

Client: KPMG

Service delivered:

Portfolio work out programme

Gross receivables:

£47 million

Business volumes:

4,700 agreements

The client's requirement:

KPMG was appointed administrative receiver for an insolvent finance company which had a general-purpose portfolio consisting of cars, commercial vehicles, plant and office equipment.

The portfolio was in a highly distressed condition with serious documentation shortfalls, fraud and substantial aged debt levels, bad debt losses and future bad debt exposure.

Our client's objective was to maximise portfolio cash returns for the funders and other creditors.

LPM Outsourcing's programme of action:

- We were appointed to provide a 'work out' service for the portfolio. Our first job was to place a collections task force into the finance company premises.
- We then undertook a portfolio data conversion to our own system and the programme was relocated to LPM Outsourcing's premises within three months.
- On completion of this intensive four-year work out programme, the funding banks and other creditors received 100% payout - against the original estimate of 60p in the pound.