

TO ALL KNOWN CREDITORS

6 August 2025

Ref: JS/JL/BC/PR4
cbrealisations@parthenon.ey.com

Dear Sir or Madam

CB Realisations Limited (formerly “Complete Business Solutions Group Limited”) (“the Company”) (in Administration)

High Court of Justice, Business and Property Courts Leeds - CR-2022-LDS-001053

On 9 January 2023, the Company entered Administration and T G Vance, J P Sumpton and S J Woodward were appointed to act as Joint Administrators (“the Administrators”). The appointment was made by the Directors of the Company under the provisions of Paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. The Administrators act as agents of the Company and without personal liability.

I write in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 to provide creditors with a report on the progress of the Administration.

This report covers the period from 9 January 2025 to 8 July 2025 and should be read in conjunction with the Administrators’ Statement of Proposals dated 15 January 2023 and our previous progress reports.

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

Extension of Administration

The Administration of the Company was extended by consent of the Court on 16 December 2024 for a period of 24 months until 8 January 2027.

This extension was sought by the Administrators to facilitate recovery actions for the outstanding directors’ loan account, which has been assigned to a third party to pursue.

Summary of progress since our previous report dated 5 February 2025

Receipts and Payments account

A summary of our receipts and payments for the period from 9 January 2025 to 8 July 2025 is at Appendix 2. It does not reflect estimated future realisations or costs.

Realisation of assets

Bank interest

Interest generated on funds held totaled £2,691 during the period covered by this report.

The UK Firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited. A list of members’ names is available for inspection at 1 More London Place, London SE1 2AF, the firm’s principal place of business and registered office and at Companies House [<https://www.gov.uk/get-information-about-a-company>] under the registration number OC300001. Not all partners are members of Ernst & Young LLP. Ernst & Young LLP is a multi-disciplinary practice and is authorised and regulated by the Institute of Chartered Accountants in England and Wales, the Solicitors Regulation Authority (authorisation number 614947), the Financial Conduct Authority (registration number 196203) and other regulators. Further details can be found at https://www.ey.com/en_uk/legal-statement.

Directors' loan account

As previously reported, the Administrators agreed a sale and assignment of the claim in relation to the directors' loan account to a firm that specialises in these matters in return for initial consideration plus an agreed share of any net realisations.

The firm continues to pursue the Directors' loan account and legal action is ongoing, which therefore means it is likely to be a number of months before the outcome of this claim is known.

Tax matters

Together with EY tax specialists, the Administrators continue to manage compliance with the necessary tax requirements for the Company.

Joint Administrators' remuneration

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

In accordance with Rule 18.8(4) of the Insolvency (England and Wales) Rules 2016, our remuneration was fixed on a time-cost basis by a resolution of the secured and preferential creditors of the Company based on the fee estimate dated 15 January 2023 of £828,515.

During the period covered by this report, we have incurred time costs of £109,035, taking total time costs during the period of the Administration to £1,724,893. Of this sum, £700,000 has been paid to date (including £50,000 drawn during the period covered by this report).

Our time costs have exceeded the fee estimate dated 15 January 2023. However, we will not draw remuneration in excess of the Administrators' fee estimate (£828,515) without the prior approval of creditors.

A detailed analysis of the time spent and a comparison with the fee estimate dated 15 January 2023 is at Appendix 4.

Administrators' statement of expenses incurred

Expenses paid in the period total £5 relating to postage fees and bank charges.

A detailed breakdown of expenses incurred in this period and to date is provided at Appendix 3.

Distributions to creditors

Secured creditors – HSBC Invoice Finance (UK) Limited ('HIF')

HIF had total indebtedness of £12.8m at the date of appointment in respect of an invoice discounting facility provided to the Company.

As previously reported, with HIF's agreement, the trade debtors were sold to Banner Business Solutions Limited ('Banner') for c.£10.3m and these funds have been distributed to HIF in settlement of their indebtedness.

Secured creditors – HSBC UK Bank plc ('HSBC')

HSBC had total indebtedness of £9.3m at the date of appointment in respect of an £8m RLS (recovery loan scheme) loan and £1.3m overdraft.

The only recovery for HSBC will be via its preferential wages claim (see below).

Preferential creditors – HSBC UK Bank plc and HMRC

Preferential claims in the Administration include:

- HSBC – a subrogated wages claim of £509,196 in respect of funding advanced to meet the December 2023 payroll. This claim qualified for ordinary preferential status and was paid in full on 26 September 2023.
- HMRC – c.£4.9m secondary preferential creditor claim in respect of outstanding VAT and PAYE. It is likely that there will be sufficient realisations to declare a modest dividend in respect of HMRC's claim.

Non-preferential creditors

The Statement of Affairs estimates that the Company's non-preferential creditors total in excess of £20m.

Due to the significant level of preferential creditor claims (c.£5.5m – see above) there will be insufficient funds available to enable a distribution to unsecured creditors.

