

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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COMPANIES HOUSE

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<b>1</b>	<b>Company details</b>
Company number	0 5 4 2 8 6 6 4
Company name in full	CBT Therapy Services Limited
<p>→ Filling in this form Please complete in typescript or in bold black capitals.</p>	

<b>2</b>	<b>Liquidator's name</b>
Full forename(s)	Julian
Surname	Pitts


<b>3</b>	<b>Liquidator's address</b>
Building name/number	Fourth Floor
Street	Toronto Square
Post town	Toronto Street
County/Region	Leeds
Postcode	L S 1 2 H J
Country	

<b>4</b>	<b>Liquidator's name ①</b>
Full forename(s)	Lee
Surname	Lockwood
<p>① Other liquidator Use this section to tell us about another liquidator.</p>	

<b>5</b>	<b>Liquidator's address ②</b>
Building name/number	Fourth Floor
Street	Toronto Square
Post town	Toronto Street
County/Region	Leeds
Postcode	L S 1 2 H J
Country	
<p>② Other liquidator Use this section to tell us about another liquidator.</p>	

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<b>6</b>	<b>Period of progress report</b>															
From date	d	0	d	5	m	0	m	2	y	2	y	0	y	1	y	7
To date	d	0	d	4	m	0	m	2	y	2	y	0	y	1	y	8
<b>7</b>	<b>Progress report</b>															
<input checked="" type="checkbox"/> The progress report is attached																
<b>8</b>	<b>Sign and date</b>															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	d	2	d	2	m	0	m	3	y	2	y	0	y	1	y	8

LIQ03

## Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Amelia Blythe
Company name	Begbies Traynor (Central) LLP
Address	Fourth Floor Toronto Square
Post town	Toronto Street
County/Region	Leeds
Postcode	L S 1 2 H J
Country	
DX	
Telephone	0113 244 0044

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

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## **CBT Therapy Services Limited (In Creditors' Voluntary Liquidation)**

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Progress report

Period: 5 February 2017 to 4 February 2018

### **Important Notice**

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	CBT Therapy Services Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 5 February 2016.
"the liquidators", "we", "our" and "us"	Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Lee Lockwood of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

## 2. COMPANY INFORMATION

Trading name: CBT Clinics  
Company registered number: 05428664  
Company registered office: Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ  
Former trading address: 31 Bootham, York, North Yorkshire, YO30 7BT

## 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced: 5 February 2016  
Date of liquidators' appointment: 5 February 2016 – Julian Pitts and Lee Lockwood as joint liquidators of Members' Voluntary Liquidation  
23 February 2017 – Julian Pitts and Lee Lockwood as joint liquidators of a Creditors' Voluntary Liquidation  
Changes in liquidator: None

## 4. PROGRESS DURING THE PERIOD

### **Receipts and Payments**

Attached at Appendix 1 is our abstract of receipts and payments for the period from 5 February 2017 to 4 February 2018.

### **What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?**

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous report contains details of the work undertaken since our appointment.

### General case administration and planning

As detailed in the previous report to creditors, during the period the joint liquidators formed the opinion that Company was unable to pay its debts as and when they fell due and was therefore converted from a Members'

Voluntary Liquidation to a Creditors' Voluntary Liquidation pursuant to a meeting of creditors held on 23 February 2017 under the provision of Section 95 of the Act. There has subsequently been time spent amending the case strategy. The joint liquidators have continued to review the case on a regular basis. Time recorded under this heading also refers to general administration tasks including filing and responding to general correspondence.

#### Compliance with the Insolvency Act, Rules and best practice

A meeting of creditors was convened and held under the provisions of Section 95 of the Act during the period. Subsequently, the winding up has been converted to a Creditors' Voluntary Liquidation as the Company is unable to pay its debts as and when they fall due.

Time has since been spent notifying the relevant bodies of the conversion. The appointment of liquidators in a Creditors' Voluntary Liquidation has also been advertised in the London Gazette and the sum of £70 has been paid to TMP (UK) Limited in respect of this.

