

TO ALL KNOWN CREDITORS

26 September 2019

Ref: DFL/JOC/DH/CD/MT/PCF

Please ask for Michael Thalassitis
Email: mthalassitis@uk.ey.com

Dear Sirs

Dunraven Finance Limited (trading as Buy As You View) (in Administration) ('the Company')

High Court of Justice, Royal Courts of Justice, Chancery Division, Number 6440 of 2017

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016, to provide creditors with a report on the progress of the Administration. This report covers the period from 1 March 2019 to 31 August 2019 ('the Period') and should be read in conjunction with the Joint Administrators' Statement of Proposals dated 20 October 2017 ('the Proposals') and our previous reports dated 19 March 2018, 14 September 2018, and 26 March 2019 ('the Previous Reports').

Statutory information about the Company, the Administration and the office holders is provided at Appendix 1.

Summary of progress since last report

Financial Conduct Authority interim permissions

As outlined in the Proposals and the Previous Reports, immediately prior to the appointment of the Joint Administrators, the Company withdrew its application for full Financial Conduct Authority ('FCA') authorisation (effective from midnight on 31 August 2017) and applied to the FCA to operate under interim permissions to 28 February 2019. This enabled the business to continue its collection activities whilst in Administration. On 28 February 2019, the FCA agreed to extend these interim permissions to 30 September 2019, with debt collection activities and/or the sale of the loan book permitted only up to 30 June 2019. The period between collection activities ceasing (3 June 2019) and interim permissions ending (30 September 2019) is to allow time to complete certain necessary administrative tasks required for FCA compliance.

The interim FCA permissions for the Company to continue debt collection activities or to pursue a sale of the loan book have therefore now expired.

Extension of Administration

In July 2018, the secured creditors of the Company approved the Joint Administrators' request to extend the Administration to 31 August 2019 to allow the Joint Administrators to continue to administer the estate, collect monies due from customers, and thereby achieve the purpose of the Administration.

Having obtained the permission of the FCA to continue collection activities to June 2019 in order to maximise net realisations from the Company's loan book, it became apparent that the deadline of 31 August 2019 would not allow sufficient time for all remaining matters in the Administration to be completed, including the settlement of final trading liabilities, the provision of redress to certain customers (discussed below), and the distribution of the Prescribed Part (also discussed below).

As such, in June 2019, we engaged the Company's legal advisors to assist with an application to the court for an extension of the Administration. The application was heard on 28 August 2019 and an extension of the Administration to 31 August 2020 was granted by the court. As such, the Administration will now end no later than 31 August 2020.

The primary purpose of the extension is to finalise the remaining matters in the Administration, which includes the settlement of final trading liabilities, the provision of redress to certain customers (discussed below) and making distributions to the Company's secured and unsecured creditors.

Cessation of trading

As previously reported, the Company's operational activity levels reduced gradually during the Administration, in accordance with a reducing loan book and customer numbers.

During the Period, it became apparent that it was no longer commercially viable for the Company to continue its trading activities, as the costs associated with ongoing trading would exceed the amounts collected from the remaining customer base. As such, collection activities ceased with effect from 3 June 2019 and all customers with active agreements as at 3 June 2019 were contacted to advise them that they were not required to make any further payments to the Company and that they would not need to return any goods covered by their agreements with the Company. In addition, all customers were advised that the Company was no longer able to administer cover for any goods previously protected by the Company's warranty and insurance schemes.

Since the cessation of collections, our efforts have been primarily focused on an orderly wind-down of the Company's ancillary trading activities. A summary of the Company's trading activities in the Period is provided below.

Other trading matters

Suppliers

The services provided by the majority of the Company's trading suppliers have now been terminated and the remaining services will be terminated as appropriate in the coming months.

Property exits

Following the cessation of collection activities, the Company continued to occupy its head office premises in Bridgend for the remainder of the month of June to enable an orderly wind-down of the Company's residual trading activities. This premises were exited on 30 June 2019.

A small secured storage unit in Bridgend, which was the principal location for storing stock, was exited on 11 May 2019. The Company also exited all of their regional storage units, with two units exited on 19 March 2019 and the remaining 2 units exited on 17 June 2019.

We do not anticipate that there will be any further costs in relation to the properties occupied by the Company during the Administration.

Meter removals

In view of the closure of operational activities, the Company completed a programme of removing meters from customers' homes. All customers were written to and contacted via numerous methods to schedule meter removals.

