

Rule 1.26A/1.54

The Insolvency Act 1986

Notice to Registrar of Companies of
Supervisor's Progress Report

Pursuant to Rule 1.26A(4)(a) or
Rule 1.54 of the
Insolvency Rules 1986

R.1.26A(4)(a)/ R.1.54

For Official Use

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To the Registrar of Companies

Company Number

01483035

Name of Company

Everlac (G B) Limited

I / We

Mary Anne Currie-Smith
Unit 3a, Crome Lea Business Park
Madingley Road
Cambridge
CB23 7PH

John A Lowe
2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

supervisor(s) of a voluntary arrangement taking effect on

07 December 2012

Attach my progress report for the period

07 December 2012

to

06 December 2013

Number of continuation sheets (if any) attached

1

Signed



Date

12.12.13

Begbies Traynor (Central) LLP
Unit 3a, Crome Lea Business Park
Madingley Road
Cambridge
CB23 7PH

Ref EV014CVA/MACS/JL/HN/SWP/PC

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Insolvency Section 1 Part 1



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COMPANIES HOUSE

**Voluntary Arrangement of
Everlac (G.B.) Limited**

**Statement
of Affairs**

**From 07/12/2012
To 06/12/2013**

ASSET REALISATIONS

CVA Contributions	20,000 00
Bank Interest Gross	4 37
	20,004 37

COST OF REALISATIONS

Office Holders Expenses	283 95
	(283 95)

PREFERENTIAL CREDITORS

HMRC PAYE/NI Deductions	195 65
RPO re Arrears/Holiday Pay	4,320 56
Employees re Arrears/Hol Pay	415 76
Pension Contributions	2,054 78
	(6,986 75)

12,733.67

REPRESENTED BY

Bank 1 Current	12,733 67
	12,733.67



Mary Anne Currie-Smith
Joint Supervisor

CAMBRIDGE COUNTY COURT
No 258 of 2012

Mary Anne Currie-Smith and John A Lowe appointed joint
supervisors on 7 December 2012

Everlac (GB.) Limited

(Company Voluntary Arrangement)

Joint Supervisors' Progress Report pursuant to
Rule 1.26A of The Insolvency Rules 1986

Period: 7 December 2012 to 6 December 2013

Important Notice

This progress report has been produced by the supervisors solely to comply with their statutory duty to report to creditors on the progress of the Voluntary Arrangement. 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 for any purpose other than this report to them or by any other person for any purpose whatsoever.

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- Conclusion
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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Everlac (G B) Limited (Under a Voluntary Arrangement)
"the Supervisors"	Mary Anne Curne-Smith of Begbies Traynor (Central) LLP, 3a Crome Lea Business Park, Madingley Road, Cambridge, CB23 7PH and John A Lowe of Begbies Traynor (Central) LLP, 2 Merus Court, Mendian Business Park, Leicester, LE19 1RJ
"the Arrangement"	The terms of the Proposal, Standard Conditions and any modifications (and/or variations) agreed by the Company's creditors
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"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)

2. RELEVANT INFORMATION

Name of Company	Everlac (G B) Limited
Trading name(s)	
Date of Incorporation	5 March 1980
Company registered number	01483035
Company registered office	Hawthorn House, Helions Bumpstead Road, Haverhill, Suffolk, CB9 7AA
Commencement date of the Arrangement	7 December 2012
Duration of the Arrangement	5 years
Main provisions of the Arrangement	The Company will make voluntary contributions totalling £249,990 over a five year period, generating sufficient funds for a total distribution to unsecured creditors of 42p in the £

Variations to the Arrangement since approval

At the first meeting of creditors, the Proposal was varied so that the first distribution to creditors would be made in December 2013 rather than December 2014

Dividend(s) paid to creditors

The first dividend payment is enclosed with this report

Anticipated further dividend(s)

As per the Proposal

Payment date	Pence in the pound
1 12 14	11p
1 12 15	9p
1 12 16	10p
1 12 17	12p
TOTAL	42p in the £

3. INTRODUCTION

- 3 1 Pursuant to Rule 1 26A(6) of the Rules, the Supervisors are required to send the Company, its creditors (bound by the Arrangement) and its members an abstract of receipts and payments which shows all receipts and payments of money whilst the Supervisors have been acting as supervisors of the Arrangement
- 3 2 In addition to accounting for the receipts and payments, Rule 1 26A requires the Supervisors to report on the progress of the Arrangement and the prospects for its full implementation
- 3 3 This is the Supervisors' first annual report, which should be read in conjunction with the Proposal of the directors and accompanying documents approved at the meeting of creditors

