

TO ALL KNOWN CREDITORS

26 March 2019

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

Please ask for Michael Thalassitis  
Email: [mthalassitis@uk.ey.com](mailto: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 September 2018 to 28 February 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 and 14 September 2018 ("the Previous Reports").

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

### **Summary of progress since the Previous Reports**

#### **Extension of 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.

Recognising that a short extension to interim permissions beyond 28 February 2019 would be commercially viable and in the best interests of creditors, we have remained in regular dialogue with the FCA to consider the options available to the Company. On 28 February 2019, the FCA agreed to the following:

- Interim permissions to be extended to 30 September 2019, at which point, all permissions for regulated activities would be removed and cancelled with immediate effect; and
- Debt collection activities and/or sale of the loan book are permitted only to 30 June 2019.

The period between debt collections ceasing (30 June 2019) and interim permissions ending (30 September 2019) is to allow time to complete certain necessary administrative tasks required for FCA compliance. It would not be commercially viable, nor in the interests of the Company's creditors, to continue trading beyond 30 June 2019.

As a result, the Company will cease collection activities on, or before, 30 June 2019. Further information with regards to the collection activities can be found in the Asset Realisations –section below.

## Trading

The Company's trading activities have continued throughout the Period. However, operational activity levels have continued to reduce in accordance with a reducing loan book and customer numbers.

During the Period, a large proportion of our time has been incurred in continuing to monitor the performance of the Company and identifying options to both reduce the cost base and protect the loan book. Our efforts have also been focused on assessing the viability of trading beyond February 2019, and specifically on ensuring that ongoing month-to-month operational performance remains as expected and that continuing to trade the business remains commercially viable.

Accordingly, projects and activities undertaken by us and the Company to address these matters include, but are not limited to, the following:

- **Remote payment conversion** – The Company continues to attempt to convert remaining cash customers to remote payment methods, primarily direct debit (“DD”) and PayPoint, so that payments are regularised and easy to monitor and customers can be contacted remotely instead of undertaking face-to-face visits.
- **Remote contact strategy (“RCS”)** – The RCS implemented previously, focusing on remotely contacting largely up-to-date customers via a series of planned texts/calls, continues to operate successfully and generate savings in operating costs.
- **Regional post-code closures** – In line with lower headcount and a geographically dispersed customer base as customers continue to settle, the Company has begun targeting exits of specific remote, regional postcodes via a combination of conversion to non-cash payment methods and operating model changes (discussed below).
- **Cash collection operating model changes** – Cash continues to be collected on a weekly basis, but field customer account managers are now provided with forward-looking allocations of customers to collect from on a monthly basis. This change has allowed for collections to be targeted more efficiently and flexibly, alleviating some of the issues of a geographically dispersed customer base discussed above. This change has improved overall cash collection rates.
- **External collection agencies** – The Company has engaged with an external agency to outsource the collection of some written off accounts. A small number of written off accounts were trialled, and whilst this has resulted in some returns, it is unlikely that the Company will seek to pursue any further collections via this channel, in addition to those already being pursued.
- **Property exits and relocations** – The Company relocated to a smaller head office premises in Bridgend in November/December 2018. There were no notable operational disruptions as a result of this relocation. The move has enabled significant savings in ongoing property costs.

The Company continues to hold stock in a small secured storage unit in Bridgend, albeit the footprint has reduced after one unit was exited in September 2018. In addition, the Company

continues to operate four small storage units in the regions, with the only regional exit occurring in Scotland in February 2019.

- **Redundancies** – As the loan book continues to run-off and activity levels reduce, a further 29 employees have been made redundant during the Period. We are continuously monitoring operational requirements as the loan book and customer numbers reduce further.

### **Sale of business and assets**

In response to a small number of parties expressing an interest in acquiring the entire business and/or assets of the Company during October/November 2018, we initiated a targeted sale process to determine whether a potential sale would deliver a better outcome for the Company's creditors.

