

Corporate & Professional Pensions Limited (in administration)

Joint administrators' progress report for the period from 01/02/2022 to
31/07/2022

30 August 2022

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1. Glossary

Abbreviation	Description
the Company / CPPL	Corporate & Professional Pensions Limited
the administrators / joint administrators	Adam Henry Stephens and Nicholas Myers
Evelyn	Evelyn Partners LLP (formerly Smith & Williamson LLP)
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 and Wales) Rules 2016 If preceded by R this denotes a rule number
SOA	Statement of Affairs
CVL	Creditors' Voluntary Liquidation
WTSL	Westerby Trustee Services Limited
WPAL	Westerby Pension Administration Limited
HMRC	Her Majesty's Revenue and Customs
the Landlord	IW Group Services (UK) Limited t/a Basepoint Business Centres
SIPP	Self-Invested Personal Pension
SSAS	Small Self-Administered Pension Scheme
FOS	Financial Ombudsman Service
FCA	Financial Conduct Authority
FSCS	Financial Services Compensation Scheme
NDA	Non-Disclosure Agreement
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

2. Introduction and Summary

From 14 June 2022, we are operating under a single new brand to offer the best of everything we do and the firm's name has changed from Smith & Williamson LLP to Evelyn Partners LLP. Please note that this is a change to our brand only and that the services provided are unaffected.

Please also be aware that we have recently changed our postal and registered office address to 45 Gresham Street, London EC2V 7BG. Where applicable, please update your records accordingly.

This report provides an update on the progress in the administration of the Company for the six-month period ended 31/07/2022. It should be read in conjunction with any previous reports. By way of reminder, we, Adam Henry Stephens and Nicholas Myers, of Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG, were appointed administrators of the Company on 1 February 2022.

- The administrators initially traded the Company's SIPP & SSAS administration services business whilst a purchaser for the Company's business and assets was sought. The purpose of doing so was to continue providing client services in order to retain the value in the business as a going concern.
- The Company's business and assets were sold as a going concern to WTSL and WPAL on 17 March 2022 for total consideration of £164,000, comprising £90,000 received on completion and a further £74,000 which is payable 13 months after completion of the sale and may be reduced based on a client attrition rate (i.e. to reflect potential reduced income as a result of clients moving their SIPP to an alternative provider or seeking an alternative trustee for their SSAS).
- The objective of the administration is as set out in paragraph 3(1)(b) of Schedule B1 to the Insolvency Act 1986, namely achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).
- The administrators' Proposals were issued to creditors on 14 March 2022 and were subsequently deemed to have been approved on 29 May 2022.
- No distributions have been made to any class of creditors during the reporting period.
- Based on current information the administrators are unable to confirm whether there will be sufficient relations to enable a distribution to creditors, as this is dependant on the amount of asset realisations from the book debts and the quantum of the deferred consideration to be received from the sale of the business.
- The joint administrators have not yet sought approval of the basis of their remuneration or pre appointment costs from creditors. This will be sought in due course on a time costs basis.

3. Progress of the administration

Attached at Appendix I is our receipts and payments account for the period from 01/02/2022 to 31/07/2022.

The receipts and payments account also includes a comparison with the directors' SOA values.

3.1 Trading

Having conducted an extensive marketing exercise a suitable purchaser was found for the business as a going concern that would maximise the value obtained for the business and provided a transfer option for all SIPP (and other) clients.

Some, but not all terms, of the sale were negotiated prior to the commencement of the administration. However, due to CPPL being insolvent it needed the protection of administration whilst negotiations continued to enable the sale to complete.

We held discussions with the FCA and the FSCS shortly before our appointment to outline our proposed strategy to trade the business. The outcome of these discussions was positive and it was determined that trading operations could be maintained in administration for a short period of time to enable the ongoing business sale activities to conclude which in turn would assist with the sale of the business.

Having reviewed the Company's financial position, we concluded that there was sufficient cash in the Company's bank account, along with potential income in respect of client SIPP and SSAS management fees, to support a short period of trading in administration whilst a going concern business sale was pursued. All staff were maintained in order to continue operating the business effectively.

A trading receipts and payment account for the report period is at Appendix I. This shows a trading deficit of £16,705 for the period. We are continuing to pursue payment of invoices raised in the trading period.

Trading payments relate to payroll for February and March 2022, rent in respect of the Company's premises, and costs of critical IT software required to maintain the Company's IT services and operate the client SIPPs and SSASs.