IT shut down

During the Period, the Company's IT infrastructure was decommissioned and shut down. As part of this process, secure backups of the Company's systems were taken and securely stored by the Joint Administrators. All physical remaining IT infrastructure was also removed from a data centre in Corsham, UK.

External collection agency

As previously reported, the Company engaged an external agency to outsource the collection of certain written-off accounts. Following the cessation of collection activities, we instructed this external agency to cease collecting monies in relation to these written-off accounts and to ensure that any County Court Judgements were marked as 'satisfied' at court. This process was completed during the Period.

Sale of business and assets

As previously reported, all formal offers received during the Administration for the business and/or assets of the Company, would not have generated a better financial return to the Company's creditors compared to the collections forecasted to be made under a run-off scenario.

We received no further approaches from interested parties prior to 30 June 2019, being the final date for a sale of the loan book as agreed with the FCA. No sale of the loan book will therefore take place.

Asset realisations

Loan book

Loan book collections during the Period equalled £0.72m (refer to Appendix 2), representing a total of £20.2m collected since the Company entered Administration. Loan book collections recorded in

Appendix 2 are the aggregate of capital, interest, and premiums from All Sorted and the Equipment Protection Scheme ('EPS') (the Company's warranty and insurance schemes respectively).

As the Company has ceased its collection activities and no sale of the remaining loan book will be pursued at this stage, there will be no further loan book realisations.

VAT reclaims

During the Period, the Company has received £0.3m from HM Revenue and Customs ('HMRC') in respect of VAT reclaims. Total VAT reclaims of £1.94m have been received during the Administration.

Stock

During the Period, the Company sought to realise value from its remaining stock, which was no longer required for ongoing servicing of customer agreements. A further £1,851 has been realised during the Period. No further stock remains to be sold.

Total stock realisations during the Administration are £137k, representing a c.£49k surplus in comparison to the estimated realisable value per the Director's statement of affairs ('SoA'). We note that total stock realisations during the Administration include items which were estimated to have £nil realisable value in the SoA.

IT systems and software licenses

As noted in the Previous Reports, we considered it unlikely that any value would be realised from the Company's IT assets. However, during the Period, certain items relating to the Company's IT infrastructure were sold to third parties for c.£6k. No further realisations from IT systems and software licenses are expected.

Other matters

HMRC

VAT

Under the new VAT registration referred to in the Previous Reports, the Company has submitted 11 VAT returns and has received total VAT reclaims of £1.74m as at 31 August 2019.

The Company remained in a net VAT receivable position throughout the trading period of the Administration, and we expect this to continue to be the case now that trading has ceased.

Further to the Previous Reports, we have held initial discussions with HMRC over the possibility of submitting a bad debt relief claim for balances the Company is unable to collect from customers following the expiry of its FCA interim permissions for collection activities. No customer loans have yet been formally written off, pending the completion of certain necessary administrative tasks. As such, no bad debt relief claim in respect of the remaining loan book has yet been made. We will provide a further update in our next report.

Corporation tax

The Company's corporation tax return for the period 31 August 2017 to 30 August 2018 has now been submitted. No corporation tax was due for this period.

Pay As You Earn ('PAYE') and national insurance ('NI')

All PAYE and NI related returns have been filed and paid in accordance with HMRC requirements.

Employee matters

As at 28 February 2019, the Company had 30 employees. All of these employees were made redundant during the Period as a result of the Company ceasing to trade. Summarised below is the movement in employee numbers during both the Period and the Administration to date:

	Employee movement 31 August 2017 - 28 February 2019	Employee movement 1 March 2019 - 31 August 2019	Total employee movement during Administration
Opening total employees	267	30	267
<u>Leavers</u>			
Redundancies	(168)	(30)	(198)
Resignations / end of contract	(64)	0	(64)
Dismissal	(6)	0	(6)
<u>Additions</u>			
New joiner	1	0	1
Closing total employees	30	0	0

All redundancies made after 1 September 2017, where applicable, have been subject to a consultation process involving a communication as to the reasons for the proposed redundancies, the numbers and descriptions of employees affected, and the proposed method of selecting employees.

Redress

As at the date of the Joint Administrators' appointment, a number of the Company's customers had been identified as being potentially entitled to financial redress as a result of issues relating to their loan agreements, which occurred prior to the Joint Administrators' appointment.