Remaining work

The Administrators will continue to manage the affairs of the Company to achieve the purpose of the Administration. Future tasks will include, but are not limited to:

- ▶ Finalising the Company's tax affairs, including corporation tax;
- ▶ Continuing to progress recoveries in respect of the outstanding Directors' loan account;
- ▶ Continuing to address creditor enquiries;
- ▶ Adjudicating the claim of the secondary preferential creditor (HMRC) and making a distribution;
- ▶ Dealing with statutory reporting and compliance obligations; and
- ▶ Finalising the Administrations, including statutory requirements and payment of all Administration liabilities.

Next report

We will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

Yours faithfully
for the Company



J P Sumpton
Joint Administrator

J P Sumpton is licensed in the United Kingdom to act as an insolvency practitioner by The Insolvency Practitioners Association. T G Vance is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland. S J Woodward is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointment.

The affairs, business and property of the Company are being managed by the Joint Administrators, J P Sumpton, T G Vance and S J Woodward, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrator's appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

Appendix 1 – Statutory Information

Information about the proceedings, the Company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

CB Realisations Limited (in Administration)

Name of court:	High Court of Justice, Business and Property Courts in Leeds, Insolvency and Companies List (ChD)	
Court reference:	CR-2022-LDS-001053 of 2023	
Registered name of the Company:	CB Realisations Limited	
Registered office address of the Company:	12 Wellington Place, Leeds, LS1 4AP (formerly 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR)	
Registered number:	03045607	
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A	
Date of appointment of the Joint Administrators:	9 January 2023	
Details of any changes of Administrator:	None	
Full names of the Administrators:	Timothy Graham Vance, Jonathan Peter Sumpton, and Samuel James Woodward	
Office holder number(s):	26710 / 9201 / 12030	
Administrators' addresses:	Ernst & Young LLP 12 Wellington Place Leeds LS1 4AP	Ernst & Young LLP 2 St Peters Square Manchester M2 3EY
Telephone number:	0113 298 2292	
Email Address:	cbrealisations@parthenon.ey.com	
Name of alternative person to contact with enquiries about the case:	Bridie Clews	

Appendix 2: Receipts and Payments account

CB Realisations Limited (in Administration)

Estimated to realise as per Directors' Statement of Affairs		Period from 9 January 2023 to 8 January 2025	Period from 9 January 2025 to 8 July 2025	Total from 9 January 2023 to 8 July 2025
£		£	£	£
	RECEIPTS			
	Book debts (subject to invoice financing agreement)			
10,254,436	Sale of trade debts	10,254,436	-	10,254,436
	Less: Distribution to Secured Creditor – HIF	(10,254,436)	-	(10,254,436)
	Receipts from trade debtors due to Banner	11,035,056	-	11,035,056
	Less: Payment to Banner	(11,034,981)	-	(11,034,981)
	Less: Bank charges	(75)	-	(75)
		-	-	-
	Other Fixed Charge Realisations			
1,005	Sale of goodwill and intellectual property	1,005	-	1,005
	Bank interest	942	15	958
	Net Fixed Charge Realisations	1,947	15	1,963
	Floating Charge Realisations			
939,615	Stock	939,615	-	939,615
n/a	Rent - Licence to occupy	616,386	-	616,386
396,615	Other tangible assets (vehicles, fixtures and fittings etc.)	396,995	-	396,995
n/a	Post-appointment credits	117,563	-	117,563
n/a	Sundry receipts	62,807	250	63,057
n/a	Novation agreements – legal fees	17,203	-	17,203
n/a	Bank interest	19,706	2,675	22,381
-	Directors' loan account – initial consideration	5,000	-	5,000
		2,175,275	2,925	2,178,200
	PAYMENTS			
	Rent - Licence to occupy	616,386	-	616,386
	Administrators' fees	650,000	50,000	700,000
	Administrators' pre-appointment fees	79,292	-	79,292
	Administrators' disbursements	5,532	4	5,536
	Legal fees	78,202	-	75,410
	Other professional fees	22,113	-	23,093
	Novation agreements – legal fees	17,203	-	17,203
	Exited property costs	9,181	-	8,201
	Public notices	94	-	94
	Bank charges	37	1	38
	Sundry charges	44	-	44
		1,478,083	50,005	1,528,089
	Net Floating Charge Realisations	697,191	(47,080)	650,111

LESS: DISTRIBUTIONS

Preferential creditor – HSBC (subrogated wages)	509,196	-	509,196
Total Balances in Hand	189,942	(47,065)	142,878

Represented by:

Cash at Bank	117,961
Net VAT Receivable / (Payable)	24,917
	142,878

Notes

1. Receipts and payments are stated net of VAT.
2. Cash is held in interest-bearing accounts.

Appendix 3 - Summary of Joint Administrators' expenses incurred

CB Realisations Limited (in Administration)