On 21 November 2018, we invited three parties to submit a formal offer for the business and/or assets of the Company. As part of this process, supporting information was provided to each party, with regular dialogue maintained to facilitate formalising an offer.

On 30 November 2018, all three parties submitted formal offers. The terms of all three offers were different, with varying levels of conditionality attached to the offers.

Based on the three formal offers received, we concluded that a sale of the business and/or assets would not generate a better financial return to the Company's creditors, compared to the operational performance forecasted to be generated under a run-off scenario (assuming no sale would occur at the end of the run-off period).

Furthermore, other considerations of executing a sale included potential business disruption, commercial risks (some parties were not FCA regulated, for example) and increased administrator and legal costs. Whilst these issues could potentially have been overcome, they significantly increased the risk of a transaction failing and/or price adjustments materialising, both of which would worsen the overall outcome for creditors.

In this regard, discussions with interested parties were not pursued further. It remains unlikely that a sale of the remaining business and/or assets will be achieved, particularly as the Company's main asset (the loan book) is restricted from being sold beyond 30 June 2019 as part of the agreed conditions associated with extending FCA interim permissions to 30 September 2019.

### **Asset realisations**

#### Loan book

The Company's primary asset is its customer loan book. Loan book collections during the Period equalled £2.78m (refer to Appendix 2), representing a total of £19.49m 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).

#### VAT reclaims

During the Period, the Company has received £0.42m from HM Revenue and Customers ("HMRC") in respect of VAT reclaims.

### Stock

In line with collections ceasing on or before 30 June 2019, the Company will seek to realise all potential value from any remaining stock held before this date. In line with customer numbers reducing and therefore a decreasing necessity to hold stock for ongoing servicing of existing customer agreements, a further £34k has been realised during the Period.

Total stock realisations during the Administration are £135k, representing a c. £47k 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.

We are working to realise any remaining value in the stock still held by the Company and will provide a further update in our next progress report.

### Other assets

The Company held certain other balance sheet assets at the date of appointment which the SoA estimated to have a realisable value:

- Supplier bonds – The Company received £14,488 during the Period, which related to a debt of £30,000 due from a supplier, as discussed in the Previous Reports. The amount received was the net amount due from the supplier, once pre-appointment amounts owed to the supplier by the Company were offset. There are no further supplier bonds remaining.
- IT systems and software licenses – It is unlikely that we will be able to realise these, due to the age and nature of the assets.

## **Other matters**

### **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 and achieve the purpose of the Administration.

### **HMRC**

#### VAT

Under the new VAT registration referred to in the Previous Reports, the Company have submitted nine VAT returns, with submitted VAT reclaims totalling £1.57m as at 28 February 2019. During the Period, £0.42m of this has been received.

We still expect the Company to be in a net VAT receivable position whilst trading continues.

We have also been in dialogue with HMRC over the possibility of a bad debt relief claim at the point collections cease and the remaining loan book is written off in full, as agreed with the FCA as part of the conditions of extending interim permissions. We will provide an update in this regard in our next report.

Corporation tax

The Company's corporation tax return for the period 31 August 2017 to 30 August 2018 has not yet been submitted. We expect no corporation tax to be due for this period.

PAYE and national insurance ("NI")

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

**Employee matters**

Current headcount

As at 28 February 2019, the Company had 30 employees. Summarised below is the movement in employee numbers during both the Period and the Administration to date:

	Employee movement 31 August 2017 - 31 August 2018	Employee movement 1 September 2018 - 28 February 2019	Total employee movement during Administration
Opening total employees	267	60	267
<u>Leavers</u>			
Redundancies	(139)	(29)	(168)
Resignations / end of contract	(63)	(1)	(64)
Dismissal	(6)	0	(6)
<u>Additions</u>			
New joiner	1	(0)	1
Closing total employees	60	30	30

The employees continue to work closely with us and have remained committed to helping achieve the objectives of the Administration.

### Redundancies

During the Period, 29 employees were made redundant.

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. We expect further redundancies to be required as the loan book and customer numbers reduce.