We continue to work to identify the customers affected and to quantify their potential redress entitlements and will write separately to all customers affected by these redress issues shortly. However, we anticipate that the majority of redress entitlements will take the form of balance adjustments and/or unsecured claims in the Administration.

As the redress process is ongoing, we will provide a further update in our next report.

Investigations

No investigations were concluded in the period and no investigations are continuing.

Receipts and payments account

A summary of our receipts and payments for the period from 1 March 2019 to 31 August 2019, attached at Appendix 2. It does not reflect estimated future realisations or costs.

Joint administrators' remuneration

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

As communicated in the Previous Reports, our remuneration was fixed on a time-cost basis, capped at £1,175,000 (exclusive of VAT), by resolution of the secured and preferential creditors on 30 November 2017.

Following the extension of FCA collection permissions to June 2019, we circulated a revised fee estimate as at 28 February 2019 ('the Fee Estimate') at Appendix 4 of our report dated 26 March 2019. Additionally, in April 2019, we wrote to the secured and preferential creditors of the Company to request their approval of an increase in our capped remuneration from £1,175,000 to £1,450,000 plus VAT. This request was approved in April 2019.

An analysis of the time spent during the Administration, plus a comparison with the Fee Estimate, is attached at Appendix 4 to this report. During the Period, we have incurred time costs of £392,256, bringing cumulative time costs incurred to £2,918,535.

As at 31 August 2019, we have drawn total remuneration of £1,000,000. Of this sum, £nil was billed during the Period.

We anticipate that our remuneration will exceed the fee estimate by c.£300k, based on the work we anticipate is required to complete the matters remaining outstanding (including, but not limited to, finalising customer redress and distributing the Prescribed Part). We have included below a narrative explanation of the additional work undertaken in respect of each of the activities for which we have currently exceeded the fee estimate.

As at 31 August 2019, we have marginally exceeded our fee estimate. This is due to unforeseen complexities related to the cessation of trading and redress matters. Further explanation, by activity, is provided below in respect of those activities where the estimate has been exceeded.

We will not draw remuneration in excess of the cap of £1,450,000 without the prior approval of the secured and preferential creditors. No steps are currently being taken to seek approval for an increase in our remuneration. At this stage, we do not anticipate that any such steps will be taken.

Accounting and Administration

The volume of transactions required in the final months of trading, the work required to be completed in order to settle final trading liabilities, reconcile final amounts due to post-appointment suppliers, and finalise the Company's trading outcome were all greater than we anticipated. Additionally, a greater volume of work was required to be completed by the Joint Administrators' staff following the cessation of trading, which would previously have been completed by Company staff.

Bank reporting

We have exceeded our estimate in relation to this category because of the volume of work required in order to prepare the necessary weekly and monthly updates for the secured creditor, and additional reporting to and discussions with the FCA regarding the Company's loan book and redress matters.

Prescribed Part

This is a new activity code and therefore all time charged represents an adverse variance against the fee estimate. This activity enables us to monitor time specifically relating to dealing with the Prescribed Part, and unsecured creditor claims which would constitute an element of any Prescribed Part distribution. The adverse variance here is largely offset by headroom available under the 'Creditors' activity.

Trading

We have exceeded our estimate in relation to trading because the volume and complexity of work required in order to bring the Company's trading activities to a close significantly exceeded our expectations, and a greater volume of work than anticipated was required to be completed by the Joint Administrators' staff following the exit of the Company's trading premises and the redundancy of its remaining staff members.

In addition, the volume and complexity of correspondence we have received following the cessation of trading, which relates to the trading period, has exceeded our expectations. Additional work has been required in order to deal with this correspondence.

Joint administrators' statement of expenses incurred

During the Period, we have incurred expenses totalling £737,688 plus VAT. There is a breakdown of expenses incurred in the Period and to date at Appendix 3 of this report.

Distributions to creditors

Secured creditor

As at 31 August 2019, sixteen distributions totalling £9.49m have been made to the Company's secured creditor, Hayfin Services LLP ('Hayfin', acting as agent and security agent).

We intend to make further distributions to Hayfin during the remainder of the Administration. However, we still anticipate that Hayfin will suffer a shortfall against its c. £14.64m debt outstanding at the date of appointment.

Preferential creditors

During the Period, no preferential claims were paid. A notice was sent to all known preferential creditors stating our intention to declare a preferential dividend in the Administration of the Company. The last date for proving claims was 15 August 2019 and dividend payments of £7,364 were made following the end of the Period.

