

Corporate & Professional Pensions Limited (in administration)

The joint administrators' progress report for the period
from 1 August 2022 to 31 January 2023

20 February 2023

evelyn
PARTNERS

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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)
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
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
SIP	Statement of Insolvency Practice
SOA	Statement of Affairs
CVL	Creditors' Voluntary Liquidation
WTSL	Westerby Trustee Services Limited, the purchaser of the Company's business & certain assets
WPAL	Westerby Pension Administration Limited
NatWest	National Westminster Bank Plc, the Company's former bankers
the Landlord	IW Group Services (UK) Limited t/a Basepoint Business Centres
ETR	Estimated to realise
SIPP	Self-Invested Personal Pension
SSAS	Small Self-Administered Pension
FOS	Financial Ombudsman Service
FCA	Financial Conduct Authority
FSCS	Financial Services Compensation Scheme
HMRC	His Majesty's Revenue and Customs
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

2. Introduction and Summary

This report provides an update on the progress in the administration of the Company for the six-month period ended 31 January 2023. It should be read in conjunction with any previous reports. By way of reminder, Adam Henry Stephens and Nicholas Myers of Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG, were appointed as the joint administrators of the Company on 1 February 2022.

- As previously reported, 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 on completion and a further £74,000 payable 13 months after completion of the sale, which may be reduced based on a client attrition rate (i.e. to reflect potential reduced income as a result of clients moving their pension scheme to an alternative provider).

- 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.
- No distributions have been made to any class of creditors during the reporting period.
- 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 cost basis.
- Based on current information the administrators are unable to confirm whether there will be sufficient realisations to enable a distribution to creditors, as this is dependant on the amount of deferred consideration to be received from the sale of the Company's business and the realisations achieved in respect of the Company's book debts.
- The administration has been extended for a period of 1 year until 31 January 2024 with creditor consent.

3. Progress of the administration

Attached at Appendix I is our receipts and payments account for the period from 1 August 2022 to 31 January 2023. This account includes cumulative figures for the period from 1 February 2022 to 31 January 2023.

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

A summary of the work carried out during the reporting period is set out below.

3.1 Trading

As set out in our previous report, the administrators continued to trade the Company's business for a short period (the "trading period") following their appointment whilst negotiations regarding the business sale to WTSL and WPAL were finalised.

Sales income of £3,710 in respect of the trading period was received during the reporting period. This income relates to annual SIPP administration invoices issued to clients during the trading period. The administrators are continuing to pursue the remaining unpaid client invoices raised during the trading period.

Residual trading costs totalling £780 were paid during the period. These costs were incurred during the trading period and relate to rent, utilities and IT services.

As a result of the above, the trading deficit of £16,705 previously reported has been reduced by £2,930 to £13,775 as at the end of the reporting period. A trading receipts and payments account is included at Appendix I.

3.2 Sale of Business

The Company's business and assets (excluding book debts) were sold to WTSL and WPAL for £164,000 on 17 March 2022. Consideration of £90,000 was received upon completion of the sale, with the balance of £74,000 (the "deferred consideration") becoming due circa 13 months after completion (allowing for the time to calculate the amount of deferred consideration payable).

Under the terms of the sale agreement, the deferred consideration may be reduced based on the client attrition rate during the 12-month period following completion of the business sale. As this period has not yet expired, it is not yet possible to determine the final consideration figure in respect of the business sale. We will provide an update in our next report to creditors.

Due to the nature of the Company's business, a transitional services agreement ('TSA') was entered by the administrators and WTSL whereby WTSL undertook to provide certain management and administrative services to transfer the assets held in the CPPL SIPPs to alternative SIPPs (either administered by WTSL or by third party SIPP operators) and wind up the CPPL SIPP.

Under the TSA WPAL has carried out the functions and duties of the SSAS trustee and scheme administrator, as appropriate, according to the role CPPL carried out in relation to each SSAS and will continue to do so until the SSAS is transferred to WPAL or CPPL has ceased to be appointed as trustee or scheme administrator.

This exercise commenced upon completion of the business sale in March 2022 and has remained ongoing throughout the reporting period. A further update will be provided in our next report to creditors.

3.3 Book Debts

The company's book debts were not included in the sale to WTSL and WPAL.