### **Redress**

As at the date of the Joint Administrators' appointment, a number of customers had been identified as being potentially entitled to financial redress, as a result of issues relating to their loan agreement which occurred prior to the Joint Administrators' appointment. We are currently working to identify the customers affected and to quantify their potential redress entitlements, but we expect that the vast majority of such redress will take the form of an adjustment to the customer's loan balance or an unsecured claim in the Administration.

We will write separately to all customers affected by these redress issues shortly and will provide a further update in our next report.

### **Receipts and payments account**

A summary of our receipts and payments for the period from 1 September 2018 to 28 February 2019 is 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.

During the Period, we have incurred time costs of £313,785, bringing cumulative time costs incurred to £2,526,279.

An analysis of the time spent during the Administration, plus a comparison with the updated fee estimate as at 28 February 2019 ("Fee Estimate"), is attached at Appendix 4 to this report.

As at 28 February 2019, we have drawn total remuneration fees of £1,000,000. Of this sum, £300,000 was billed and paid during the Period (refer to Appendix 2).

We anticipate that our remuneration may exceed the previous fee estimate. This is due to the fee estimate in our previous report dated 14 September 2018 representing estimated time costs to 31 December 2018, whereas the interim permissions now allow for an extension of collections activity to 30 June 2019. In line with this extension and the associated Administrator time costs required to be incurred to trade for this extended period, we intend to request an increase in our remuneration.

We will not draw remuneration in excess of the previously approved cap of £1,175,000, without the prior approval of the secured and preferential creditors. We will write to these creditors shortly to seek their approval of a revised fee estimate.

### **Joint Administrators' statement of expenses incurred**

During the Period, we have incurred expenses totalling £1,504,660 (exclusive of 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 28 February 2019, fifteen distributions totalling £9.36m 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 their c. £14.64m debt outstanding at the date of appointment.

### **Preferential creditors**

We currently estimate that preferential creditor claims will total approximately c. £60k, in respect of claims for former employees' salaries, holiday pay and pension contributions. This amount is subject to change as claims are received over time.

Distributions totalling £3,714 have been made during the Administration to date to preferential creditors for accrued pre-appointment employee holiday pay claims. No distributions have been made during the Period.

### **Unsecured creditors**

Whilst we do not expect to receive any further material claims, we acknowledge that claims may continue to be received during the Administration. In this regard, 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**

In line with the terms of the FCA interim permissions, our focus in the coming months will be on delivering a plan to facilitate ceasing collections on or before 30 June 2019 in an orderly manner, limiting any potential operational disruption, in order to protect the loan book.

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

- collections activity in respect of existing customer loan agreements, up to 30 June 2019;
- continue to monitor the cost base and assess and implement appropriate cost saving strategies;
- realising value for the Company's surplus stock and other tangible assets;
- considering any option to sell the business and/or assets of the Company before 30 June 2019, should this be commercially viable;



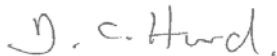
- completion of statutory requirements of the Administration, including reporting to creditors;
- communicating with other stakeholders, including the FCA;
- preparing and filing corporation tax and VAT returns;
- submitting a claim for VAT bad debt relief upon cessation of trading, if appropriate;
- exiting premises used by the Company at the appropriate time;
- quantifying and providing any redress due to customers as at the date of appointment;
- agreeing preferential creditor claims, including dealing with employee claims and the Redundancy Payments Service;
- making further distributions to the secured and preferential creditors (as applicable);
- making distributions to unsecured creditors out of the Prescribed Part (as applicable);
- 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](http://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

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

**Summary of Joint Administrators’ receipts and payments account for the period  
from 1 September 2018 to 28 February 2019 (“the Period”) and cumulative to date**