In total, preferential distributions totalling £9,924 have been made during the Administration, relating to former employees' salaries, holiday pay and pension contributions. All preferential creditor claims have now been paid in full and as such, there will be no further distributions to preferential creditors.

Unsecured creditors

Claims continue to be received during the Administration. As such, we have not yet verified the total quantum of unsecured claims.

We still estimate that there will be insufficient funds to enable a distribution to the unsecured creditors other than by virtue of the Prescribed Part. There have been no distributions to unsecured creditors during the Period or the Administration to date.

The Prescribed Part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Act. The Prescribed Part applies to floating charges created on or after 15 September 2003. As Hayfin's charges were created after 15 September 2003, section 176A of the Act applies to this Administration.

Remaining work

With collections having ceased on 3 June 2019, our work in the coming months will primarily focus on settling any remaining trading liabilities, completing the customer redress process discussed earlier in this report, and distributing the Prescribed Part to the unsecured creditors of the Company.

Furthermore, we continue to deal with the Administration in line with the objectives stated in the Proposals and those included in the Previous Reports. Other future tasks will include, but are not limited to, the following:

- Completion of statutory requirements of the Administration, including reporting to creditors;
- Communicating with other stakeholders, including the FCA;
- Preparing and filing corporation tax and VAT returns;
- Submitting a claim for VAT bad debt relief upon cessation of trading, if appropriate;
- Making distributions to the secured creditor (as appropriate);
- Finalising the Administration including the payment of any final Administration trading and other liabilities; and

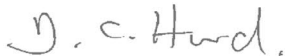
- Any such actions required to be undertaken by the Administrators to fulfil the purpose of the Administration.

Next report

We will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

Should you have any queries in respect of this report or the Administration in general, please do not hesitate to contact my colleague, Michael Thalassitis, on 0121 535 2675.

Yours faithfully
for the Company



D C Hurd
Joint Administrator

Enc: Appendix 1 – Statutory and company information
Appendix 2 – Joint Administrators' receipts and payments account
Appendix 3 – Summary of Joint Administrators' expenses incurred
Appendix 4 – Summary of Joint Administrators' time costs

J M O'Connor and D C Hurd are licensed in the United Kingdom to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales.

The affairs, business and property of the Company are being managed by the Joint Administrators, J M O'Connor and D C Hurd, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrator's appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

Appendix 1

Dunraven Finance Limited (trading as Buy As You View) (in Administration) (“the Company”)

Information about the proceedings, the company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice, Royal Courts of Justice, Chancery Division
Court reference:	6440 of 2017
Registered name of the company:	Dunraven Finance Limited
Registered office address of the company:	c/o Ernst & Young LLP, No. 1 Colmore Square, Birmingham, B4 6HQ
Registered number:	01252688
Country of incorporation (for a company incorporated outside the United Kingdom):	n/a
Date of appointment of the Joint Administrators:	31 August 2017
Details of any changes of administrator:	None
Full names of the administrators:	Joseph Michael O’Connor and Daniel Christopher Hurd
Office holder number(s):	12350 and 20030
Administrators’ address(es):	Joseph Michael O’Connor, Ernst & Young LLP, 1 More London Place, London, SE1 2AF Daniel Christopher Hurd, Ernst & Young LLP, No. 1 Colmore Square, Birmingham, B4 6HQ
Telephone number:	0121 535 2675
Name of alternative person to contact with enquiries about the case:	Michael Thalassitis

Appendix 2 (continued)

Notes

1. There are no fixed charge assets. All realisations are in relation to floating charge assets.
2. Receipts and payments are stated net of VAT.
3. The receipts and payments account has been prepared on a cash basis and does not take account of future receipts and payments.
4. Receipts from customer loans represent the aggregate collections of capital, interest and premiums from All Sorted and EPS (the Company's warranty and insurance schemes).
5. Total distributions to the secured creditor during the Period equated to £130,000. The remaining £24,221 represents a re-allocation of costs to staff and people.
6. The VAT control account is represented as follows:

Represented by	Total (£)
VAT reclaims received (new registration)	1,737,618
VAT reclaims due	(0)
VAT control account	1,632
Bad debt relief	(1,441,393)
Loan cancellations	(51,724)
	246,133

7. £53 has been received from customers continuing to pay against their loans with the Company via standing order. The Joint Administrators are unable to cancel standing orders without the customers authority; therefore, these monies will be returned to customers as soon as possible.