The directors' SOA included book debts with a book value of £68,123 at the date of administration with the ETR value being uncertain. The administrators have since established that a large portion of the ledger is unlikely to be collectable due to the age of the invoices and / or clients disputing the outstanding balances.

The administrators have continued to pursue the outstanding debtor balances and realisations of £1,680 were received during the reporting period, bringing total book debt realisations to £17,972. Attempts to collect further debtors remain ongoing.

3.4 Cash at Bank

Cash at bank totalling £63,520 was realised into the administration bank account during the previous reporting period.

During the current period the administrators were made aware of 4 additional NatWest bank accounts held by the Company, all of which were initially used by WTSL to facilitate their administration of CPPL client SIPPs which had not yet been transferred to either WTSL or an alternative SIPP operator (see section 3.2). At the end of the reporting period, 3 accounts remained in use by WTSL. It is our understanding that all 4 accounts contain an element of cash at bank, and a reconciliation is in progress to establish the extent of cash at bank held.

The administrators have worked alongside NatWest and WTSL throughout the reporting period with the aim of agreeing a strategy to transferring all client monies to the appropriate parties, realising the residual cash at bank held in the accounts and subsequently closing the accounts. This exercise remains ongoing and we will provide an update in our next report to creditors.

3.5 Bank Interest (Gross)

Bank interest of £801 was received during the period. This was received gross of tax.

3.6 Client monies received in error

During the period £199,976 of client monies were received into the administration bank account from an investment platform provider used by the Company pre-administration. These monies have been paid over to the correct recipient in accordance with the client's instructions.

3.7 Assets still to be realised

As set out above, the key assets remaining to be realised are as follows:

- **Deferred consideration relating to the business sale** – this will be calculated after 17 March 2023 based on a starting point of £74,000, adjusted to reflect the client attrition rate during the 12 months following the business sale.
- **Trading income** – The administrators are continuing to seek payment from clients of invoices raised during the administration trading period.
- **Book debts** – The administrators are continuing to pursue debtors in respect of outstanding book debts.
- **Cash at bank** – The administrators are working closely with NatWest and WTSL to resolve the matters relating to the 4 remaining CPPL NatWest bank accounts, with a view to reconciling the balances, realising any cash at bank held in the accounts and ultimately closing them.
- **VAT refund** – The SOA reflects a VAT refund of £6,487. This will be dealt with in conjunction with HMRC's wider claim in the administration and may be offset against other HMRC liabilities.

3.8 Administration strategy

The administrators' strategy remains as set out in their Report and Statement of Proposals dated 14 March 2022, namely to achieve a better result for the Company's creditors than would be likely if the Company were wound up (without first being in administration).

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 are continuing to assess the merits of potential claims which they may be able to bring and the likelihood of such claims resulting in recoveries for the administration estate. We are unable to disclose further information at this time as it could prejudice any future action that may be taken by the administrators.

5. Pre-administration costs

The pre-administration costs were reported in the administrators' proposals dated 14 March 2022. The joint administrators have not yet sought approval of their pre-administration costs but intend to do so in due course.

6. The joint 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 activities carried out by them:

- as a percentage of asset realisations;
- by reference to time properly spent by the joint administrators and their staff in attending to matters arising in the administration (a 'time cost basis'); or
- as a set amount.

The administrators have not yet sought approval for the basis of their remuneration and are not doing so at this time. Approval will be sought in due course on a time cost basis, and a fee estimate will be provided at this time which will set out the future anticipated costs of the administration.

The administrators' time costs incurred to date are:

Period	Total hours hrs	Total costs £	Avg hourly rate £/hr	Fees drawn £
1 February 2022 to 31 July 2022	364.38	124,099	340	Nil
1 August 2022 to 31 January 2022	145.45	49,848	343	Nil
Total	509.83	173,947	341	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.

Also attached, as Appendix III, is a cumulative time analysis for the period from 1 February 2022 to 31 January 2023 which provides details of the administrators' time costs since appointment. Fee approval has not yet been sought and no fees have been drawn on account of these costs.

The joint administrators anticipate the future costs to be in the region of £50,000 - £70,000.

A narrative explanation of these costs can be found in the 'Outstanding matters' section of this report.

Please note that this estimate is based on present information and may change due to unforeseen circumstances arising.