The remaining cash at bank held and accrued interest in the Members' Voluntary Liquidation in the sum of £3,097 has been transferred to an account set up by the liquidators for the Creditors' Voluntary Liquidation.

#### Investigations

Further time has been spent investigating the tax planning schemes entered into by the Company as detailed in our previous report to creditors. Further meetings have been held with our solicitors, Squire Patton Boggs, who have incurred costs of £13,943 to date. We have also enlisted the assistance of a tax specialist in order to review the settlement figure required by HM Revenue & Customs ("HMRC").

#### Realisation of assets

Time has been spent corresponding with HMRC and the directors of the Company in order to seek a settlement in relation to antecedent transactions identified by the joint liquidators. Correspondence is ongoing in this respect.

#### Dealing with all creditors' claims (including employees), correspondence and distributions

We have continued to deal with correspondence from creditors, in particular, requests for information from HMRC.

#### Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel

The joint liquidators have continued to correspond with the Company's accountants and the liquidators of the tax scheme providers in order to obtain further information in relation to the tax schemes entered into by the Company.

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our progress report for the period 5 February 2016 to 4 February 2017.



On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

#### **Secured creditor**

The only known secured debt is in respect of the Director's Loan Account. The amount shown as outstanding on the Statement of Affairs was £387. The validity of the security is subject to challenge due to the timing that it was granted.

#### **Preferential creditors**

There are no known preferential claims.

#### **Prescribed Part for unsecured creditors pursuant to Section 176A of the Act**

Details of how the prescribed part for unsecured creditors is calculated were provided in our progress report for the period 5 February 2016 to 4 February 2017.

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

#### **Unsecured creditors**

The outcome for creditors remains dependent on any recovery from our investigations. As detailed above, matters in this respect are ongoing.

## **6. REMUNERATION & DISBURSEMENTS**

#### **Remuneration**

Our remuneration has been fixed by a resolution of creditors by correspondence by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 20 March 2017 in the sum of £41,157 and we are authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor Group, in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 5 February 2017 to 4 February 2018 amount to £41,198 which represents 126 hours at an average rate of £326 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 5 February 2017 to 4 February 2018
- ☐ Begbies Traynor (Central) LLP's charging policy

To 4 February 2018, the only amount drawn has been the sum of £5,000 in accordance with the approval obtained by the members of the Company for the work undertaken while the Company was in Members' Voluntary Liquidation. Total time costs of £66,321 have been incurred since the date of our appointment. This time includes the time spent on the work undertaken while the Company was in Members' Voluntary Liquidation.

## Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

As can be seen from the information above, we have exceeded the limit of our fees estimate. For the avoidance of any doubt, we have not drawn any remuneration in excess of the level approved. The reasons why the estimate has been exceeded are as follows:

- More time than anticipated has been spent corresponding with the liquidators of the tax scheme providers in order to obtain documents in relation to the scheme entered in to by the Company.
- There are a vast number of documents that have been provided by the liquidators of the tax scheme providers and the Company's accountants. Significant time has been spent reviewing these documents.
- Time has been spent corresponding with and meeting with the directors of the Company in respect of the antecedent transactions entered in to.
- Time has been spent corresponding with HMRC in relation to a settlement figure.

We are seeking creditors' approval of our further estimate by way of a Decision Procedure via correspondence and a Notice providing further information about the decisions being sought by correspondence together with a Voting Form have been provided separately.

## Disbursements

To 4 February 2018, we have also drawn disbursements in the sum of £101.

### Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements have been charged to the case since the date of our appointment:

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage	137.00
TOTAL	137.00

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides) Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

## 7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

### **Expenses actually incurred compared to those that were anticipated**

Creditors will recall that we estimated that the expenses of the liquidation would total £7,094. Unfortunately, the expenses that we have incurred so far have exceeded that estimate and there will be further expenses to pay before the case concludes. The reasons why the estimate has been exceeded are as follows:

- Solicitor's fees have been significantly higher than anticipated. This is largely due to the expanded remit of our investigations, matters on which we have had to seek legal advice and their attendance at meetings with HMRC.