Appendix 3

Dunraven Finance Limited (trading as Buy As You View) (in Administration) (“the Company”)

Summary of Joint Administrators’ expenses incurred from 1 March 2019 to 31 August 2019 (“the Period”), with a comparison to the revised estimate dated 28 February 2019

Type of expense	Per revised estimate as at 28 February 2019 (£)	Paid as at 28 February 2019 (£)	Paid during the Period (£)	Outstanding (£)	Total (£)
Agent fees	490,000	452,075	-	37,925	490,000
Bank charges	290,000	203,943	4,225	81,832	290,000
Corporation tax	TBC	-	-	TBC	TBC
Customer servicing and repairs	1,390,000	1,331,164	59,776	940	1,390,000
Insurance	280,000	207,894	6,169	65,938	280,000
Irrecoverable VAT	370,000	308,061	37,217	24,722	370,000
Joint Administrators’ category 1 disbursements	90,000	36,073	-	53,927	90,000
Joint Administrators’ category 2 disbursements	30,000	12,478	-	17,522	30,000
Legal fees	100,000	76,345	9,579	14,077	100,000
Printing, postage and stationery	170,000	121,670	10,654	37,676	170,000
Property	760,000	716,972	2,749	45,778	760,000
Staff and people	6,070,000	5,623,753	448,572	2,325	6,070,000
Sundry / other expenses	90,000	79,171	4,479	6,350	90,000
Telecommunications and IT	1,350,000	1,186,272	127,822	35,906	1,350,000
Vehicles	660,000	619,723	31,945	8,332	660,000
Total	12,140,000	10,975,593	737,688	426,719	12,140,000

Note: The total estimate of Joint Administrators’ expenses is estimated on the basis of a run-off period up to the end of June 2019, with an estimate of remaining costs to settle in the Administration. All amounts are stated net of VAT.

Statement of Insolvency Practice 9 (SIP 9) defines expenses as amounts properly payable from the insolvency estate which are not otherwise categorised as office holders’ remuneration or distributions to creditors.

Note that the estimates for customer servicing and repairs and also staff and people exceeded our revised estimate dated 28 February 2019. These expenses exceeded the estimate due to additional and unforeseen costs incurred as part of the operational trading closure process.

The remaining estimated expenses primarily represent expenses incurred during the trading period prior to the cessation of collection activities, but not yet billed by suppliers and/or paid. Note that any potential financial redress due to customers (as discussed earlier in this report) has not been included in the above estimate because it remains too early to quantify this potential future expense.

A narrative explanation of each of these types of expenses are provided below:

Category of expense	Explanation
Agent fees	► Engaging specialist third party agents to assist in realising value from the Company’s assets (including its customer loan book).
Bank charges	► Bank charges in connection with operating: ► the Company’s bank accounts during the Administration; and

- ▶ the Company's direct debit origination facility, enabling customer payments.