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/>

Following a change to this firm's financial year-end we reviewed our charge-out rates on 1 January 2023. In common with other professional firms, our scale rates rise to cover inflationary cost increases (which readers will be aware have been particularly high of late) and accordingly our rates have risen on average by approximately 5% with effect from 1 January 2023. This increase takes into account that only six months have passed since the date of the last increase to avoid prejudice to creditors and stakeholders. Rate reviews will now revert to being annual.

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 IV.

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. The joint administrators' expenses

The tables in Appendices V to VII provide details of our expenses. Expenses are amounts properly payable by us as the joint 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.

7.2 Professional advisers

As you will be aware, our estimated expenses included the cost of instructing professional advisors and the table at Appendix V discloses the costs incurred and paid, along with the original estimates. 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 specified in Appendix V were instructed to advise the administrators based on their expertise and experience in insolvency matters. Their charges are in line with market rates and as such they are considered to provide best value and services to the general body of creditors.

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

7.3 The joint administrators' expenses

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

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

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 VII 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.

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

7.6 Policies regarding use of third parties and expense recovery

Appendix IV 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

The estimated outcome for each class of creditors is set out below.

8.1 Secured creditors

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

8.2 Prescribed Part

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

8.3 Ordinary preferential creditors

As set out in our previous progress report, the directors' SOA included estimated employee claims of £4,412 in respect of holiday pay.

The Company's employees were transferred to WTSL under TUPE as part of the business and asset sale. This transfer included their statutory entitlements, and as such no ordinary preferential creditor claims are expected in the administration.

8.4 Secondary preferential creditors

As from 1 December 2020 certain liabilities due to His Majesty's Revenue and Customs (HMRC) that arose after this date were given secondary preferential status.

Claims from the secondary preferential creditors mainly include His 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, 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 the Company (for example employer National Insurance Contributions).

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

8.5 Unsecured creditors

We have received claims totalling £20,329 from 2 creditors. Total claims as per the directors' SOA were £490,978.

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 is likely to be a significant claim by the FSCS in respect of compensation paid to clients. The administrators are in regular contact with the FSCS and will provide further details 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 and is investigating whether there are any claims that meet the qualifying conditions for compensation. The administrators are working closely with the FSCS in this regard. Further information can be found on the FSCS website at: <https://www.fscs.org.uk/making-a-claim/failed-firms/corp-prof-pensions/>

A summary of unsecured claims received and agreed is set out below:

	SOA claims £	Claims received £	Claims agreed in current period £	Total claims agreed £
Amount of claims (£)	533,580	20,329	Nil	Nil
Number of claims	13	2	Nil	Nil

Based on current information the administrators are unable to confirm whether there will be sufficient realisations to enable a distribution to the Company's unsecured creditors, as this will depend on the amount of book debt realisations and the total deferred consideration received in respect of the business sale.

As such, no steps have been taken by the administrators to date to agree creditor claims.

9. Outstanding matters

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

- Finalising all matters relating to the business and assets sale, including:
 - dealing with all post-sale contractual obligations arising during the transitional period;
 - Working with WTSL and NatWest to facilitate the reconciliation of funds held in the 4 remaining CPPL NatWest bank accounts; and
 - Agreeing, calculating and collecting the deferred consideration.
- Realising any cash at bank held within the 4 remaining CPPL NatWest bank accounts and arranging for the accounts to be closed.
- Collecting outstanding book debts and trading income.
- Completing the investigations set out in section 4 of this report.

- Seeking approval from the relevant parties regarding the administrators' pre- and post-appointment time costs and expenses.
- 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/rsgdpr.

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

As set out in section 2 of this report, deemed consent was obtained from the Company's creditors in December 2022 to extend the administration for a period of 12 months until 31 January 2024.

Our previous progress report outlined the following exit routes from administration which may be appropriate in this case:

- **Dissolution** – If there is insufficient property to enable 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 3 months later.
- **CVL** – Where a distribution to unsecured creditors is to be made other than by way 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 being appointed as joint liquidators.