4. ABSTRACT OF RECEIPTS AND PAYMENTS

Please find at Appendix 1 an abstract which shows the receipts and payments during the period of this report

5. PROGRESS DURING THE PERIOD OF THIS REPORT

- 5 1 Set out below are details of the progress that has been made during the period of this report
- 5 2 You will recall that the terms of the Arrangement as modified provided for the following
- 5 2 1 The Proposal requires the Company to make six voluntary contributions each year from April to September, and this reflects the seasonal nature of the Company's business. I am pleased to report that the contributions due in 2013 have all been received. The next voluntary contribution is due for payment in April 2014 and next year these payments increase to £8,333
- 5 2 2 The only other receipt has been a small amount of deposit interest

5 2 3 On 15 October 2013 I settled the claims of the preferential creditors in full. These claims amounted to £6,375.34 and I comment upon them in more detail below.

5 2 4 I have recovered my disbursements of £283.95 which are summarised below.

Nature of disbursement	Paid to	£
Specific bond premium	Insolvency Risk Services	205.00
Companies House search	Companies House	1.00
Postage costs	Begbies Traynor	77.95
	Total	283.95

5 2 5 As may be seen, the balance in hand as at 6 December 2013 stood at £12,733.67.

6. PROSPECTS FOR FULL IMPLEMENTATION OF THE ARRANGEMENT

As mentioned above, the contributions due in 2013 have all been received. The Company's accounts for the period ended 31.12.12 show a small profit. The Company's management accounts, which I review on a quarterly basis, show that the Company continues to trade profitably. On that basis, I have no reason at present to conclude that the Arrangement can not be fully implemented.

7. ESTIMATED OUTCOME FOR CREDITORS

7 1 At the outset of the Arrangement it was not expected that there would be any preferential claims against the Company. In the event, it transpired that there were preferential claims against the Company amounting to £6,375.34 which can be summarised as follows.

Nature of claim	£
Pension contribution arrears	2,054.78
Wage arrears	1,183.08
Accrued holiday pay	3,137.48
Total	6,375.34

As mentioned above, these claims were paid in full on 15 October 2013.

7 2 At the outset of the Arrangement it was estimated that unsecured claims would amount to £566,234.

To date I have admitted 79 claims totalling £451,954.76 to rank for dividend. There are also a further 6 claims currently under adjudication with a value of £89,370.39. This gives a maximum unsecured claims value of £541,325.15.

There are also 25 creditors who have failed to submit a claim within the deadline and so they will be excluded from the first distribution to creditors.

7 3 I have today declared a first interim dividend on unsecured claims of 1.4p in the £ and, where appropriate, the dividend cheque is enclosed with this report.

7 4 The next distribution is due for payment in December 2014 and I estimate that it will be for approximately 8p in the £. This payment will be slightly lower than expected and that is because the funds available have been reduced by the payment to the preferential creditors.

8. JOINT SUPERVISORS' REMUNERATION & DISBURSEMENTS

The Supervisors' remuneration has been fixed by reference to the time properly given by them (as Supervisors) and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters arising in the Arrangement and they are authorised to draw disbursements, including disbursements for services provided by their firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with their firm's policy, details of which are attached at Appendix 2 of this report

The Supervisors' time costs for the period from 7 December 2012 to 6 December 2013 amount to £18,685.00 which represents 76 hours at an average rate of £245.86 per hour. An analysis of time costs incurred in this period and prepared in accordance with Statement of Insolvency Practice 9 is attached at Appendix 2 showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type. It is intended that the Time Costs Analysis and the information contained in this report will provide sufficient information to enable the body responsible for the approval of the Supervisors' fees to consider the level of those fees in the context of the case. You will see from the attached receipts and payments account that I have not yet drawn any remuneration.

Please note that although my time costs amount to £18,685 I propose to limit my remuneration on account to £2,000 in line with the value shown on the original estimated outcome statement. I will take this remuneration in December 2013 as a contribution towards the time costs incurred in the period ended 6 December 2013.

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

- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates
- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 7 December 2012 to 6 December 2013

My disbursements are detailed in Section 5 of this report.

