

CVA3

Notice of supervisor's progress report in voluntary arrangement



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 0 7 8 8 0 5 8

Company name in full MYA Clinics Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Supervisor's name

Full forename(s) Frazer

Surname Ulrick

3 Supervisor's address

Building name/number Devonshire House

Street 32-34 North Parade

Post town Bradford

County/Region West Yorkshire

Postcode B D 1 3 H Z

Country

4 Supervisor's name^①

Full forename(s)

Surname

① Other supervisor

Use this section to tell us about
another supervisor.

5 Supervisor's address^②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other supervisor

Use this section to tell us about
another supervisor.

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Date of voluntary arrangement

Date

^d 3	^d 1	^m 0	^m 1	^y 2	^y 0	^y 2	^y 0
----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

7

Period of progress report

Date from

^d 3	^d 1	^m 0	^m 1	^y 2	^y 0	^y 2	^y 3
----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

Date to

^d 3	^d 0	^m 0	^m 1	^y 2	^y 0	^y 2	^y 4
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8

Progress report

☒ I attach a copy of the progress report**9**

Sign and date

Supervisor's signature

Signature



Signature date

^d 2	^d 7	^m 0	^m 3	^y 2	^y 0	^y 2	^y 4
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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

David Hodgson

Company name

Auker Rhodes Accounting Limited

Address

Devonshire House

32-34 North Parade

Post town

Bradford

County/Region

West Yorkshire

Postcode

B

D

1

3

H

Z

Country

DX

Telephone

01274 299499



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 and dated 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 or email 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

MYA CLINICS LTD
(COMPANY VOLUNTARY ARRANGEMENT)

SUPERVISOR'S PROGRESS REPORT

THE SUPERVISOR'S FOURTH PROGRESS REPORT IN ACCORDANCE WITH
RULE 2.41 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS
OF ENGLAND AND WALES
INSOLVENCY AND COMPANIES LIST

IN THE MATTER OF THE INSOLVENCY ACT 1986
AND
IN THE MATTER OF MYA CLINICS LTD

27 March 2024

Presented by:



Auker Rhodes
Accounting

Insolvency Practitioners & Business Advisers

Devonshire House
32-34 North Parade
Bradford
BD1 3HZ

Tel: 01274 299499

APPOINTMENT OF SUPERVISOR

Date of approval:	31 January 2020	
Date of Supervisor's appointment:	John Paul Sugden	31 January 2020 to 15 October 2020
	Robert William Sadler	31 January 2020 to 4 August 2022
	Frazer Ulrick	2 December 2022
Court case number:	CR-2019-007637	

Creditors should note that:

- The Joint Supervisors were appointed at a meeting of creditors held on 31 January 2020;
- On 15 October 2020, John Paul Sugden was removed as Joint Supervisor of the Company by an Order of the Court.
- Robert Sadler ceased to practice as an insolvency practitioner with effect from 5 August 2022;
- On 2 December 2022, Frazer Ulrick was appointed Supervisor of the Company by an Order of the Court;
- Frazer Ulrick is licensed by the Insolvency Practitioners Association and is bound by the insolvency Code of Ethics.

INTRODUCTION

The Supervisor's Progress Report¹ provides creditors with an update on the Arrangement since the appointment of the Supervisor on 31 January 2020. The Report covers the period 31 January 2023 to 30 January 2024 ("the Period").

This is the fourth annual Progress Report in respect of the CVA.

This report is private and confidential and is for the sole purpose of providing creditors of the Company with the information that the Supervisor is required to do by the Act and Rules. No part of this report may be reproduced or quoted from, referred to or used for any other purpose without the express permission of the Supervisor.

THE PROPOSAL

The Proposal, dated 15 January 2020, provided for an estimated dividend to unsecured creditors totalling 69.24 pence in the pound.

The duration of the CVA is 64 months.

Since the Proposal was accepted on 31 January 2020, the COVID-19 pandemic has affected the Company's ability to pay contributions. The Company was unable to trade as expected and experienced difficulties throughout 2020, 2021 and early 2022.

Had the Proposal not been affected by COVID it was envisaged that contributions totalling £940,000 should have been received.