Sale of the Business

The purchaser paid a deposit of £15,000 on 17 February 2022 to secure a short period of exclusivity for the purchaser and following further negotiations with the purchaser the sale completed on 17 March 2022. Details of the sale are provided below.

Assets

The following assets were acquired by WTSL:

- Business Intellectual Property
- Client Database
- Goodwill
- Tangible Assets
- Information Technology

The part of the business that relates to administration and trusteeship of the SSASs was acquired by WPAL.

The Company's book debts were not sold. These remain assets of the Company and the administrators will seek to realise these for the benefit of creditors.

Sale consideration

- The consideration was £164,000 with £90,000 payable on completion.
- A deposit of £15,000 was paid to provide the purchaser with a period of exclusivity.
- The balance of £75,000 of the consideration payable on completion has been received in the administration estate.
- Deferred consideration totalling £74,000 is payable after 13 months and may be reduced based on the client attrition rate, to reflect reduced income as a result of clients moving their SIPP to an alternative provider rather than WTSL or WPAL or SSAS clients seeking an alternative trustee.

The consideration has been allocated as follows:

Asset	Sale Consideration	Received to date
Business Intellectual Property	£1	£1
Client Database	£144,997	£84,997 (including £15,000 deposit paid pre completion)
Part of the business relating to Administration/trusteeship of SSASs	£14,000	£0
Goodwill	£1	£1
Tangible Assets	£5,000	£5,000
Information Technology	£1	£1
Total	£164,000	£90,000

A transitional services agreement between CPPL, the administrators and WTSL has been entered into under which WTSL will provide certain management and administrative services required to transfer the assets of the CPPL SIPPs to alternative SIPPs administered by WTSL or a third-party SIPP operator and to wind up the CPPL SIPP. The agreement will remain in place until the CPPL SIPP has been wound up in accordance with their Rules and all post-wind up obligations have been discharged to the satisfaction of the administrators and the FCA. This agreement has provided a significant cost saving to the administration estate by reducing the amount of work the administrators would have to undertake to transfer and wind up the CPPL SIPP.

3.2 Book debts

Aside from the deferred consideration relating to the sale of the business, the principal asset remaining to be realised is the sales ledger, which had a book value of £68,123 and an uncertain estimated to realise value in the directors' SOA.

The Company's employees had actively pursued collection of the outstanding book debts since the administrators' appointment up to the time of the sale of the business. The administrators are continuing to attempt to collect the remaining debtors, recovery rates are uncertain at present, however a significant number of debts on the ledger were considerably overdue as at the date of administration and therefore may be irrecoverable. Total debtor monies received into the administration bank account to date amount to £16,292.

3.3 Cash at Bank

The credit balances in the Company's bank accounts with National Westminster Bank plc at the date of administration amounted to £60,640. These funds have been received into the administration bank account.

3.4 Bank Interest Gross

Bank interest received on the balance in the administration estate during the period totals £35.

3.5 Client monies received in error

We have received £3,660 which we have been advised is client monies that have been received in the administration estate in error of which £780 has been repaid during the period. The remaining balance will be repaid once the recipients' account details have been identified.

3.6 Assets still to be realised

As detailed above the deferred consideration in respect of the sale of the business is due 13 months from the date of completion (17 March 2022) and the collection of trading income and debtors is ongoing.

The directors' SOA included a VAT refund due of £6,487. We are currently liaising HMRC in respect of the refunds and any offset that may be due.

3.7 Administration strategy

There have been no changes to the administrators' strategy, as documented in the Report and Statement of Proposals dated 14 March 2022, which is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).

The administrators are continuing to pursue this objective. The outstanding matters to be concluded in the administration are set out in section 9 of this report.

4. Investigations

Under the Company Directors Disqualification Act 1986 we have a duty to make a submission to the Secretary of State for Business, Energy & Industrial Strategy on the conduct of all those persons who were directors at the date the Company entered administration or who held office at any time during the three years immediately preceding the administration.

We have complied with our duty in this regard. As all submissions are strictly confidential, we are unable to disclose their content.

Additionally, we have a duty to investigate transactions to establish whether there may be any worth pursuing for the creditors' benefit from, for example, legal proceedings. Shortly after appointment, we 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 our request to complete an investigation questionnaire.

The administrators' enquiries are continuing in establishing the merits of potential claims that the administrators may be able to bring and the likelihood of recoveries for the administration estate.

We are unable to disclose further information at present as this could prejudice any future action that may be taken by the administrators.