Corporation tax	<ul style="list-style-type: none"> ▶ Corporation tax which may become payable following the preparation and submission of corporation tax returns. ▶ It is currently too soon to provide an estimate in respect of these costs.
Customer servicing and repairs	<ul style="list-style-type: none"> ▶ Costs in connection with the continued servicing of customer agreements; including: <ul style="list-style-type: none"> ▶ third party repairs and maintenance suppliers; ▶ spare parts and replacement products; ▶ third party insurance costs in connection with the Company's Equipment Protection Scheme; and ▶ occupation at the Company's national distribution centre.
Insurance	<ul style="list-style-type: none"> ▶ Costs to insure the Company's assets and operations during the Administration period.
Irrecoverable VAT	<ul style="list-style-type: none"> ▶ Due to the nature of the Company's business, it operated under an approved partial exemption special method and is unable to fully recover VAT on its purchases. ▶ This cost represents an estimate of potential irrecoverable VAT under this method and is subject to further agreement with HMRC.
Joint Administrators' category 1 disbursements	<ul style="list-style-type: none"> ▶ Expenses incurred by the Joint Administrators, where payment is to be made to independent third parties and is directly referable to the Administration. Such disbursements will include: <ul style="list-style-type: none"> ▶ accommodation, travel and subsistence; and ▶ the Joint Administrators specific bond – a form of insurance posted on behalf of the Joint Administrators.
Joint Administrators' category 2 disbursements	<ul style="list-style-type: none"> ▶ Expenses incurred that are directly referable to the Administration but not to a payment to an independent third party. ▶ Such expenses may include an element of shared or overhead costs that can be allocated to the Administration on a proper and reasonable basis, and will include: <ul style="list-style-type: none"> ▶ costs relating to mileage incurred by the Joint Administrators and their other staff whilst operating from or attending the Company's premises and third party locations to attend meetings with key stakeholders; and ▶ costs in respect of printing and posting the Joint Administrators' Statement of Proposals, subsequent progress reports and other written communication to all relevant creditors, shareholders and other stakeholders, required to be done by the Joint Administrators in carrying out their duties.
Legal fees	<ul style="list-style-type: none"> ▶ Specialist legal advice in connection with the Administration process, including: <ul style="list-style-type: none"> ▶ the preparation and filing of statutory documentation; ▶ assessment of the secured creditor's security position; ▶ employee matters; ▶ review of certain contracts; ▶ regulatory matters; ▶ matters relating to property leases; and ▶ drafting of legal documentation required; and ▶ further advice regarding such matters as required to meet the purpose of the Administration.
Postage, printing and stationery	<ul style="list-style-type: none"> ▶ Costs in connection with: <ul style="list-style-type: none"> ▶ written correspondence to the Company's customer base; ▶ ongoing postage, printing and stationery requirements of the business whilst it is continuing to trade; and ▶ mail re-direction costs.
Property	<ul style="list-style-type: none"> ▶ Costs relating to: <ul style="list-style-type: none"> ▶ the Company's ongoing occupation of its existing premises;

- ▶ the identification and occupation of alternative trading locations (as required);
- ▶ relocation between trading properties (as required).

Staff and people

- ▶ Costs relating to the Company's staff retained during the Administration period to assist with:
 - ▶ the ongoing trading of the business, whilst it is continuing to service existing customer agreements and collect amounts due from customers;
 - ▶ the Administration process in general; and
 - ▶ the orderly wind-down of the business.

Sundry / other expenses

- ▶ Costs in connection with:
 - ▶ the collection and storage of the Company's books and records;
 - ▶ completing statutory requirements of the Administration, including advertising and filing costs;
 - ▶ the provision of training to Company staff, in particular concerning customer service and compliance with health and safety matters;
 - ▶ staff travel and accommodation;
 - ▶ general office consumables; and
 - ▶ website hosting.

Telecommunications and IT

- ▶ Costs relating to the maintenance of the Company's IT and communications infrastructure, including:
 - ▶ telephone and internet connectivity;
 - ▶ customer text messaging;
 - ▶ customer contact centre telephone infrastructure;
 - ▶ staff mobile telephones;
 - ▶ server management and maintenance;
 - ▶ third party technical support;
 - ▶ operating licences; and
 - ▶ cyber security matters.

Vehicles

- ▶ Costs in relation to the leasing of vehicles required by Company staff in the course of their duties, including fuel costs.
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Appendix 3 (continued)

SIP 9 defines disbursements as a type of expense which is met by, and reimbursed to, an office holder in connection with an insolvency appointment. Disbursements fall into two categories; Category 1 and Category 2:

- Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment.
- Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.

A breakdown of the Joint Administrators' disbursements is provided below:

Type	Incurr 31.August 2017 - 28 February 2019 (£)	Incurr 1 March 2019 - 31 August 2019 (£)	Cumulative incurr to date (£)	Paid during the Period (£)	Cumulative paid to date (£)	Outstanding (£)
Accommodation, subsistence and travel	36,420	1,967	38,387			
Bonding	1,280	-	1,280			
Category 1 disbursements	37,700	1,967	39,667	-	36,073	3,593
Mileage	12,267	1,205	13,472			
Printing and postage	1,370	-	1,370			
Category 2 disbursements	13,637	1,205	14,842	-	12,478	2,364

Appendix 4

Dunraven Finance Limited (trading as Buy As You View) (in Administration) (“the Company”)

Summary of Joint Administrators’ time costs for the period 1 March 2019 to 31 August 2019 (‘the Period’) and cumulative to date, with a comparison of the time cost estimate dated 28 February 2019