## **8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE**

**What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?**

### General case administration and planning

The joint liquidators will continue to monitor case progression and make amendments to the case strategy where necessary. Regular reviews of the case will continue to be undertaken, as well as monitoring assets realised compared to those anticipated.

### Compliance with the Insolvency Act, Rules and best practice

Progress reports will be produced on an annual basis in order to provide an update to creditors. This and the necessary forms will be filed with Companies House. Furthermore, a final report will be produced once it is considered that the liquidation case has been brought to a close. We will continue to undertake bond reviews in order to ensure that the assets realised are adequately protected for the benefit of the creditors.

### Investigations

Our investigations into the determinations issued by HMRC and the antecedent transactions identified by the joint liquidators are ongoing. We will continue to work with our solicitors and tax specialists in order to agree an appropriate settlement.

### Dealing with all creditors' claims (including employees), correspondence and distributions

We will continue to deal with creditor correspondence as and when it is received. Should asset realisations permit, time will be spent agreeing creditor claims and making a distribution to creditors.

### Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel)

Time will be spent dealing with the decision being sought in this report in respect of our remuneration.

We will continue to file tax returns when necessary and continue to correspond with HMRC in relation to the determinations issued against the Company.

### **How much will this further work cost?**

As detailed further in Section 6 of this report, we are seeking further approval of our time costs estimate.

This estimate is based upon and includes time spent on the case to date. As such, we consider our fees will not exceed £76,254 in this instance.

### **Expenses**

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the revised estimate of anticipated expenses attached at Appendix 2.

## **9. OTHER RELEVANT INFORMATION**

### **Investigations and reporting on directors conduct**

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

### **Investigations carried out to date**

As detailed in our previous report to creditors, we have undertaken an assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

Investigations into the below transaction have been carried out during the period:

<b>Date of sale</b>	<b>Asset sold and nature of transaction</b>	<b>Consideration paid and date</b>	<b>Name of Purchaser</b>	<b>Relationship with the Company</b>
30 June 2015	Trade, Business, Trading Name & Business Assets including Stock	Consideration of £1,260,000 was settled by way of inter-company deferred debt. This debt was subsequently assigned to the directors of the Company, in lieu of sums due to them.	CBT Clinics Limited (09507950)	Shared directors and trading name

## **10. CREDITORS' RIGHTS**

### **Right to request further information**

Pursuant to Rule 18.9 of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

### **Right to make an application to court**

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

## **11. CONCLUSION**

We will report again in approximately twelve months' time or at the conclusion of the liquidation, whichever is the sooner.



**Julian N R Pitts**  
Joint Liquidator

Dated: 22 March 2018

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 5 February 2017 to 4 February 2018

	From 05/02/2017 To 04/02/2018 £	From 05/02/2016 To 04/02/2018 £
<b>ASSET REALISATIONS</b>		
Cash from MVL Bank account	3,096.98	3,096.98
Bank Interest Gross	3.05	3.05
	<u>3,100.03</u>	<u>3,100.03</u>
<b>COST OF REALISATIONS</b>		
Statutory Advertising	70.00	70.00
	<u>(70.00)</u>	<u>(70.00)</u>
	<u><b>3,030.03</b></u>	<u><b>3,030.03</b></u>
<b>REPRESENTED BY</b>		
Vat Receivable		14.00
Bank 1 Current		3,016.03
		<u><b>3,030.03</b></u>

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## TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 5 February 2017 to 4 February 2018;
- c. Cumulative Time Costs Analysis for the period from 5 February 2016 to 4 February 2018;
- d. Estimated increase to our approved fees estimate; and
- e. Revised Estimate of Expenses that the liquidators consider will be, or are likely to be, incurred.