5. Pre-administration costs

The pre-administration costs set out in the table below were reported in the administrator's proposals. It is the joint administrator's intention to seek approval of their pre-administration costs in due course

Charged by/service(s) provided	Total amount charged £	Amount paid £	Who made payment	Amount unpaid £
Smith & Williamson LLP – pre-appointment time costs	99,420	30,000	The Company	69,420
Smith & Williamson LLP – pre-appointment disbursements:				
- Data Room	1,050	Nil	N/A	1,050
- Financial Times advertisement re sale of business	1,200	Nil	N/A	1,200
- Addleshaw Goddard LLP **	98,442	69,298	The Company	29,144
Total	200,112	99,298		100,814

** Unpaid fees in respect of Addleshaw Goddard LLP (totalling £29,144) includes £16,144 of time costs for which bills were raised prior to the Company entering administration and which remain unpaid. These costs are an unsecured creditor claim in the administration and approval to pay these costs is not currently scheduled to be sought by the administrators.

The administrators have not yet sought approval for the pre-administration costs but intend to do so in due course.

6. Administrators' remuneration

The basis of the joint administrators' remuneration may be fixed on one or more of the following bases and different bases may be fixed in respect of different things done by them:

- as a percentage of the value of the assets they have to deal with, or
- by reference to time properly spent by the joint administrators and their staff in attending to matters arising in the administration, or
- as a set amount.

The administrators are not seeking approval for the basis of their remuneration at this time. This will be sought in due course by reference to the time properly spent by them and their staff in attending to matters arising in the administration and a fee estimate will also be provided at this time which will set out the future anticipated costs of the Administration.

The administrators time costs to 31 July 2022 are:

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Feed drawn £
01.02.2022 – 31.07.2022	364.38	124,098.72	340.57	nil

Attached as Appendix II is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the administrators and their staff in attending to matters arising in the administration. Details of work carried out in the period are also included in the body of this report.

Creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and

providing information relating to the company and its former officers as required by the Company Directors' Disqualification Act 1986.

A copy of "A Creditor's Guide to Administrator's Fees", as produced by R3, is available free on request or can be downloaded from their website as follows:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees/>

On 1 September 2020, the Smith & Williamson Group merged with the Tilney Group to extend our financial and professional services offering. In common with many professional firms, our scale rates rise to cover annual inflationary cost increases (which readers will be aware have been particularly high of late) and accordingly our rates have risen on average by approximately 7% with effect from 1 July 2022. Following the merger please note that there has been a change to our financial year-end and, as a result, we will be reviewing our charge-out rates again on 1 January 2023 (reverting to annual reviews thereafter). The rate of any increase on 1 January 2023 will take into account that only six months will have passed from the date of the last increase and so will not cause any prejudice to creditors and stakeholders.

Details of Evelyn Partners LLP's charge out rates (including any changes during the case) along with the policies in relation to the use of staff are provided at Appendix III.

We have no business or personal relationships with the parties who approve our fees.

We have no business or personal relationships with Addleshaw Goddard LLP who provide legal services to the administration where the relationship could give rise to a conflict of interest.

7. Administration expenses

The tables in Appendix IV - VI provides details of our expenses. Expenses are amounts properly payable by us as administrators from the estate. The tables exclude distributions to creditors. The tables also exclude any potential tax liabilities that we may need to pay as an administration expense because the amounts becoming due will depend on the position at the end of the tax accounting period.

The tables should be read in conjunction with the receipts and payments account at Appendix I which shows expenses actually paid during the period and the total paid to date.

7.1 Subcontractors

We have not utilised the services of any subcontractors in this case.

7.2 Professional advisers

On this assignment we have used the professional advisers listed in the table at Appendix IV. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

The solicitors and valuation agents detailed in Appendix IV were instructed to advise the administrators due to their expertise and experience in insolvency matters and they are considered to provide the best value and service..

7.3 Administrators' expenses

The table setting out details of the joint administrators' expenses is at Appendix V.

7.4 Category 2 expenses

Since our appointment we have not incurred any category 2 expenses.

7.5 Other expenses

Other expenses (i.e., those not detailed in the preceding sections) paid during the period covered by this report are shown in the receipts and payments summary at Appendix I.

Detailed at Appendix VI are those expenses which we consider to be significant in the context of this case. Also detailed in the table are expenses incurred but not paid in the current period:

7.6 Policies regarding use of third parties and expense recovery

Appendix III provides details of Evelyn Partners LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

8. Estimated outcome for creditors

8.1 Secured creditors

There are a number of outstanding charges registered against the Company at Companies House. These relate to fixed charges over property which constitutes the underlying assets in the SIPPs for which the Company is the trustee and are not registered against the Company's assets.