The Proposal provided for the following:

- Contributions to be paid into the Arrangement totalling £1,380,000.
- Connected creditors will subordinate their claims to ordinary creditors.
- Business critical creditors have been paid from the Company's ongoing trading.

¹ Rule 2.41 of the Insolvency (England and Wales) Rules 2016 ("the Rules")

PROGRESS DURING THE PERIOD OF THIS REPORT

During the Period the Supervisor has received correspondence from the Company and HM Revenue & Customs ("HMRC") relating to an assertion from HMRC that VAT is payable on the services provided by the Company. A claim of over £9 million has been received in respect of VAT that HMRC claims should have been paid on historic procedures. A letter to creditors was circulated by the Supervisor on 19 October 2023 advising of this issue.

The HMRC claim is disputed by the Company and is currently subject to appeal to establish if the claim is due and payable, which may take some time to resolve. The Supervisor has taken his own advice from a VAT specialist who is supportive of the Company's position.

The result of the HMRC claim will have a huge impact on the outcome of the CVA as, if upheld, HMRC's claim will increase significantly from £987,369 and in turn reduce the potential dividend to the general body of creditors to a minimal amount.

A total of £45,000 has been received in the reporting period and the Supervisor has continued to liaise with the Company management team to ensure the contributions continue.

The Supervisor has continued communication with creditors and agree claims during the Period.

Since the Period that this report relates to the Supervisor has been contacted by HMRC in relation to post-CVA liabilities. Accordingly, the Supervisor has liaised with the Company and is issuing a Notice of Breach. Creditors will be advised in due course what the Supervisor's next steps will be, which will depend on whether the Company is able to remedy the breach.

WHAT REMAINS TO BE DONE IN THE CVA

The Supervisor will continue to monitor the position in respect of the outstanding contributions and agree creditors' claims on an ongoing basis prior to a first dividend being declared and paid.

The ongoing HMRC matter will also be monitored as the outcome will materially affect the CVA outcome, which will need to be considered by both the Company and its creditors. The management team have advised that, should the HMRC decision be successful the Company will be able to continue with the CVA albeit with a variation required to extend the period allowing for further contributions to be made.

The Supervisor will monitor the Company's position in relation to the Notice of Breach referred to above.

THE SUPERVISOR'S RECEIPTS AND PAYMENTS ACCOUNT

Attached at Appendix A is the Supervisor's Receipts and Payments Account covering the Period.

During the Period £45,712 has been received.

Payments shown on the Receipts and Payments account are as follows:

- £2,980 has been paid in respect of the incoming Supervisor's bond.
- £1,250 for advice provided to the Supervisor in respect of the HMRC VAT claim.
- Legal fees of £495 for dealing with the case transfer to Frazer Ulrick in accordance with the Court Order.

The Company is not registered for VAT and, therefore, any VAT incurred will be irrecoverable. The Supervisor's fees do not, however, attract VAT.

It should be noted that the Company has now been automatically registered for VAT as part of the HMRC claim procedure. If the Company is successful in defending the claim, the VAT registration will be removed although, should that not be the case, the Supervisor will review the VAT position in relation to expenses.

THE ESTIMATED OUTCOME FOR CREDITORS

Secured creditors:

I am not aware of any creditors whose claims are secured.

Preferential creditors:

I am not aware of any creditors whose claims are preferential.

Unsecured creditors:

Creditor claims totalling £5,548,960 have been received to date. I believe that further claims are still yet to be received. I would encourage those creditors who have not yet proved for their debts to submit their claims to me as soon as possible. A Notice of Claim form is enclosed for that purpose.

HMRC is currently recorded as an unsecured creditor in the sum of £987,369, however, as previously advised, a claim of over £9 million has been received that will require further adjudication due to the ongoing appeal.

It is expected that an estimated dividend of 69.24p in the £ will be paid to creditors throughout the remainder of the Arrangement should the additional HMRC claim not be proved.

THE SUPERVISOR'S REMUNERATION, EXPENSES & DISBURSEMENTS

The Company's Proposal set out the basis of the Supervisor's remuneration, which is to be based on time costs properly incurred, to be drawn from time to time as funds permit and at his discretion, restricted to the fee estimate of £50,000. No VAT is chargeable on the Supervisor's remuneration.