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance<sup>2</sup> indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates

*Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the two categories referred to above, best practice guidance indicates that where

<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> Ibid 1



payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

***Services provided by other entities within the Begbies Traynor group***

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Commercial Limited to provide valuation advice in relation to the Company's plant and machinery and to provide assistance in the disposal of part of the Company's business. Their charges will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates set out above:

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

## BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Leeds office as at the date of this report are as follows:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour) 1 May 2011 – until further notice</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	60 – 110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

The office holder may use the services of BTG Forensic during the course of the case. BTG Forensic is a specialist department of the office holder's firm which provides forensic accounting services. The current charge-out rates applying to work carried out by BTG Forensic are as follows:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
Partner	250
Senior Manager	175
Forensic Senior	120

[illegible]

SIP9 CBT Therapy Services Limited - Creditors Voluntary Liquidation - 80CB008.CVL : Time Costs Analysis From 05/02/2016 To 04/02/2018

Staff Grade	Case planning	Director	Sec Mngt	Fin Mngt	Asst Mngt	Sec Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Administration	4.5			2.0			0.8		1.0	385.00	385.00
	Total for General Case Administration and Planning	4.5			2.0		0.8	11.8	0.8	9.8	1,812.00	185.61
Compliance with the Insolvency Act, Rules and best practice	Appointment	3.5					0.8	12.8	0.8	10.8	2,214.00	205.00
	Banking and Bonding	0.4			4.5		1.3	8.2		7.0	1,482.50	211.78
	Case Closure						1.2	1.1	0.6	1.3	176.50	135.77
	Statutory reporting and statement of affairs	3.0										0.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	6.9			4.5		2.8	14.7	0.8	12.3	2,730.50	222.72
Investigations	CDCA and investigations	38.4	8.5					9.4		4.0	1,980.50	210.13
	Total for investigations:	38.4	8.5									
Realisation of assets	Debt collection						3.6	3.9		52.3	18,101.00	348.10
	Property, business and asset sales						3.6	3.9		92.3	16,101.00	348.10
	Retention of Third/Third party assets	24.5						0.5		1.0	227.50	227.50
	Total for Realisation of assets:	24.5								27.0	10,540.00	390.37
Trading	Trading							0.6		28.0	10,767.80	384.55
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured											0.00
	Others	0.3					1.2	2.0		10.4	2,869.00	275.58
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees, correspondence and distributions):	0.3					1.2	2.0		10.4	2,869.00	275.58
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors including meetings											
	Other	2.5										
	Tax	16.5			6.0			1.5	0.2	11.0	4,345.00	395.00
	Litigation											0.00
	Total for Other matters:	19.0			6.0			3.0	0.2	12.5	4,310.00	360.80
	Total hours by staff grade:	91.8	8.5		12.5		8.1	40.7	1.4	218.5		
	Total time cost by staff grade:	38,192.00	2,836.00		2,862.5		1,093.50	4,477.00	164.00		48,320.50	
	Average hourly rate £:	368.00	310.00	0.00	266.00	0.00	135.00	110.00			303.83	
	Total fees drawn to date £:										5,006.00	

## THE LIQUIDATORS' ESTIMATE OF THE INCREASED FEES THAT THEY WILL INCUR

Further to the information set out in the report, the Liquidators anticipate that in addition to their fees estimate dated 20 March 2017 in the sum of £41,157 the following further fees will be incurred to conclusion of the liquidation. Please note that blended hourly rates have been used (as they were for the original estimate) which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column. Details of the hourly rates that will be charged for each level of staff working on the case form part of this appendix. For avoidance of doubt, the below and attached fee estimate includes time spent on the case to date.

Details of the work that the liquidators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
General case administration and planning	36.3	9,323.50	256.85
Compliance with the Insolvency Act, Rules and best practice	57.0	12,058.50	211.55
Investigations	77.0	26,047.60	338.28
Realisation of assets	31.5	11,463.00	363.90
Trading	0.0	0.00	0.00
Dealing with all creditors' claims (including employees), correspondence and distributions	12.9	3,743.50	290.19
Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure or via Decision Procedures), tax, litigation, pensions and travel	37.9	12,583.50	332.02
<b>Total hours</b>	<b>252.60</b>		
<b>Total time costs</b>		<b>76,254.00</b>	
<b>Overall average hourly rate £</b>			<b>301.88</b>

The Liquidators anticipate that the following specific work which was not envisaged at the outset of the liquidation (and which is included in the estimate above) will be undertaken:

- Prolonged correspondence with HMRC
- Further meetings with the directors of the Company
- Further investigations into the tax schemes entered into by the Company

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from our website at <http://www.begbies-traynorgroup.com/work-details>.