8.2 Prescribed Part

Where a company has created a floating charge on or after 15 September 2003 Section 176A of the Insolvency Act 1986 makes provision for a share of the company's net property to be set aside for distribution to unsecured creditors in priority to the floating charge holder. The company's net property is the balance that remains after the ordinary preferential creditors and the secondary preferential creditors have been paid in full and which would then otherwise be available for satisfaction of the claims of any holder of a debenture secured by a floating charge. The funds are referred to as the Prescribed Part.

The Company did not grant any floating charges and the Prescribed Part requirements do not, therefore, apply.

8.3 Ordinary preferential creditors

The directors' SOA estimated that the employee claims were £4,412 in relation to holiday pay.

As part of the sale of the business and assets the employees transferred to WTSL under TUPE including their statutory entitlements. No claims are therefore anticipated in this regard.

8.4 Secondary preferential creditors

Claims from the secondary preferential creditors mainly include Her Majesty's Revenue and Customs (HMRC) which will rank below the ordinary preferential creditors in relation to outstanding taxes 'paid' by employees and customers of that business. These include Value Added Tax (VAT), Pay As You Earn (PAYE), employee National Insurance Contributions (NIC), student loan deductions and Construction Industry Scheme deductions. It is important to note that there is no cap or time limit on what HMRC can recover in respect of the above.

The secondary preferential creditors will only be entitled to receive a dividend after all the ordinary preferential creditors have received 100p in the pound (£).

HMRC will continue to be an unsecured creditor for corporation tax and any other taxes owed directly by a company/business (for example employer NIC).

No claims have been received to date. Based on the directors' SOA HMRC are owed £1,285 comprising of liabilities in relation to outstanding taxes in the form of employee PAYE deductions.

Based on current information the administrators are unable to confirm whether there will be sufficient relations to enable a distribution to secondary preferential creditors as this is dependent on the amount of asset realisations from the book debts and the quantum of the deferred consideration to be received from the sale of the business.

8.5 Unsecured creditors

One creditor claim has been received to date in the amount of £19,373. Total claims as per the directors' SOA were £533,380.

Due to the nature of the Company's business and the FOS related claims made by clients (both adjudicated and ongoing), it is anticipated that there may be a significant claim by the FSCS as a result of compensation paid to clients. The administrators are in regular contact with the FSCS and will provide further details in this regard in due course.

Clients who believe they have a complaint against the Company should contact the FSCS in the first instance. The FSCS has confirmed that it is now open to customer claims. FSCS is investigating whether there are any claims that meet the qualifying conditions for compensation. As part of this investigation the administrators are working closely with the FSCS. Further information can be found at: <https://www.fscs.org.uk/making-a-claim/failed-firms/corp-prof-pensions/>

Based on current information the administrators are unable to confirm whether there will be sufficient relations to enable a distribution to unsecured creditors as this is dependent on the amount of asset realisations from the book debts and the quantum of the deferred consideration received from the sale of the business.

The administrators have not undertaken any work on agreeing creditor claims to date.

9. Outstanding matters

The remaining actions to be concluded in the administration are as follows:

- Finalising all matters relating to the business and asset sale and dealing with all post-sale contractual obligations arising during the transitional period;
- Collection of deferred sales consideration
- Continuing with the recovery of debtor & trading sales
- To conclude the potential VAT refund position
- Seeking fee approval from the appropriate parties
- Continuing to progress the investigatory matters detailed in Section 4 of the report.
- Obtaining tax clearance
- Closure of the administration, including preparing and issuing the final report

10. Privacy and data protection

As part of our role as joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at www.evelyn.com/rrsgdpr

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

11. Ending the administration

In accordance with the provisions of IA86, administrations automatically come to an end after one year unless an extension is granted by the court or with the agreement of the creditors.

As detailed in the administrators proposals, there are several possible exit routes from administration and based on current information, it is considered that the following exit routes may be appropriate:

- **Dissolution**

If there is no further property which might permit a distribution to the Company's creditors, the administrators may file a notice to that effect with the Registrar of Companies and the Company will be dissolved three months later.

- **CVL**

Where a distribution to unsecured creditors is to be made other than by virtue of the Prescribed Part, the administrators may file a notice to that effect with the Registrar of Companies. The administration will cease and a CVL begin on the date that the notice is registered, with the joint administrators appointed as joint liquidators.