The exit route followed will depend on the realisations of deferred consideration from the business sale and book debt collections. Realisations are currently uncertain and as such the administrators have not yet sought approval regarding their discharge from liability. 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:

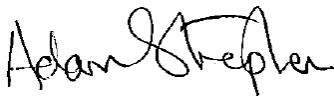
i) Email: insolvency.enquiryline@insolvency.gov.uk

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

Joint Administrator

Date: 20 February 2023

Adam Henry Stephens and Nicholas Myers have been appointed as the 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 of the joint office-holders 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

Evelyn Partners LLP is 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

Joint Administrators' Trading Account to 31 January 2023

**Corporate & Professional Pensions Limited
(In Administration)
Joint Administrators' Trading Account**

Statement of Affairs £	From 01/08/2022 To 31/01/2023 £	From 01/02/2022 To 31/01/2023 £
POST APPOINTMENT SALES		
Sales	3,710.00	8,979.67
	<u>3,710.00</u>	<u>8,979.67</u>
OTHER DIRECT COSTS		
Direct Labour	NIL	15,427.91
PAYE / NIC	NIL	4,732.21
	<u>NIL</u>	<u>(20,160.12)</u>
TRADING EXPENDITURE		
Licence Fee	NIL	4,208.68
Rent - Serviced Office	(598.00)	(5,826.95)
Heat & Light	(98.42)	(454.48)
IT - Software	(66.00)	(290.00)
Telephone	(17.13)	(120.54)
Licence to Occupy - Utilities	NIL	36.28
Bank Charges	NIL	(147.50)
Transfer from Pre Appt NatWest A/c	NIL	65.00
Transfer to Pre Appt NatWest A/c	NIL	(65.00)
	<u>(779.55)</u>	<u>(2,594.51)</u>
TRADING SURPLUS/(DEFICIT)	<u>2,930.45</u>	<u>(13,774.96)</u>

Joint Administrators' Receipts & Payments Account to 31 January 2023

Corporate & Professional Pensions Limited (In Administration) Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 01/08/2022 To 31/01/2023 £	From 01/02/2022 To 31/01/2023 £
	ASSET REALISATIONS		
	Funds Received in Error	199,976.35	200,756.35
	Return of Funds Received in Error	(199,976.35)	(200,756.35)
	Allowance to Purchaser	NIL	(400.00)
	Bank Interest Gross	801.07	835.94
Uncertain	Book Debts	1,680.00	17,972.00
60,640.00	Cash at Bank	NIL	63,519.66
	Client Database	NIL	69,997.00
	Goodwill	NIL	1.00
	Information Technology	NIL	1.00
	Intellectual Property	NIL	1.00
1,200.00	IT Equipment	NIL	5,000.00
	Sale of Business Deposit	NIL	15,000.00
	Trading Surplus/(Deficit)	2,930.45	(13,774.96)
6,487.00	VAT Refund	NIL	NIL
		<u>5,411.52</u>	<u>158,152.64</u>
	COST OF REALISATIONS		
	Agents/Valuers Fees	NIL	6,500.00
	Bank Charges	1.65	18.05
	Data room	NIL	700.00
	Insurance of Assets	448.00	448.00
	Legal Fees	NIL	30,000.00
	Statutory Advertising	NIL	200.60
		<u>(449.65)</u>	<u>(37,866.65)</u>
68,327.00		<u>4,961.87</u>	<u>120,285.99</u>
	REPRESENTED BY		
	Clients Deposit account		113,342.40
	VAT Payable Flt Chg		(1,795.93)
	VAT Receivable		8,739.52
			<u>120,285.99</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 during the period, with the exception of £200k which was erroneously paid into the administration bank account by an investment platform previously used by the Company. All monies received in error have been returned.
- Details of significant expenses paid are provided in the body of our report.
- We have not used any subcontractors during the reporting period.

- 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

Residual trading payments

- A payment of £713.55 (net of VAT) was made to the Landlord during the reporting period. This relates to the final premises cost invoice in respect of the trading period.
- A final payment of £66 was made to Intuit Limited during the reporting period for use of the Company's Quickbooks accounting software both during and after the trading period to facilitate collection of client payments for invoices raised during the trading period.

Insurance

- £448 was paid to Marsh during the period in respect of insurance of the Company's assets prior to the sale of business to WTSL and WPAL on 17 March 2022.