SoA - estimated realisable value (£)	31 August 2017 - 31 August 2018 (£)	1 September 2018 - 28 February 2019 (£)	Cumulative to date (£)	Notes
<b>Receipts</b>				1,2
13,343,067	16,709,041	2,781,465	19,490,506	3
2,621,698	2,639,747	-	2,639,747	
-	1,223,635	417,332	1,640,967	
37,884	196,724	39,711	236,436	
88,132	101,024	34,396	135,420	
-	15,736	595	16,331	
50,000	12,405	14,488	26,893	
-	11,030	-	11,030	
-	16,182	8,697	24,878	
17,755	-	-	-	
<b>16,158,536</b>	<b>20,925,524</b>	<b>3,296,683</b>	<b>24,222,208</b>	
<b>Payments</b>				1,2
	(4,871,501)	(752,252)	(5,623,753)	
	(1,142,658)	(188,506)	(1,331,164)	
	(913,640)	(272,632)	(1,186,272)	
	(645,038)	(71,934)	(716,972)	
	(534,284)	(85,438)	(619,723)	
	(447,175)	(4,900)	(452,075)	
	(254,203)	(53,858)	(308,061)	
	(189,576)	(14,367)	(203,943)	
	(179,802)	(28,092)	(207,894)	
	(72,502)	(3,843)	(76,345)	
	(105,850)	(15,820)	(121,670)	
	(70,043)	(9,128)	(79,171)	
	(34,223)	(1,850)	(36,073)	
	(10,438)	(2,040)	(12,478)	
	-	-	-	
	<b>(9,470,933)</b>	<b>(1,504,660)</b>	<b>(10,975,593)</b>	
	(700,000)	(300,000)	(1,000,000)	
	<b>(10,170,933)</b>	<b>(1,804,660)</b>	<b>(11,975,593)</b>	
<b>Distributions</b>				
	(7,750,000)	(1,585,779)	(9,335,779)	
	(2,560)	(0)	(2,560)	
	-	-	-	
	<b>(7,752,560)</b>	<b>(1,585,779)</b>	<b>(9,338,338)</b>	
<b>Balance in hand</b>	<b>3,002,032</b>	<b>(93,755)</b>	<b>2,908,277</b>	
<b>Represented by</b>				
	2,861,295	(207,982)	2,653,313	
	(45,875)	45,875	-	
	181,649	71,061	252,710	4
	4,963	(2,709)	2,254	
	<b>3,002,032</b>	<b>(93,755)</b>	<b>2,908,277</b>	

**Appendix 2 (continued)****Notes**

1. Receipts and payments are stated net of VAT.
2. The receipts and payments account has been prepared on a cash basis and does not take account of future receipts and payments.
3. 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).
4. The VAT control account is represented as follows:

<u>Represented by</u>	<u>Total (£)</u>
VAT reclaims received	1,438,666
VAT reclaims due	135,005
VAT control account	52,263
Bad debt relief	(1,322,414)
Loan cancellations	<u>(50,810)</u>
	<b>252,710</b>

## Appendix 3

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

Summary of Joint Administrators’ expenses incurred from 1 September 2018 to 28 February 2018 (“the Period”) and latest estimate of total expenses, with a comparison to the revised estimate dated 31 August 2018

Type of expense	Revised estimate as at 31 August 2018 (£)	Incurred as at 31 August 2018 (£)	Incurred during the Period (£)	Outstanding (£)	Latest total estimate (£)	Variance (£)	Notes
Agent fees	570,000	447,175	4,900	37,925	490,000	(80,000)	1
Bank charges	390,000	189,576	14,367	86,057	290,000	(100,000)	
Corporation tax	TBC	-	-	TBC	TBC	-	
Customer servicing and repairs	1,280,000	1,142,658	188,506	58,836	1,390,000	110,000	
Insurance	300,000	179,802	28,092	72,106	280,000	(20,000)	2
Irrecoverable VAT	370,000	254,203	53,858	61,939	370,000	-	3
Joint Administrators' category 1 disbursements	90,000	34,223	1,850	53,927	90,000	-	
Joint Administrators' category 2 disbursements	30,000	10,438	2,040	17,522	30,000	-	
Legal fees	220,000	72,502	3,843	23,655	100,000	(120,000)	
Printing, postage and stationery	170,000	105,850	15,820	48,330	170,000	-	4
Property	820,000	645,038	71,934	43,028	760,000	(60,000)	
Staff and people	6,250,000	4,871,501	752,252	446,247	6,070,000	(180,000)	
Sundry / other expenses	120,000	70,043	9,128	10,829	90,000	(30,000)	5
Telecommunications and IT	1,160,000	913,640	272,632	163,728	1,350,000	190,000	
Vehicles	750,000	534,284	85,438	40,277	660,000	(90,000)	
<b>Total</b>	<b>12,520,000</b>	<b>9,470,933</b>	<b>1,504,660</b>	<b>1,164,407</b>	<b>12,140,000</b>	<b>(380,000)</b>	