The administrators have not yet sought approval regarding their discharge from liability. It is anticipated that approval will be sought from the creditors at the appropriate time.

12. Creditors' rights

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 or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this 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 (including any paid) by the administrators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Adam Henry Stephens or Nicholas Myers in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London EC2V 7BG or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

i) Email: insolvency.enquiryline@insolvency.gov.uk

ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

13. Next report

We are required to provide a further report on the progress of the administration within one month of the end of the next six month period of the administration unless we have concluded matters prior to this, in which case we will write to all creditors with our final report.



Adam Henry Stephens and Nicholas Myers

Joint Administrators

Date: 30 August 2022

We thank the Company's various stakeholders and creditors for their input to date. Thank you.

Adam Henry Stephens and Nicholas Myers have been appointed as Joint Administrators of the Company on 1 February 2022.

The affairs, business and property of the company are being managed by the Joint Administrators as agents and without personal liability.

Both/All officeholders are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales and are bound by their code of ethics. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: www.evelyn.com/insolvency-licensing-bodies

The Joint Administrators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Evelyn Partners LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment.

The Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at www.evelyn.com/rsgdpr

Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

The word partner is used to refer to a member of Evelyn Partners LLP. A list of members is available at the registered office

Registered in England at Gresham Street, London EC2V 7BG No OC369631

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

Appendices



I Receipts and payments account

Receipts and payments account to 31/07/2022

**Corporate & Professional Pensions Limited
(In Administration)
Joint Administrators' Trading Account
To 31/07/2022**

S of A £	£	£
POST APPOINTMENT SALES		
Sales	5,269.67	5,269.67
OTHER DIRECT COSTS		
Direct Labour	15,427.91	
PAYE / NIC	4,732.21	(20,160.12)
TRADING EXPENDITURE		
Licence Fee	4,208.68	
Rent - Serviced Office	(5,228.95)	
Heat & Light	(356.06)	
IT - Software	(224.00)	
Telephone	(103.41)	
Licence to Occupy - Utilities	36.28	
Bank Charges	(147.50)	
Transfer from Pre Appt NatWest A/c	65.00	
Transfer to Pre Appt NatWest A/c	(65.00)	(1,814.96)
TRADING SURPLUS/(DEFICIT)		(16,705.41)

Corporate & Professional Pensions Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 31/07/2022

S of A £		£	£
	ASSET REALISATIONS		
	Intellectual Property	1.00	
	Client Database	69,997.00	
	Goodwill	1.00	
	Information Technology	1.00	
1,200.00	IT Equipment	5,000.00	
	Allowance to Purchaser	(400.00)	
Uncertain	Book Debts	16,292.00	
6,487.00	VAT Refund	NIL	
60,640.00	Cash at Bank	60,639.66	
	Sale of Business Deposit	15,000.00	
	Bank Interest Gross	34.87	
	Trading Surplus/(Deficit)	(16,705.41)	
	Client Monies Received in Error	3,660.00	
		<u>153,521.12</u>	
	COST OF REALISATIONS		
	Repayment of Client Monies Recd in E	780.00	
	Data room	700.00	
	Agents/Valuers Fees	6,500.00	
	Legal Fees (1)	30,000.00	
	Statutory Advertising	200.60	
	Bank Charges	16.40	
		<u>(38,197.00)</u>	
<u>68,327.00</u>			<u><u>115,324.12</u></u>
	REPRESENTED BY		
	VAT Receivable		8,598.37
	Clients Deposit account		107,779.68
	VAT Payable Flt Chg		(1,053.93)
			<u><u>115,324.12</u></u>

Notes and further information required by SIP 7

- The administrators' remuneration has not yet been approved.
- We have not yet sought approval of or drawn any other costs that would require the same approval as our remuneration.
- No payments have been made to us from outside the estate.
- Details of significant expenses paid are provided in the body of our report.
- We have not used subcontractors to date.
- Information concerning our remuneration and expenses incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.

Notes and further information required by SIP 9

SIA Group Asset Ingenuity Ltd ("SIA")

The Company's tangible assets comprised of office furniture and equipment. SIA were instructed to provide a desktop valuation of the Company's tangible assets. They were instructed on a time costs basis and incurred and been paid £1,000 during the period.

Metis Partners Limited ("Metis")

The Company's intellectual property ("IP") assets constituted the majority of the Company assets by value. Metis were instructed to prepare an independent valuation of the IP assets. They were engaged on a fixed fee basis, being £5,500 which has been paid in full during the period.