The Supervisor has not requested authorisation to recover his disbursements and expenses which include an element of shared or allocated costs (category 2 disbursements).

The sum of £12,300 has been paid to the Supervisor in the Period.

No disbursements have been paid during the Period.

In accordance with Statement of Insolvency Practice 9, attached at Appendix D is a summary of the Supervisor's time costs for the Period and, at Appendix E, to date.

The analysis for the Period shows time costs incurred of £14,640 representing 68.5 hours at an average rate of £213.72 per hour. Total time costs incurred to date amount to £42,250 representing 204.7 hours at an average rate of £206.40 per hour.

Auker Rhodes Accounting's charge out rates and disbursements policy can be found at Appendix C. Details of the expenses that the Supervisor has incurred are also attached at Appendix B.

A Creditors Guide to Voluntary Arrangement Fees can be accessed at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29116/page/1/voluntary-arrangement-a-guide-for-creditors-on-insolvency-practitioner-fees/>. A hard copy of the Guide can be requested from the Supervisor's office.

EU EXIT REGULATIONS

Part 1 of the Schedule to Regulation 2 of the Insolvency (Amendment) (EU Exit) Regulations 2019 ("EU Exit Regulations") applies to the Company's Liquidation. In accordance with section 4 of Part 1 of the Schedule to Regulation 2 of the EU Exit Regulations, these proceedings are COMI proceedings because they are in the place where the Company conducts the administration of its interests on a regular basis, and which is ascertainable by third parties.

OTHER MATTERS

The Supervisor is bound by the Insolvency Code of Ethics. Creditors are entitled to request details of any threats identified to compliance with the fundamental principles and safeguards applied. Any requests should be made in writing to this office.

Should creditors have any questions arising from this Progress Report they should contact David Hodgson of the Supervisor's office by email at david.hodgson@aukerrhodesaccounting.co.uk.



FRAZER ULRICK
Supervisor

MYA CLINICS LIMITED
(in a Company Voluntary Arrangement)

THE SUPERVISOR'S SUMMARY OF RECEIPTS AND PAYMENTS FROM 31 JANUARY 2023 TO 30 JANUARY 2024

	Statement of Affairs £	From 31/01/20 to 30/01/23 £	From 31/01/23 to 30/01/24 £	Total £
RECEIPTS				
Voluntary contributions	1,380,000.00	125,000.00	45,000.00	170,000.00
Bank interest	-	11.52	711.68	723.20
		<u>125,011.52</u>	<u>45,711.68</u>	<u>170,723.20</u>
PAYMENTS				
Room hire		150.00	-	150.00
Supervisor's bond		1,520.00	2,980.00	4,500.00
Petition costs		940.33	-	940.33
Nominee's fee		15,000.00	-	15,000.00
Supervisor's fee		27,100.00	12,300.00	39,400.00
Supervisor's expenses		14.17	-	14.17
Tax advice		-	1,250.00	1,250.00
Irrecoverable VAT		1,220.90	349.05	1,569.95
Legal fees - block transfer		-	495.25	495.25
Legal fees		5,000.00	-	5,000.00
		<u>50,945.40</u>	<u>17,374.30</u>	<u>68,319.70</u>
Balance		<u>74,066.12</u>	<u>28,337.38</u>	<u>102,403.50</u>
MADE UP AS FOLLOWS				
Bank current account				<u>102,403.50</u>
				<u>102,403.50</u>

MYA CLINICS LIMITED
(in a Company Voluntary Arrangement)
EXPENSES INCURRED BY THE LIQUIDATOR