II Time analysis for the period

From 1 August 2022 to 31 January 2023

Period	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
01/08/2022 - 31/01/2023	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	1.52	6.10	26.42	1.00	-	35.03	11,109.20	317
Case administration	1.05	0.92	11.42	5.05	-	18.43	5,830.88	316
Sub-total Administration & planning	2.57	7.02	37.83	6.05	-	53.47	16,940.08	317
Realisation of assets								
Other assets	0.60	4.00	60.75	-	-	65.35	21,225.95	325
Tax assets	-	-	0.33	-	-	0.33	95.99	288
Business sale	2.43	8.80	6.00	-	-	17.23	7,778.69	451
Premises clearance	0.25	-	-	-	-	0.25	165.00	660
Sub-total Realisation of assets	3.28	12.80	67.08	-	-	83.17	29,265.63	352
Trading								
Trading suppliers and expenses	-	-	1.72	-	-	1.72	466.11	272
Trading customers	0.10	-	-	-	-	0.10	70.72	707
Trading compliance	-	-	0.75	-	-	0.75	318.00	424
Trading shutdown/handover	-	0.80	-	-	-	0.80	336.00	420
Sub-total Trading	0.10	0.80	2.47	-	-	3.37	1,190.83	354
Creditors								
Unsecured creditors (exc. Staff)	1.00	1.45	3.00	-	-	5.45	2,451.34	450
Sub-total Creditors	1.00	1.45	3.00	-	-	5.45	2,451.34	450
Total of all hours	6.95	22.07	110.38	6.05	-	145.45		
Total of all £	4,714.50	10,079.63	33,585.52	1,468.23	-		49,847.88	
Average rate	678.34	456.78	304.26	242.69	-			343
Time undertaken by non insolvency teams								
Total hours (non insolvency teams)	-	-	-	-	-	-	-	-
Total £ (non insolvency teams)	-	-	-	-	-	-	-	-
Average rate £/hr (non insolvency teams)	-	-	-	-	-	-	-	-
Grand total hours	6.95	22.07	110.38	6.05	-	145.45		
Grand total £	4,714.50	10,079.63	33,585.52	1,468.23	-		49,847.88	
Average rate £/hr (all staff)	678	457	304	243	-			343

Explanation of major work activities undertaken

Administration & Planning

Work carried out under this heading relates to the costs of the officeholders and their staff in complying with their statutory obligations, internal compliance requirements and all tax matters. Work carried out during the reporting period includes:

- Case planning, administration and general case progression, including regular reviews of the case strategy.
- All cashiering functions, including dealing with residual trading receipts and payments matters and monies received in error, along with general management of the administrators' cash back and bank accounts.
- Case bordereau and reviews.
- Dealing with routine correspondence.
- Preparing and issuing the administrators' progress report for the period 1 February – 31 July 2022.
- All matters relating to the extension of the administration by a period of 12 months until 31 January 2024.

Realisation of Assets

Work classified under this heading comprises all time costs incurred in respect of realising the Company's assets, Work carried out during the reporting period relates to:

- Liaising with the company's pre-appointment bankers regarding several pre-administration bank accounts, with a view to closing the accounts and realising the cash at bank balances as at the date of administration. This time is recorded under "Other Assets". See section 3.4 of this report for further details.
- Writing to debtors to seek repayment of outstanding balances and responding to queries received.
- Reviewing HMRC correspondence to assess whether any tax refunds are due for the pre-administration period.
- Liaising with WTSL regarding post-completion obligations and ongoing transitional arrangements relating to the business sale.

Trading

Costs recorded under this heading during the current period relate to dealing with residual trading matters, including:

- Dealing with client queries;
- Liaising with the Company's IT service providers in respect of services used during the trading period.
- Dealing with the Landlord to obtain, agree and make payment of the final rental invoice for the trading period.

Creditors

- Dealing with creditor correspondence by email, telephone and post.
- Maintaining creditor details on IPS (insolvency case management software).
- Providing information to the FSCS as and when requested to assist with ongoing claims.