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. 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.

The latest estimate presented above has been amended to reflect the run-off period being until the end of June 2019 in line with the FCA interim permission extension, compared to the previous revised estimate as at 31 August 2018 which assumed a run-off period to the end of February 2019.

It is worth noting that despite the extended 4 month run-off period, we expect total expenses to reduce over the course of the Administration. This is largely as a result of the cost savings and strategies implemented.

Refer to the Proposals and the Fee Estimate for narrative explanations of the type of costs included in each expense category.

### 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	Incurring	Incurring	Cumulative incurred to date (£)	Paid during the Period (£)	Cumulative paid to date (£)	Outstanding (£)
	31 August 2017 - 31 August 2018 (£)	1 September 2018 - 28 February 2019 (£)				
Accommodation, subsistence and travel	34,793	1,627	36,420			
Bonding	1,280	-	1,280			
<b>Category 1 disbursements</b>	<b>36,073</b>	<b>1,627</b>	<b>37,700</b>	<b>1,850</b>	<b>36,073</b>	<b>1,627</b>
Mileage	11,570	697	12,267			
Printing and postage	908	462	1,370			
<b>Category 2 disbursements</b>	<b>12,478</b>	<b>1,159</b>	<b>13,637</b>	<b>2,040</b>	<b>12,478</b>	<b>1,159</b>

## 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 September 2018 to 28 February 2019 (“the Period”) and cumulative to date

Activity	Partner	Director	Senior Manager	Manager	Executive	Analyst	Total hours for the	Total time cost	Average	Cumulative
							Period	for the Period (£)	hourly rate for the Period (£)	time cost to date (£)
Accounting and administration	0.7	2.5	29.5	21.1	141.5	50.2	245.5	82,597	336	379,573
Bank reporting	5.0	-	15.0	11.0	5.7	-	36.7	19,200	523	134,696
Creditors	3.0	-	-	2.0	1.8	3.0	9.8	4,545	464	83,029
Debtors	-	-	-	-	-	-	-	-	-	6,300
Employee matters	0.5	5.8	1.5	1.5	32.0	-	41.3	15,616	378	233,855
Immediate tasks	-	-	-	-	-	-	-	-	-	10,485
Investigations	-	-	-	-	-	-	-	-	-	18,024
Job acceptance & strategy	-	-	-	-	-	-	-	-	-	13,530
Legal issues	3.5	-	-	-	-	-	3.5	2,955	844	44,684
Members	-	-	-	-	-	-	-	-	-	-
Other assets	8.3	-	35.0	20.0	81.7	-	145.0	62,161	429	579,584
Other matters	-	-	-	1.5	-	-	1.5	675	450	16,905
Property	-	-	1.0	-	0.7	-	1.7	767	451	45,044
Public relations	-	-	-	-	-	-	-	-	-	5,545
Retention of title	-	-	-	-	-	-	-	-	-	1,050
Statutory duties	-	-	-	2.5	16.0	-	18.5	6,213	336	74,579
Trading	9.2	1.0	54.5	48.2	94.5	35.4	242.8	96,865	399	640,340
VAT & taxation	-	2.4	1.0	13.1	29.5	1.0	47.0	22,192	472	239,055
<b>Total hours for the Period</b>	<b>30.2</b>	<b>11.7</b>	<b>137.5</b>	<b>120.9</b>	<b>403.4</b>	<b>89.6</b>	<b>793.3</b>			
<b>Total time cost for the Period (£)</b>	<b>26,032</b>	<b>9,454</b>	<b>79,365</b>	<b>58,293</b>	<b>122,660</b>	<b>17,982</b>		<b>313,785</b>		<b>2,526,279</b>
<b>Average hourly rate for the Period (£)</b>	<b>862</b>	<b>808</b>	<b>577</b>	<b>482</b>	<b>304</b>	<b>201</b>			<b>396</b>	
<b>Cumulative time cost to date (£)</b>	<b>93,280</b>	<b>388,997</b>	<b>797,216</b>	<b>261,295</b>	<b>823,313</b>	<b>162,180</b>				