	Per estimate dated 15 January 2023	Paid to 8 January 2025	Paid in the period	Outstanding	Total to 8 July 2025
Bank Charges	500	37	1	-	38
Legal Costs	100,000	95,405	-	-	95,405
Agent's Costs	25,000	22,113	-	-	22,113
Insurance	20,000	-	-	-	-
Statutory Costs	200	94	-	-	94
Property Occupation Costs	600,000	616,386	-	-	616,386
Property Exit Costs	50,000	9,181	-	-	9,181
Statement of Affairs Fee	2,500	-	-	-	-
Storage Costs	1,000	-	-	-	-
Sundry Costs	5,000	44	-	-	44
Total	804,200	743,260	1	-	743,261
Category 1 disbursements (see note 2)					
Specific Penalty Bond	1,000	775	-	-	775
Posting and Printing	5,000	4,460	4	-	4,463
	6,000	5,234	4	-	5,238
Category 2 disbursements (see note 2)					
Mileage	500	297	-	-	297
	500	297	-	-	297
Total	810,700	748,792	5	-	748,797

Notes

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
 - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
 - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 Balances outstanding represent expenses incurred under the Administration, but not yet paid.

Appendix 4 – Joint Administrators' time-costs from 9 January 2023 to 8 July 2025 and a comparison with the fee estimate dated 15 January 2023

CB Realisations Limited (in Administration)

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Administration & Planning	81.0	38,595	476	21.6	9,660	447	404.8	188,681	466
Creditors	117.0	59,710	510	1.7	680	400	431.7	146,010	338
Day 1	-	-	-	-	-	-	70.9	35,477	500
Debtors	7.0	7,510	1,073	0.3	120	400	32.4	29,542	912
Employees	35.0	24,040	687	-	-	-	108.2	74,506	689
Immediate Tasks	100.0	57,645	576	-	-	-	32.4	24,947	770
Investigation & CDDA	107.0	69,585	650	2.0	1,730	865	103.3	75,338	729
Job Acceptance & Strategy	7.0	7,510	1,073	-	-	-	2.8	1,848	660
Legal Issues	51.0	47,880	939	1.0	1,150	1,150	47.5	52,515	1,106
Other Assets	120.0	85,575	713	27.8	20,843	750	270.7	242,200	895
Other Matters	63.0	37,600	597	-	-	-	184.1	149,591	813
Property	165.0	93,500	567	-	-	-	325.8	192,658	591
Reporting	133.0	103,440	778	57.7	58,780	1,019	314.8	238,866	759
Retention of Title	117.0	68,635	587	-	-	-	47.8	26,908	563
Statutory Duties	120.0	79,625	664	10.8	9,104	843	278.2	160,931	578
VAT & Taxation	78.0	47,665	611	13.4	6,968	520	161.8	84,877	525
Total	1,301.0	828,515	637	136.3	109,035	800	2,817.2	1,724,893	612

Note: Time is charged in 6-minute intervals

Summary of Work

The Administrators have incurred time costs in dealing with inter alia, the following matters:

- ▶ **Accounting and Administration** – includes general administrative duties and overall management of the case, including maintaining the Joint Administrators' treasury and accounting functions, statutory compliance diaries and time costs reporting.
- ▶ **Creditors** – Dealing with creditor claims, correspondence with creditors (c.2,000 suppliers), answering specific creditor queries, and processing of credit insurance claims.
- ▶ **Employee matters** – Writing to employees regarding TUPE related matters and dealing with ad-hoc employee enquiries.
- ▶ **Immediate tasks** – relates to carrying out immediate tasks on appointment and duties such as speaking with the directors of the Company, gathering information to enable the Administrators to carry out their statutory duties, requesting key items of information and carrying out day 1 activities.
- ▶ **Investigation & CDDA** – carrying out investigations required by Statement of Insolvency Practice No. 2, and preparation and submission of return to the Directors' Conduct Reporting Service.
- ▶ **Legal matters** – managing legal matters in respect of the sale of the business and assets, facilitating the novation of customers and suppliers and assignment of property leases (as applicable) to Banner in accordance with the sale agreement, and other ad-hoc matters.
- ▶ **Other Assets** – principally relates to realising value from assets not recorded in the management accounts of the Company such as rates refunds and deposits.
- ▶ **Other Matters** – relates to time spent corresponding with the appointed insurance broker, dealing with any assets owned by third parties and other general enquiries.
- ▶ **Property** – time spent managing the License to Occupy arrangements, including liaising with landlords, and supporting with the assignment of leases (as applicable) and facilitating an orderly exit from those sites not required by Banner.

- ▶ **Reporting** – includes statutory and other reporting to all classes of creditors. Reports include the Joint Administrators Proposals to creditors, the filings of documents at Companies House and regular reporting to the secured creditors.
- ▶ **Retention of Title** – liaising with Banner in respect of retention of title claims received from suppliers.
- ▶ **Statutory duties** – time spent in complying with statutory matters including statutory filing with Companies House and the Court, notification of the Joint Administrators' appointment to creditors and members, advertising of the appointment, and writing to creditors pursuant to Statement of Insolvency Practice 16 regarding the sale of the business and certain assets of the Company.
- ▶ **VAT and taxation** - investigating the VAT and corporation tax positions of the Company and submitting returns as required.