Addleshaw Goddard LLP

Addleshaw Goddard have advised that their time costs incurred since the date of administration relate to the following activities:

- Attending regular calls with the FCA.
- Liaising with the administrators and Ray Platt over undertakings that Ray Platt is due to provide to the FCA.
- Drafting the exclusivity agreement for the proposed purchaser of the business and drafting the extension to exclusivity agreement.
- Drafting and finalising the Transition Services Agreement.
- Drafting and finalising the Sale & Purchase Agreement.
- Drafting and finalising the licence to occupy.
- Reviewing SIPP Trust Deed and Rules and documents in data site.
- Reviewing the proposed purchaser's mark-up / comments in respect of the documents noted above.
- Discussing the documents noted above with the administrators and their staff.
- Considering transfer mechanics.
- General updates, calls and emails.

II Time analysis for the period

From 01/02/2022 to 31/07/2022

Period	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	4.08	21.10	38.67	4.17	-	68.02	20,818.27	306
Case administration	6.68	7.57	30.25	13.20	-	57.70	17,190.00	298
Sub-total Administration & planning	10.77	28.67	68.92	17.37	-	125.72	38,008.27	302
Investigations								
Directors	1.00	1.90	11.58	-	-	14.48	4,130.52	285
Records and investigations	0.80	7.55	29.17	-	-	37.52	10,514.26	280
Sub-total Investigations	1.80	9.45	40.75	-	-	52.00	14,644.78	282
Realisation of assets								
Other assets	-	5.50	19.45	-	-	24.95	7,009.42	281
Business sale	31.47	46.55	7.67	7.35	-	93.03	40,970.03	440
Premises clearance	0.25	0.25	-	-	-	0.50	248.75	498
Sub-total Realisation of assets	31.72	52.30	27.12	7.35	-	118.48	48,228.20	407
Trading								
Trading suppliers and expenses	-	1.80	10.00	-	-	11.80	3,191.00	270
Trading accounting	-	4.45	1.75	-	-	6.20	2,177.75	351
Trading employees	-	3.80	3.83	-	-	7.63	2,421.02	317
Trading customers	0.55	12.80	11.03	0.10	-	24.48	8,132.16	332
Trading compliance	3.40	0.35	1.17	-	-	4.92	2,458.26	500
Trading shutdown/handover	-	5.40	-	-	-	5.40	2,133.00	395
Sub-total Trading	3.95	28.60	27.78	0.10	-	60.43	20,513.19	339
Creditors								
Employees, Pensions & RPS	-	-	0.25	-	-	0.25	60.00	240
Unsecured creditors (exc. Staff)	0.70	3.75	2.95	0.10	-	7.50	2,644.28	353
Sub-total Creditors	0.70	3.75	3.20	0.10	-	7.75	2,704.28	349
Total of all hours	48.93	122.77	167.77	24.92	-	364.38		
Total of all £	29,289.98	48,558.64	40,725.91	5,524.19	-		124,098.72	
Average rate	598.57	395.54	242.75	221.71	-			341
Time undertaken by non insolvency teams								
Total hours (non insolvency teams)	-	-	-	-	-	-	-	-
Total £ (non insolvency teams)	-	-	-	-	-	-	-	-
Average rate £/hr (non insolvency teams)	-	-	-	-	-	-	-	-
Grand total hours	48.93	122.77	167.77	24.92	-	364.38		
Grand total £	29,289.98	48,558.64	40,725.91	5,524.19	-		124,098.72	
Average rate £/hr (all staff)	599	396	243	222	-			341

Explanation of major work activities undertaken

Administration & planning

This section of the analysis encompasses the cost of the officer-holders and their staff in complying with their statutory obligations, internal compliance requirements, and all tax matters.

This work includes the following:

- Issuing initial statutory notifications of the administrators' appointment to creditors and other parties.
- Statutory duties associated with filing notice of the administrators' appointment at Companies House and statutory advertising.
- Protecting the Company's assets and collecting in records (including electronic records).
- Dealing with routine correspondence.
- Maintaining electronic case files and case details on IPS (case management software).
- Case bordereau and reviews.

- Case planning, administration and general case progression, including adjustments in the appointment strategy.
- All cashiering functions, including trading receipts & payments and managing the administrators' cash book and bank accounts.