III Cumulative time analysis

From 1 February 2022 to 31 January 2023

Cumulative 01/02/2022 - 31/01/2023	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	5.60	27.20	65.08	5.17	-	103.05	31,927.47	310
Case administration	7.73	8.48	41.67	18.25	-	76.13	23,020.88	302
Sub-total Administration & planning	13.33	35.68	106.75	23.42	-	179.18	54,948.35	307
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	0.60	9.50	80.20	-	-	90.30	28,235.37	313
Tax assets	-	-	0.33	-	-	0.33	95.99	288
Business sale	33.90	55.35	13.67	7.35	-	110.27	48,748.72	442
Premises clearance	0.50	0.25	-	-	-	0.75	413.75	552
Sub-total Realisation of assets	35.00	65.10	94.20	7.35	-	201.65	77,493.83	384
Trading								
Trading suppliers and expenses	-	1.80	11.72	-	-	13.52	3,657.11	271
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	0.65	12.80	11.03	0.10	-	24.58	8,202.88	334
Trading compliance	3.40	0.35	1.92	-	-	5.67	2,776.26	490
Trading shutdown/handover	-	6.20	-	-	-	6.20	2,469.00	398
Sub-total Trading	4.05	29.40	30.25	0.10	-	63.80	21,704.02	340
Creditors								
Employees, Pensions & RPS	-	-	0.25	-	-	0.25	60.00	240
Unsecured creditors (exc. Staff)	1.70	5.20	5.95	0.10	-	12.95	5,095.62	393
Sub-total Creditors	1.70	5.20	6.20	0.10	-	13.20	5,155.62	391
Total of all hours	55.88	144.83	278.15	30.97	-	509.83		
Total of all £	34,004.48	58,638.27	74,311.43	6,992.42	-		173,946.60	
Average rate	608.49	404.87	267.16	225.80	-			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	55.88	144.83	278.15	30.97	-	509.83		
Grand total £	34,004.48	58,638.27	74,311.43	6,992.42	-		173,946.60	
Average rate £/hr (all staff)	608	405	267	226	-			341

IV 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 the 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, eg, geographical location of individual cases. This case is predominantly being conducted from the London and Birmingham 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.

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

No subcontractors have been used in the period covered by this report.

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 Evelyn Partners LLP 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 January 2023.

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	London	Regional
Restructuring & Recovery Services	Office	Offices
Charge out rates from 1 July 2022	£/hr	£/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

Evelyn Partners LLP	London	London	Regional
Restructuring & Recovery Services	complex	standard	offices
Charge out rates from 1 January 2023	£/hr	£/hr	£/hr
Partner	870-890	700-720	550-570
Director & Associate Director	560-760	440-610	350-490
Managers	430-630	340-500	270-400
Other professional staff	210-360	160-290	130-230
Support & secretarial staff	120-140	100-120	80-100

Notes

1. Time is recorded in 1-minute units 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. The firm's cashiering function is centralised in London and the applicable rates are incorporated in the rates disclosed in this report. 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.

V Professional advisers

Name of professional advisor	Basis of fee arrangement	B/F from previous period	Costs incurred in current period	Cumulative total £	Estimate for future £	Anticipated future total £	Costs paid in current period £	Total costs outstanding at period end £
Addleshaw Goddard LLP (legal advice regarding the business sale and post-sale transitional matters)	Hourly rate and expenses	68,144	13,347	81,491	15,000	96,491	Nil	51,491
Metis Partners Limited (valuation and disposal advice)	Fixed fee	5,500	Nil	5,500	Nil	5,500	Nil	Nil
SIA Group Asset Ingenuity Ltd (valuation and disposal advice)	Hourly rate and expenses	1,000	Nil	1,000	Nil	1,000	Nil	Nil
Total		74,644	13,347	87,991	15,000	102,991	Nil	51,491

Notes:

- Total costs outstanding may include costs incurred in prior periods, but not yet paid.
- Addleshaw Goddard LLP are regulated by the Solicitors Regulation Authority (SRA).
- Metis Partners Limited is governed by Scottish law. The Metis team is composed of 3 chartered accountants.
- SIA Group Asset Ingenuity Limited is regulated by the Royal Institute of Chartered Surveyors.

VI Administrators' expenses

Description	B/F from previous period	Costs incurred in current period	Cumulative total £	Estimate for future £	Anticipated future total £	Costs paid in current period £	Total costs outstanding at period end £
Statutory advertising	201	Nil	201	Nil	201	Nil	Nil
Administrators' bonds	140	Nil	140	Nil	140	Nil	140
Total	341	Nil	341	Nil	341	Nil	140

Notes:

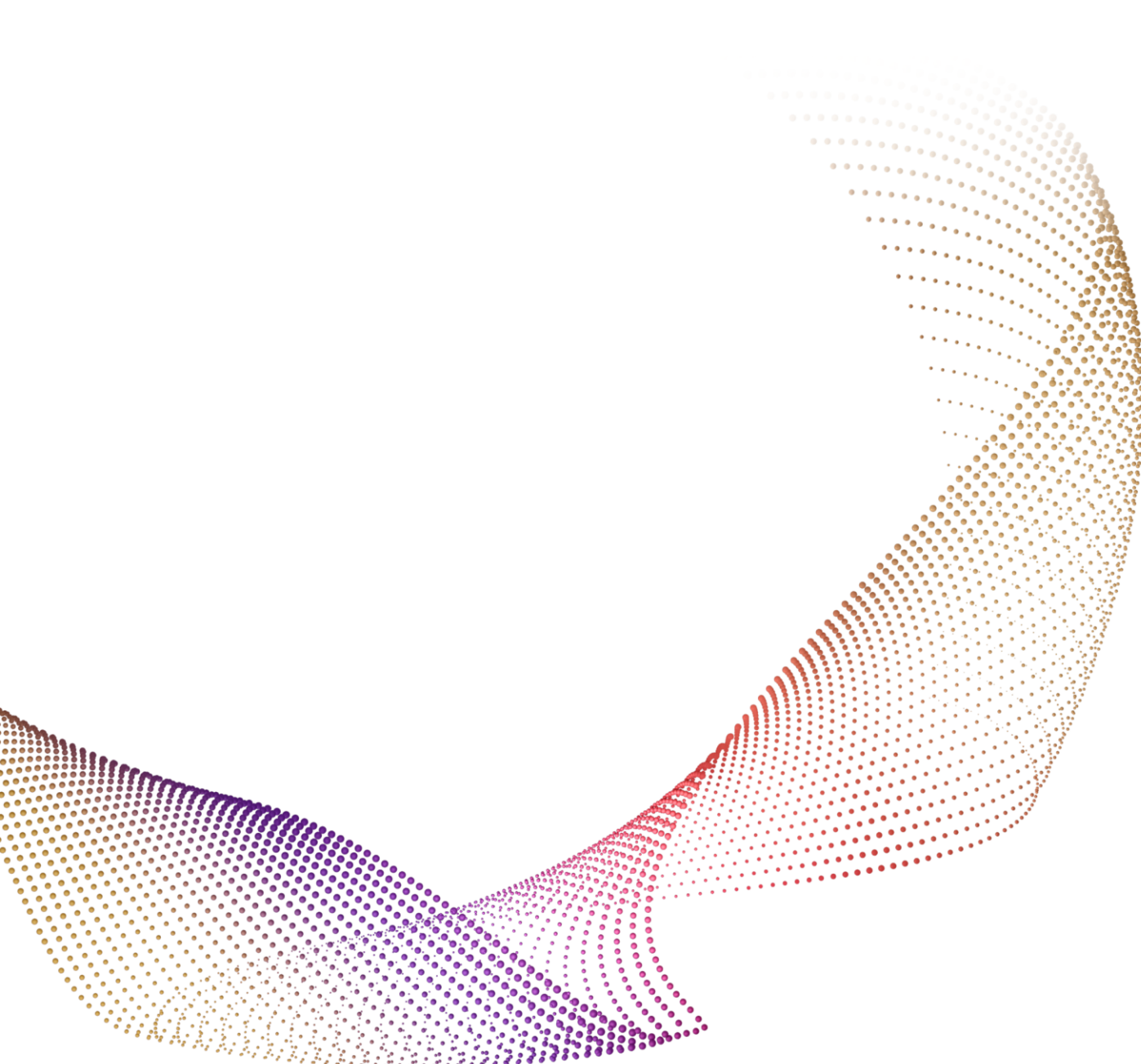
- Total costs outstanding may include costs incurred in prior periods, but not yet paid.

VII Other expenses

Supplier/service provider and nature of expenses incurred	B/F from previous period	Costs incurred in current period	Cumulative total £	Estimate for future £	Anticipated future total £	Costs paid in current period £	Total costs outstanding at period end £
Marsh Plc (insurance of company assets)	448	Nil	448	Nil	448	448	Nil
iDeals Solutions Group Limited (virtual data room)	700	Nil	700	Nil	700	Nil	Nil
Total	1,148	Nil	1,148	Nil	1,148	448	Nil

Notes:

- Total costs outstanding may include costs incurred in prior periods, but not yet paid.



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

Evelyn Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities and is registered in England at 45 Gresham Street, London, EC2V 7BG. No. OC 369631.

CLA Evelyn Partners Limited is registered to carry on audit work and regulated by the Institute of Chartered Accountants in England and Wales for a range of Investment business activities.

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