Note: Time is charged in six minute intervals

Refer to the Proposals and the Fee Estimate for narrative descriptions of the type of work undertaken in each time cost activity.

## Appendix 4 (continued)

### Comparison of Joint Administrators' actual time costs to date, with the updated time cost estimate dated 28 February 2019

Activity	Time cost estimate dated 28 February 2018			Updated time cost estimate dated 28 February 2019			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 administra	962.1	299,431	311	1,254.1	393,979	314	1,202.5	379,573	316
Bank reporting	222.3	116,416	524	275.1	141,203	513	254.0	134,696	530
Creditors	425.2	122,666	288	425.2	122,666	288	306.9	83,029	271
Debtors	35.9	12,577	350	35.9	12,577	350	20.5	6,300	307
Employee matters	522.6	223,699	428	614.8	262,123	426	565.2	233,855	414
Immediate tasks	31.5	10,485	333	31.5	10,485	333	31.5	10,485	333
Investigations	58.8	18,024	307	58.8	18,024	307	58.8	18,024	307
Job acceptance & strategy	18.0	13,530	752	18.0	13,530	752	18.0	13,530	752
Legal issues	90.4	51,049	565	90.4	51,049	565	65.5	44,684	682
Members	-	-	-	-	-	-	-	-	-
Other assets	1,281.2	615,108	480	1,507.2	720,764	478	1,182.4	579,584	490
Other matters	59.8	27,970	468	70.3	32,774	466	33.5	16,905	505
Property	170.3	51,384	302	200.3	60,211	301	143.6	45,044	314
Public relations	11.5	8,420	732	11.5	8,420	732	7.0	5,545	792
Retention of title	16.6	7,074	426	2.0	1,050	525	2.0	1,050	525
Statutory duties	231.4	85,599	370	272.2	100,302	368	211.9	74,579	352
Trading	1,538.1	560,078	364	1,809.4	656,282	363	1,693.0	640,340	378
VAT & taxation	480.8	263,530	548	565.6	308,797	546	467.8	239,055	511
<b>Total</b>	<b>6,156.5</b>	<b>2,487,040</b>	<b>404</b>	<b>7,242.3</b>	<b>2,914,236.7</b>	<b>402</b>	<b>6,264.1</b>	<b>2,526,279</b>	<b>403</b>

Note: The updated estimate of Joint Administrators' time costs dated 28 February 2019 is on the basis of a 22 month run-off period up to the end of June 2019.

The Joint Administrators' time cost estimates were updated in the Previous Reports for a best estimate as at 28 February 2018, reflective of trading up to December 2018. In line with collections activity permitted to 30 June 2019, we have updated our time cost estimates.

As communicated above, we will be requesting approval from the secured and preferential creditors to increase our remuneration based on this extended period of trading. Please note that the estimate dated 28 February 2019 is subject to the secured and preferential creditors, and we will not draw remuneration in excess of that for which we have received approval.

As at 28 February 2019, whilst some activities are approaching the estimated total hours and time cost, we do not expect the total time cost over the course of the Administration to exceed the total of the revised estimate dated 28 February 2019.

We will provide a further update in our next report.