Investigations

Investigations include work carried out as a consequence of the obligations placed upon the administrators to investigate the Company's affairs. This work includes the following:

- Issuing directors conduct questionnaires to both directors.
- Liaising with the Company's directors to obtain the necessary company records to carry out the administrators' investigation and enable continued trading.
- Undertaking an initial review of the Company's books and records for any potential matters which might lead to recoveries for the estate.
- Further enquiries into potential claims that the administrators may be able to bring and the likelihood of recoveries for the administration estate.

Realisation of assets

Work carried out under this section relates to the realisation of the Company's assets. Further details are provided in section 3 of the report.

Trading

Costs recorded under this heading relate to time spent by the administrators and their staff in continuing to trade the business as detailed in section 3.1. These time costs primarily relate to:

- Liaising with the Company's employees in respect of ongoing administration of client SIPP and SSASs.
- Dealing with client queries.
- Liaising with suppliers in relation to continuity of certain services – mainly IT-related.
- Correspondence with the landlord in respect of the Company's serviced office premises.
- Arranging payment of staff wages during the trading period.
- Arranging ongoing insurance for the trading period.
- Complying with the administrators' obligations in respect of health & safety requirements.
- Monitoring the Company's cash flow during the trading period.
- Handover and post completion matters after the sale had completed.

Creditors

Work under this heading includes correspondence and other contact with the Company's creditors. Time costs to date have been incurred carrying out the following:

- Dealing with creditor correspondence via email, telephone and post.
- Maintaining creditors' information on IPS (insolvency case management software).
- Compiling information requested by the FSCS in respect of ongoing claims.

III Staffing, charging, subcontractor, and adviser policies and charge out rates

Introduction

Detailed below are:

- Evelyn Partner LLP's policies in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Expense recovery
- Evelyn Partner LLP's current charge out rates

Staff allocation and the use of subcontractors

Our 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 and a partner or director or associate director or consultant as joint officeholders, 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. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed, and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the case (including our cashiers (which is centralised in London), support and secretarial staff) charge time directly to the assignment and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. Time up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

It may be necessary to utilise staff from both the regional and London offices, subject to the specific requirements, e.g. geographical location, of individual cases.

This case is predominantly being conducted from the Birmingham office with partner and cashiering input from the London office.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

No subcontractors' services have been utilised in the period covered by this report.

Any such arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.

- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and
- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

Expenses

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also, chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 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 include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Evelyn Partners LLP's policy is to recover only one type of Category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Details of any Category 2 expenses incurred and/or recovered in the period covered by this report are set out in the body of this report.

Charge out rates

The rates applicable to this appointment are set out below. Changes to the charge out rates during the period of this report were applied with effect from 1 July 2022.

Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2021	London Office £/hr	Regional Offices £/hr
Partner	590-610	480
Director / Associate Director	395-530	395-415
Managers	290-430	240-335
Other professional staff	130-280	160-215
Support & secretarial staff	100-120	90

Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2022	London Office £/hr	Regional Offices £/hr
Partner	650-670	528
Director / Associate Director	420-570	410-455
Managers	280-460	230-370
Other professional staff	205-300	165-240
Support & secretarial staff	100-120	88

Notes

1. Time is recorded in units representing 3 minutes or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
3. Following a change to our time reporting software, from 1 August 2020 the cashiering function time continues to be reported according to the seniority of staff undertaking the work in our time analyses and is split between 'Other professional staff', 'Managers' and 'Associate Director'.
4. Partner includes a Consultant acting as an office-holder or in an equivalent role.

IV Professional advisers

Name of professional advisor	Basis of fee arrangement	Costs incurred in current period £	Anticipated future total £	Costs paid in current period £	Total costs outstanding at period end £
Addleshaw Goddard LLP	Hourly rate and expenses	68,144	15,000	30,000	£38,144
Metis Partners Limited	Fixed Fee	5,500	Nil	5,500	Nil
SIA Group Asset Ingenuity Ltd	Hourly rate and expenses	1,000	Nil	1,000	Nil
Total		74,644	10,000	36,500	38,144

Notes:

Addleshaw Goddard are regulated by the Solicitors Regulation Authority (SRA).

Metis Partners is governed by Scot Law. In addition, the Metis team is comprised of three chartered accountants.