Activity	Time cost estimate dated 28 February 2019			Actual during the Period			Actual to date		
	Total hours	Total time cost (£)	Average hourly rate (£)	Total hours	Total time cost (£)	Average hourly rate (£)	Total hours	Total time cost (£)	Average hourly rate (£)
Accounting and administration	1,254.1	393,979	314	237.0	72,664	307	1,439.5	452,237	314
Bank reporting	275.1	141,203	513	44.7	20,285	454	298.7	154,981	519
Creditors	425.2	122,666	288	61.7	24,203	392	368.6	107,232	291
Debtors	35.9	12,577	350	2.0	650	325	22.5	6,950	309
Employee matters	614.8	262,123	426	54.1	16,925	313	619.3	250,780	405
Immediate tasks	31.5	10,485	333	-	-	-	31.5	10,485	333
Investigations	58.8	18,024	307	-	-	-	58.8	18,024	307
Job acceptance & strategy	18.0	13,530	752	-	-	-	18.0	13,530	752
Legal issues	90.4	51,049	565	4.0	2,625	656	69.5	47,309	681
Members	-	-	-	-	-	-	-	-	-
Other assets	1,507.2	720,764	478	40.7	13,715	337	1,223.1	593,299	485
Other matters	70.3	32,774	466	0.3	135	450	33.8	17,040	504
Prescribed Part	-	-	-	58.0	22,038	380	58.0	22,038	380
Property	200.3	60,211	301	8.5	2,338	275	152.1	47,381	312
Public relations	11.5	8,420	732	-	-	-	7.0	5,545	792
Retention of title	2.0	1,050	525	-	-	-	2.0	1,050	525
Statutory duties	272.2	100,302	368	1.4	2,868	2,049	213.3	77,447	363
Trading	1,809.4	656,282	363	453.3	181,296	400	2,146.3	821,637	383
VAT & taxation	565.6	308,797	546	73.3	32,514	444	541.1	271,569	502
Total	7,242.3	2,914,237	402	1,039.0	392,256	378	7,303.1	2,918,535	400

Note: The updated estimate of Joint Administrators’ time costs dated 31 August 2019 is on the basis of a 22 month run-off period up to the end of June 2019, with a future estimate to the point of closing the Administration.

The Joint Administrators’ time cost estimate was updated as at 28 February 2019, to reflect the operational trading period continuing up to June 2019.

We have provided below a narrative explanation of the work completed or to be completed in respect of each category of work set out above.

Area of work	Description of work completed or to be completed
Accounting and administration	<ul style="list-style-type: none"> ▶ Treasury and accounting functions, including detailed cash reconciliations. Due to the high volume of transactions in connection with the customer loan book, a significant amount of time will be spent in this area. ▶ Statutory compliance diaries and time cost reporting. ▶ Overall management of the case. ▶ Preparation of estimated outcome statements.
Bank reporting	<ul style="list-style-type: none"> ▶ Reporting to the Company’s secured creditor, including: <ul style="list-style-type: none"> ▶ reporting against key performance indicators; ▶ progress updates by email and telephone; and ▶ seeking approvals (as required).
Creditors / Prescribed Part	<ul style="list-style-type: none"> ▶ Receipt and recording of preferential and unsecured creditor claims. ▶ Correspondence with the Company’s preferential and unsecured creditors. ▶ Calculation and payment of distributions to the Company’s secured creditor. ▶ Matters relating to the Company’s preferential creditors, including: <ul style="list-style-type: none"> ▶ calculating employees’ preferential creditor claims and agreeing the amounts with them; and ▶ calculating and paying dividends in respect of agreed claims and accounting for tax and national insurance on dividend payments. ▶ Reviewing and agreeing claims submitted by the Redundancy Payments Service (‘RPS’) and paying dividends as appropriate. ▶ Matters relating to the Prescribed Part, including:

	<ul style="list-style-type: none"> ▶ calculating the Company's net property and Prescribed Part; ▶ inviting and adjudication on unsecured claims; and ▶ payment of dividends.
Debtors	<ul style="list-style-type: none"> ▶ Collection of book debts due to the Company at the date of appointment and realising value from other debts and prepayments, including supplier bonds. <p>Note: See Other assets section for the customer loan book asset.</p>
Employee matters	<ul style="list-style-type: none"> ▶ Communication with employees, including on-site meetings and consultation (as required). ▶ Regular meetings with appointed employee representatives. ▶ Ongoing assessment of employee remuneration. ▶ Written correspondence to employees. ▶ Regular review of staffing levels during the Administration period, as the volume of the trading activity reduces. ▶ Assisting employees in the submission of claims to the RPS.
Immediate tasks	<ul style="list-style-type: none"> ▶ Matters requiring immediate attention following the appointment, in order to commence the Administration, stabilise the business and make announcements to key stakeholders.
Investigations	<ul style="list-style-type: none"> ▶ Mandatory investigations work in accordance with Statement of Insolvency Practice Number 2 (Investigations by Office Holders), and the Company Directors Disqualification Act 1986.
Job acceptance and strategy	<ul style="list-style-type: none"> ▶ Matters relating to the appointment and initial planning of the Administration strategy, including meetings with the Company's director and members of senior management. ▶ Considering exit routes from Administration.
Legal issues	<ul style="list-style-type: none"> ▶ Liaising with appointed legal advisors in connection with the Administration process, including: <ul style="list-style-type: none"> ▶ a review of the secured creditor's security; ▶ employee matters; ▶ review of certain contracts; ▶ regulatory matters, including liaising with the Financial Conduct Authority; ▶ matters relating to property leases; and ▶ drafting of legal documentation as required.
Members	<ul style="list-style-type: none"> ▶ Communicating with the Company's members, in connection with the Administration.
Other assets	<ul style="list-style-type: none"> ▶ Managing and realising value from the Company's main asset, its customer loan book, including: <ul style="list-style-type: none"> ▶ monitoring collections performance indicators and overseeing the collections process; ▶ liaising with third parties involved in the collection process; ▶ implementing required changes to collections procedures; and ▶ communicating with the Financial Conduct Authority. ▶ Considering options for the business, including a sale of the business & assets. ▶ Realising value for the Company's surplus stock and other tangible assets. ▶ Assessing options to realise value from the Company's intangible assets. ▶ Dealing with assets owned by third parties, including vehicles.
Other matters	<ul style="list-style-type: none"> ▶ Recovery of the Company's physical books and records, and electronic records.
Property	<ul style="list-style-type: none"> ▶ Corresponding with landlords of the Company's premises in respect of continued occupation and subsequent exit from the premises. ▶ Identifying alternative / new trading premises (as required).
Public relations	<ul style="list-style-type: none"> ▶ Preparing communications to the media and wider public following the appointment of the Joint Administrators.

- ▶ Reactive dealing with media enquiries.

Retention of title	<ul style="list-style-type: none"> ▶ Facilitating and adjudicating on retention of title claims; including claimants' identification of items which they believe are subject to a claim and reviewing the evidence provided.
Statutory duties	<ul style="list-style-type: none"> ▶ Completion of statutory requirements of the Administration, including: <ul style="list-style-type: none"> ▶ notifications to creditors and members; ▶ advertising the appointment; ▶ preparing the Joint Administrators' statement of proposals and fee estimate; ▶ requesting an extension to the Administration Order (as required); ▶ six-monthly progress reports to creditors; and ▶ the final report to creditors.
Trading	<ul style="list-style-type: none"> ▶ Matters relating to the Company's continued trading activity and servicing its existing customer agreements, including: <ul style="list-style-type: none"> ▶ communication with the FCA in respect of ongoing trading activity; ▶ preparation of regular trading forecasts; ▶ regular appraisal of the Company's trading strategy; ▶ oversight of projects connected with trading (including IT / systems, engagement of third party agents, customer communication); ▶ agreeing ongoing terms of trade with the Company's suppliers during the Administration; ▶ identifying new suppliers (as required); ▶ ongoing communication with suppliers; ▶ authorising supplier purchase orders and payments; ▶ oversight of the Company's service and maintenance team in facilitating the ongoing servicing of customer agreements under the All Sorted and Equipment Protection Scheme products offered by the Company; ▶ communication with local authorities in connection with business rates; and ▶ dealing with assets owned by third parties, including vehicles.
VAT and taxation	<ul style="list-style-type: none"> ▶ Assessing the corporation tax history of the Company, and understanding any tax losses which can be brought forward to the benefit of the Administration. ▶ Preparing and submitting corporation tax returns. ▶ Preparing and submitting monthly VAT returns. ▶ Assessing the VAT impact of transactions and agreements entered into during the Administration. ▶ Liaising with HM Revenue and Customs ('HMRC') regarding VAT recoverability under the Company's partial exemption position.