Proposals stated that the Administrators' remuneration would be calculated on a time cost basis. Creditors have been notified in previous reports of the amounts of fees fixed on that basis by resolutions of the creditors for each accounting period.

As shown on the receipts and payments account attached at Appendix C, a total of £422,307.25 excluding VAT, has been drawn from the funds available. This is the amount of fees fixed for the whole period of the administration.

A fee of £98,916.50 covering the period 28 February 2018 to 3 August 2018 was approved on 24 August 2018.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

The expenses of the Administration

The total expenses incurred by the Administrators are included in the cumulative figures in the receipts and payments account attached at **Appendix C.**

Appendix A

Statutory Information

CHEQUE CENTRES LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	
Company number:	SC167596
Registered office:	Apex 3 95 Haymarket Terrace Edinburgh EH12 5HD
Previous registered office:	Ratho Park Station Road Newbridge Edinburgh EH28 8QQ
Business address:	

ADMINISTRATION DETAILS:

Administrator(s):	*Thomas Campbell MacLennan & Anthony Collier*
Address of Administrator(s):	FRP Advisory LLP Apex 3 95 Haymarket Terrace Edinburgh EH12 5HD
Date of appointment of Administrator(s):	31/08/2017
Registered office:	Apex 3 95 Haymarket Terrace Edinburgh EH12 5HD
Court in which administration proceedings were brought:	Court of Session
Court reference number:	
Appointor details:	Director
Date administration ended:	28 August 2018

Appendix B

Form 2.25B SCOT

Rule 2.47 **Form 2.25B(Scot)**

The Insolvency Act 1986

R2.47

Notice of move from administration to creditors' voluntary liquidation

Pursuant to paragraph 83(3) of Schedule B1 to the Insolvency Act 1986 and Rule 2.47 of the Insolvency (Scotland) Rules 1986

Name of Company	Company number
Cheque Centres Limited	SC167596

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

~~I~~/We (a) Thomas Campbell MacLennan
FRP Advisory LLP
Apex 3
95 Haymarket Terrace
Edinburgh
EH12 5HD

Anthony Collier
FRP Advisory LLP
7th Floor, Ship Canal House
98 King Street
Manchester
M2 4WU

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

having been appointed administrator(s) of (b) Cheque Centres Limited
Apex 3 95 Haymarket Terrace Edinburgh EH12 5HD

(c) Insert date of appointment
(d) Insert name of appointor/applicant

on (c) 31 August, 2017
by (d) Court of Session
hereby give notice that:
the provisions of paragraph 83(2) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that (e) Thomas Campbell MacLennan and Anthony Collier will be the liquidator(s) of the company (IP No(s) 8209 18910)

Signed Tom
Joint / Administrator

Dated 22/8/18

Contact Details:

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Thomas Campbell MacLennan
FRP Advisory LLP
Apex 3
95 Haymarket Terrace
Edinburgh
EH12 5HD

	+44 (0)330 055 5455
DX Number	DX Exchange

Companies House receipt date barcode

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Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
DXED235 Edinburgh 1 / LP- 4 Edinburgh 2

Appendix C

Receipts and payments account for the period and cumulative

Cheque Centres Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 28/02/2018 To 28/08/2018 £	From 31/08/2017 To 28/08/2018 £
	ASSET REALISATIONS		
	Furniture & Equipment	10,080.00	11,680.00
	Rates Refunds	10,608.29	104,200.73
	Refunds	NIL	74,909.94
848,315.28	Cash at Bank	NIL	816,141.63
	Rent	NIL	24,109.93
10,000.00	Other Debtors	NIL	10,415.45
112,700.00	Deposits held by 3rd parties	NIL	110,629.52
	Bank Interest Gross	NIL	60.06
	Funds from Parent Company	NIL	158,585.00
115,215.01	Intercompany Debtor	117,768.59	177,768.59
1,000.00	Prepayments	NIL	NIL
	Parent Company Funding for Complain	NIL	175,000.00
		138,456.88	1,663,500.85
	COST OF REALISATIONS		
	Complaint Refunds	15,755.73	165,425.62
	Specific Bond	NIL	210.00
	Administrators Fees	307,596.25	521,223.75
	Administrators Outlays	1,942.18	3,006.59
	Agents/Valuers Fees (1)	6,442.35	39,876.55
	Legal Fees Squire Patton Boggs	77,022.04	77,957.17
	Legal fees Addleshaw Goddard	(18.00)	3,500.00
	Document Destruction	NIL	255.00
	Re-Direction of Mail	NIL	303.00
	Statutory Advertising	NIL	159.00
	Rents Payable	NIL	63,445.27
	Other Property Expenses	NIL	9,118.25
	Insurance of Assets	NIL	843.32
	Wages & Salaries	719.57	375,660.24
	Bank Charges - Floating	NIL	5.00
		(409,460.12)	(1,260,988.76)
	PREFERENTIAL CREDITORS		
(5,000.00)	RPO - Wage Arrears & Holiday Pay	NIL	NIL
(5,000.00)	Employee - Wage Arrears/Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(3,545,523.08)	Trade & Expense Creditors	NIL	NIL
(28,000.00)	RPO	NIL	NIL
(29,936.66)	H M Revenue & Customs	NIL	NIL
		NIL	NIL
(2,526,229.45)		**(271,003.24)**	**402,512.09**

REPRESENTED BY

Vat Recoverable - Floating	143,648.32
IB Current Floating	403,204.13
Student Loan Deductions	(706.00)
Office	(210.00)
Vat Payable - Floating	(7,157.99)
PAYE & NI	(136,212.43)
Pension Contributions Payable	(53.94)
	402,512.09

Anthony Collier
Joint Administrator