A copy of 'Voluntary Arrangements – A Creditors' Guide to Insolvency Practitioners' Fees (E&W) 2011' can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

9. CONCLUSION

The Supervisors will report again on the next anniversary of the Arrangement.



Mary Currie-Smith
Joint Supervisor
Dated 12 December 2013

JOINT SUPERVISORS' ACCOUNT OF RECEIPTS AND PAYMENTS

Period 7 December 2012 to 6 December 2013

**Voluntary Arrangement of
Everlac (G.B.) Limited
To 06/12/2013**

S of A £	£	£
ASSET REALISATIONS		
CVA Contributions	20,000 00	
Bank Interest Gross	4 37	
		20,004 37
COST OF REALISATIONS		
Office Holders Expenses	283 95	
		(283 95)
PREFERENTIAL CREDITORS		
HMRC PAYE/NI Deductions	195 65	
RPO re Arrears/Holiday Pay	4,320 56	
Employees re Arrears/Hol Pay	415 76	
Pension Contributions	2,054 78	
		(6,986 75)
		12,733.67
REPRESENTED BY		
Bank 1 Current		12,733 67
		12,733.67



Mary Anne Currie-Smith
Joint Supervisor

JOINT SUPERVISORS' TIME COSTS AND EXPENSES

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 7 December 2012 to 6 December 2013

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 guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

Where the office holder's remuneration is proposed to be fixed on an additional or alternative basis, sufficient information will be provided to creditors in order to allow them to consider whether to approve the proposed basis or bases of the office holder's remuneration. Following approval further information will be provided to creditors regarding the office holder's fees as required by the legislation and best practice guidance.

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. Best practice guidance² requires 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 in Appendix 3.

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 in Appendix 3. This is only applicable to those cases where the office holder is remunerated on a time costs basis.

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 usually 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 incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

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 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.

Displaying properties for sale on the 'Accelerated Property Sales from Begbies Traynor' section of the Begbies Traynor website is charged at the rate of £75.00 per property.

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

² Ibid 1

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 Cambridge office as at the date of this report are as follows

	Standard 1 May 2011 – until further notice
	Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	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

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME Everlac (G B) Limited

CASE TYPE COMPANY VOLUNTARY ARRANGEMENT

OFFICE HOLDERS Mary Anne Currie-Smith AND John A Lowe

DATE OF APPOINTMENT 7 December 2012

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

The case is not complex. However, as always in the first year of a CVA, the directors have required guidance on various matters relating to the ongoing trading of the Company

1.3 Exceptional responsibilities

There have been no exceptional responsibilities

1.4 The office holders' effectiveness

The voluntary contributions due in the period have all been received on a timely basis. We have continued to review the Company's management accounts on a quarterly basis. We have identified, agreed and paid the claims of the preferential creditors. We have also agreed the claims of the unsecured creditors in preparation for the first dividend payment in December 2013.

1.5 Nature and value of property dealt with by the office holders'

The only asset in the CVA is the voluntary contributions, which are up to date

1.6 Anticipated return to creditors

The preferential claims were paid in full on 15 October 2013. A first interim dividend of 1.4p will be paid to the unsecured creditors on 12 December 2013. The Proposal envisages that over a five year period creditors will receive dividends totalling 42p in the £.

1.7 Time costs analysis

An analysis of time costs incurred between 7 December 2012 and 6 December 2013 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type.

The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only.

1.8 Work undertaken prior to appointment

In addition to the post appointment time costs detailed, the costs relating to work undertaken by the Nominees prior to approval of the voluntary arrangement were approved by the creditors at the creditors' meeting.

1.9 The views of the creditors

All enquiries from creditors have been dealt with on a timely basis.

1.10 Approval of fees

The Proposal, which was approved by creditors on 7 December 2012, authorises the Joint Supervisors to draw their remuneration on the basis of time costs properly incurred.

1 11 Approval of Expenses and Disbursements

The Proposal, which was approved by creditors on 7 December 2012 authorises the Joint Supervisors to draw their disbursements in accordance with this firm's policy

1 13 Other professionals employed & their costs

Not applicable

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor's policy for charging fees and expenses incurred by office holders is attached at Appendix 2

2 2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2

3 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

3 1 Since the date of our last report, the following work has been carried out

- Agreement and payment of preferential claims
- Agreement of unsecured claims
- Dealing with enquiries from creditors
- Dealing with enquiries from and providing guidance to the directors

[illegible]