Dated: 22 March 2018

# Fee Estimate

SIP9 CBT Therapy Services Limited - In Liquidation

## Estimated Time Costs Analysis

Staff Grade	Case planning	Consultant/Partner	Director	Senior Mgr	Mgr	Asst Mgr	Senior Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Administration	7.0	2.0			2.0			0.8		1.0	395.00	395.00
	Total for General Case Administration and Planning:	7.0	13.3			2.0		0.8	11.8	0.8	9.8	1,810.00	185.81
Compliance with the Insolvency Act, Rules and best practice	Appointment	3.5						0.8	12.8	0.8	38.3	9,321.50	250.85
	Banking and Bonding	1.0	0.1			4.5		1.3	8.2		7.0	1,482.50	211.79
	Case Closure	3.0	4.0					1.2	1.1	0.6	1.3	176.50	135.77
	Statutory reporting and statement of affairs	5.0	4.5						5.0				0.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	11.5	8.8			4.5		2.5	29.3	0.6	4.0	1,080.50	270.13
Investigations	CDDA and investigations	36.0	25.0		8.5						67.0	12,068.50	211.55
	Total for investigations:	36.0	28.0	8.5				3.6	3.9		52.3	18,101.00	346.10
Realisation of assets	Debt collection		0.5					3.6	3.9		77.6	26,047.00	338.28
	Property, business and asset sales		2.5						0.5		1.0	227.50	227.50
	Retention of Third/Third party assets	28.0									27.0	10,540.00	390.37
	Total for Realisation of assets:	28.0	3.0						0.5		51.5	11,463.00	363.90
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	0.3	9.4					1.2	2.0		10.4	2,860.00	275.58
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.3	9.4					1.2	2.0		12.9	3,743.80	290.19
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors including meetings												110.00
	Other	4.0							1.5		1.5	165.00	110.00
	Tax	18.0	6.7			6.0			1.5	0.2	11.0	4,345.00	395.90
	Litigation												0.00
	Total for Other matters:	22.0	6.7			6.0			3.0	0.2	37.9	12,853.80	339.02
	Total hours by staff grade:	104.8	68.0	8.5		12.5		8.1	51.3	1.4	282.6		
	Total time cost by staff grade:	41,398.00	22,770.00	2,835.00		2,892.6		1,091.50	5,643.00	154.00		78,264.00	
	Average hourly rate £:	398.00	345.00	310.00	0.00	295.00	0.00	136.00	110.00	110.00			301.88
	Total fees drawn to date £:											5,000.00	

**CBT THERAPY SERVICES LIMITED**

**DETAILS OF THE EXPENSES THAT THE LIQUIDATORS CONSIDER WILL BE, OR ARE LIKELY TO BE INCURRED**

<b>No.</b>	<b>Type of expense</b>	<b>Description</b>	<b>Estimate £</b>
1.	Advertisements	Of appointment, meetings, dividends etc.	338.40
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds	20.00
3.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	35.20
4.	Valuation agent's valuation fees and disbursements	Valuation advice of assets included in the business sale.	1,000.00
5.	Legal fees and disbursements	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements	15,000.00
6.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate	Unknown
7.	Investigation expenses	Any sums paid to any third party that assists the Insolvency Practitioner with investigating the affairs of the insolvent entity	1,000.00
8.	Travel	Travel to and from any meetings	250.00
9.	Room hire	For meetings of creditors, with the directors or debtor etc.	100.00

## STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities <b>not</b> within the Begbies Traynor Group				
Legal Fees	Squire Patton Boggs	13,942.50	-	13,942.50
Expenses incurred with entities within the Begbies Traynor Group ( <i>for further details see Begbies Traynor Charging Policy</i> )				
Mileage	Begbies Traynor (Central) LLP	137.00	101.00	36.00

## CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal fees	Squire Patton Boggs	13,942.50
Statutory advertising	Courts Advertising Limited	253.80
Bond	Marsh Limited	20.00
Company search fee	Companies House	1.00