Expense	Supplier	Category	Incurred in the prior period from 31 January 2020 to 30 January 2023	Incurred in the current period from 31 January 2023 to 30 January 2024	Total incurred to date	Paid in the prior period from 31 January 2020 to 30 January 2023	Paid in the current period from 31 January 2023 to 30 January 2024	Total paid to date	Total outstanding to date
Supervisors' bond premiums	Insolvency Risk Solutions	Category 1	1,520.00	-	1,520.00	1,520.00	-	1,520.00	-
Supervisor's bond premiums	Marsh	Category 1	-	2,980.00	2,980.00	-	2,980.00	2,980.00	-
Pertition costs	HM Revenue & Customs	Category 1	940.33	-	940.33	940.33	-	940.33	-
Legal fees	Lupton Fawcett	Category 1	5,000.00	-	5,000.00	5,000.00	-	5,000.00	-
Legal fees	Wilkes Partnership	Category 1	-	495.25	495.25	-	495.25	495.25	-
Parking	Leeds City Council	Category 1	3.83	-	3.83	3.83	-	3.83	-
Rail fare	Transpennine Express	Category 1	10.34	-	10.34	10.34	-	10.34	-
Mileage	Aulker Rhodes Accounting Limited	Category 2	184.95	-	184.95	-	-	-	184.95
Tax advice	Azeis	Category 1	-	1,250.00	1,250.00	-	1,250.00	1,250.00	-
Room hire	Park Square	Category 1	150.00	-	150.00	150.00	-	150.00	-
			7,809.45	4,725.25	12,534.70	7,624.50	4,725.25	12,349.75	184.95

AUKER RHODES ACCOUNTING – EXPENSES & CHARGEOUT RATES

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 make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Required professional practice¹ states that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

DEFINITIONS

Required professional practice classifies expenses into two broad categories:

- Category 1 expenses (approval not required) – specific expenditure that is directly related to a specific insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges; and
- Category 2 expenses (approval required) – all other items of expenditure:
 - which cannot, or cannot easily, be directly related to a specific insolvency case because there is an element of shared or allocated cost; and / or
 - where the cost of the expense incurred is an estimated, utilised cost with the estimate based on external costs or opportunity cost.

EXPENSES

- Category 1 expenses (approval not required) – except for any items referred to below, all such items are re-charged to the case as they are incurred.
- Category 2 expenses (approval required)
 - (A) The following items of expenditure are re-charged as described:
 - Internal meeting room usage for the purpose of statutory meetings of creditors is re-charged at the rate of £100 per meeting;
 - Car mileage is re-charged at the rate of 45 pence per mile;
 - Storage of books and records (when not rechargeable as a Category 1 expense) is re-charged on the basis of £5 per box per year.
 - (B) The following items of expenditure will normally be treated as general office overheads not subject to a re-charge:
 - Telephone and facsimile
 - Printing and photocopying
 - Stationery

A re-charge may be made, however, where the precise cost to the case can be determined because the item satisfies the test of a Category 1 expense.

STANDARD CHARGEOUT RATES AND CHARGING POLICY

The rates applying as at the date of this report are as follows:

	Chargeout rate (£ per hour)
Grade of staff	
Officeholder	250
Consultant	225
Manager	200
Senior Administrator	150
Administrator	125
Admin / support staff	75 – 125

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in units of six minutes.

¹Statement of Insolvency Practice 9 (SIP 9) effective from 1 December 2015.

APPENDIX D

MYA CLINICS LIMITED
(in a Company Voluntary Arrangement)

TIME COST SUMMARY
FOR THE PERIOD 31 JANUARY 2023 TO 30 JANUARY 2024

[illegible]

MYA CLINICS LIMITED
(in a Company Voluntary Arrangement)

TOTAL TIME COST SUMMARY
31 JANUARY 2020 TO 30 JANUARY 2024

Classification of work	Officeholder	Manager	Other senior professional	Assistants & support staff	Total hours	Time cost (£)	Average hourly rate (£)
Case administration	18.90	88.70	2.70	0.60	110.90	23,102.50	208.32
Case specific matters	0.90	-	-	-	0.90	225.00	250.00
Closure	-	-	-	-	-	-	-
Creditors & shareholders	1.40	42.70	0.40	7.60	52.10	9,740.00	186.95
Employees	-	0.70	-	-	0.70	140.00	200.00
Investigations	0.30	0.20	4.90	-	5.40	1,210.00	224.07
Realisation of assets	2.60	1.60	30.50	-	34.70	7,832.50	225.72
Trading	-	-	-	-	-	-	-
Total hours	24.10	133.90	38.50	8.20	204.70	42,250.00	206.40
Total fees drawn						42,000.00	