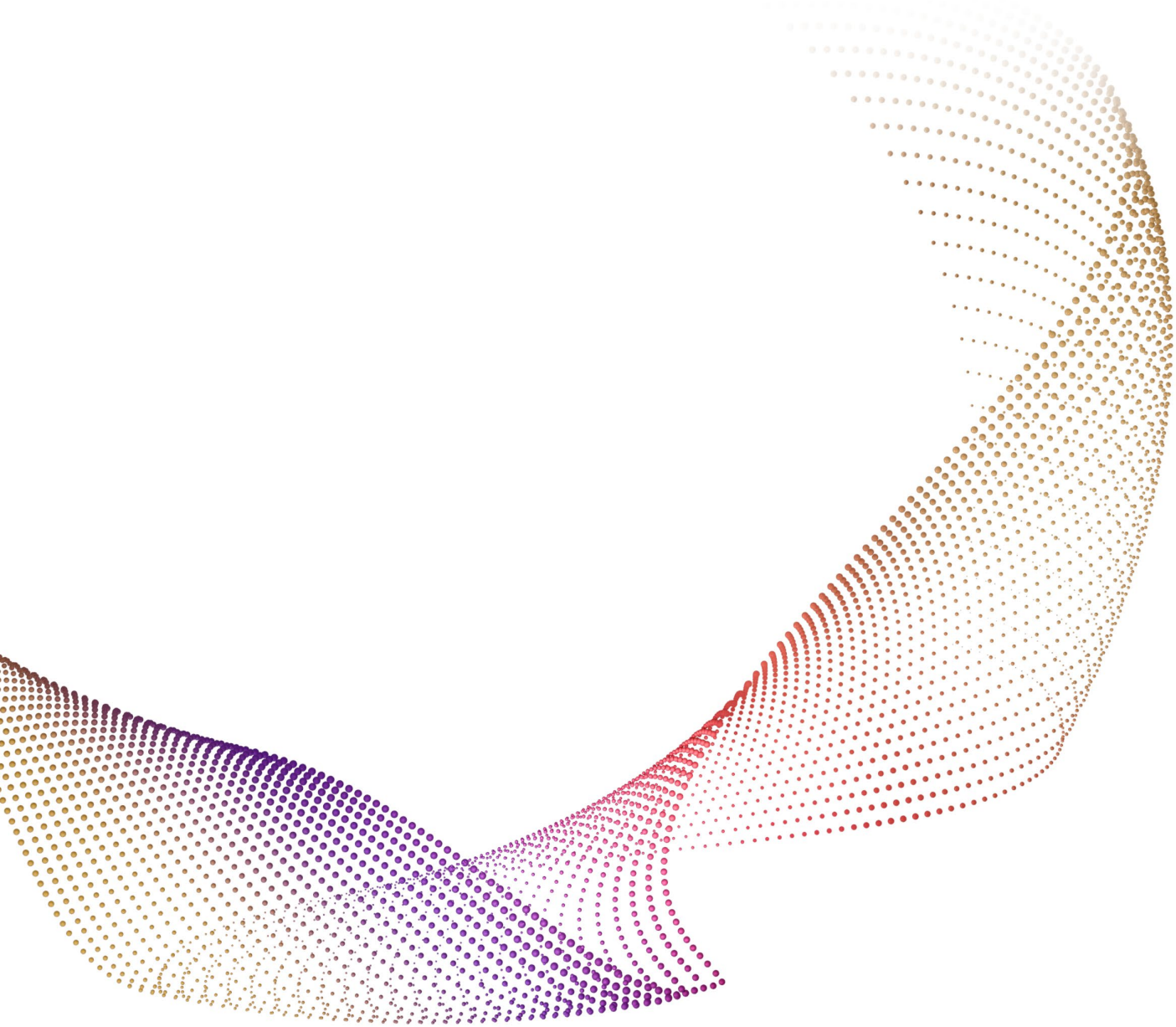
SIA Group Asset Ingenuity is qualified by the Royal Institution of Chartered Surveyors.

V Administrators' expenses

Description	Costs incurred in current period	Anticipated future total £	Costs paid in current period £	Total costs outstanding at period end £
Statutory Advertising	201	Nil	201	Nil
Administrators' bonds	140	Nil	Nil	140
Category 2 expenses	Nil	Nil	Nil	Nil
Total	341	Nil	201	140

VI Other expenses

Supplier/service provider and nature of expenses incurred	Costs incurred in current period	Anticipated future total £	Costs paid in current period £	Total costs outstanding at period end £
Marsh Plc (insurance	448	Nil	Nil	448
iDeals - Virtual Data Room	700	Nil	700	Nil
Total	1,148	Nil	700	448



www.evelynpartners.com

Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury, and Southampton.

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