

Rule 1.26A/1 54

The Insolvency Act 1986

Notice to Registrar of Companies of
Supervisor's Progress ReportPursuant 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

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

05 December 2014

Number of continuation sheets (if any) attached

☐

Signed



Date

8.12.14

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

Ref EV014CVA/MACS/JL/LAE/CXW/PC

For Official Use

Insolvency Section

Post Room

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COMPANIES HOUSE

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

**Statement
of Affairs**

**From 07/12/2012
To 05/12/2014**

ASSET REALISATIONS

CVA Contributions	70,000 00
Excess profit contributions	16,203 00
Bank Interest Gross	23 98
	<u>86,226 98</u>

COST OF REALISATIONS

Office Holders Fees	2,000 00
Office Holders Expenses	294 64
	<u>(2,294 64)</u>

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
	<u>(6,986 75)</u>

UNSECURED CREDITORS

Trade Creditors	70,805 63
	<u>(70,805 63)</u>

6,139.96

REPRESENTED BY

Bank 1 Current	6,139 96
	<u>6,139.96</u>



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 2013 to 6 December 2014

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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- ☐ Estimated outcome for creditors
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 - 2 Joint supervisors' time costs and expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Everlac (G B) Limited (Under a Voluntary Arrangement)
"the Supervisors"	Mary Anne Currie-Smith of, Unit 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	Voluntary contributions over 5 years producing sufficient funds to pay unsecured creditors 42p in the £
Dividend paid to creditors	1 4p in the £ on 12 12 13

Anticipated further dividends

11 6p in the £ on 5 12 14

5p in the £ on 1 7 15

9p in the £ on 1 12 15

10p in the £ on 1 12 16

5p in the £ on 1 12 17

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' second annual report, which should be read in conjunction with the first annual report circulated on 12 December 2013

4. ABSTRACT OF RECEIPTS AND PAYMENTS

Please find at Appendix 1 an abstract which shows the cumulative receipts and payments during the period of this report and since the date of the Supervisors' appointment

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 The company was required to make six voluntary contributions of £8,333 I can confirm that these payments were made in full, on a timely basis
- 5 3 I have also reviewed the company's accounts for the period ended 31 December 2013 These reveal excess profits of £44,203 which the company is obliged to pay into the CVA,
- 5 4 I have received a payment on account of £16,203 and the balance will be paid to me in six equal instalments from January to June 2015 inclusive
- 5 5 The only payment since I last reported has been my disbursements of £10 69
- 5 6 I will draw my annual fee of £4,000 plus VAT shortly
- 5 7 I have today distributed a further £63,204 to the unsecured creditors, which represents a further dividend of 11 6p in the £
- 5 8 As may be seen, the balance in hand stands at £6,139

6. PROSPECTS FOR FULL IMPLEMENTATION OF THE ARRANGEMENT

Based on the company's performance so far, full implementation of the arrangement is still anticipated

7. ESTIMATED OUTCOME FOR CREDITORS

- 7.1 The total amount owed to creditors, as set out in the Proposal, was preferential claims of nil and unsecured claims of £566,234
- 7.2 It transpired that the employees had preferential claims for wages and holiday pay, totalling £6,987, which have been repaid in full
- 7.3 The claims of the unsecured creditors have been agreed at £544,860 which is less than the original estimate
- 7.4 On the basis of sums received to date and estimated future receipts the Supervisors estimate, in line with the terms of the Arrangement an outcome for creditors in total of 42p in the £. The second dividend of 11 6p in the £ is included in this report
- 7.5 As a result of the company's excess profit contribution we also expect to be in a position to pay an additional interim third dividend of 5p in the £ on 1 July 2015

8. JOINT SUPERVISOR'S 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 2013 to 28 November 2014 amount to £8,322 50 which represents 31 6 hours at an average rate of £263 37 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.

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 2013 to 28 November 2014

For the period from 7 December 2013 to 6 December 2014 the Supervisors propose to draw the sum of £4,000 plus VAT as a contribution towards time cost plus disbursements of £200 plus VAT. This remuneration is higher than the estimate shown at the outset, but it does represent only 50% of the time costs which have been incurred.

The Supervisors confirm that to date they have drawn the total sum of £2,000 by way of remuneration plus disbursements of £295, which are made up as follows:

Nature of disbursement	Paid to	£
Specific bond	IRS	205 00
Company search fee	Companies House	1 00
Postage costs	Royal Mail	88 84
Total		294 84

A copy of 'Voluntary Arrangements – A Creditors' Guide to Insolvency Practitioners' Fees (E&W) 2011' which provides guidance on creditors' rights 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. OTHER RELEVANT INFORMATION

We are pleased to report that, as a result of the company's anticipated excess profit contribution, we expect to pay an additional dividend of 5p in the £ on 1 July 2015.

10. CONCLUSION

The Supervisors will report again in approximately one year's time.



Mary Currie-Smith
Joint Supervisor

Dated 8 December 2014

JOINT SUPERVISORS' ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 7 December 2012 to 6 December 2014

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

Statement of Affairs	From 07/12/2012 To 05/12/2014	From 07/12/2012 To 05/12/2014
ASSET REALISATIONS		
CVA Contributions	70,000 00	70,000.00
Excess profit contributions	16,203 00	16,203 00
Bank Interest Gross	23 98	23 98
	<u>86,226 98</u>	<u>86,226 98</u>
COST OF REALISATIONS		
Office Holders Fees	2,000 00	2,000 00
Office Holders Expenses	294 64	294 64
	<u>(2,294 64)</u>	<u>(2,294 64)</u>
PREFERENTIAL CREDITORS		
HMRC PAYE/NI Deductions	195 65	195 65
RPO re Arrears/Holiday Pay	4,320 56	4,320 56
Employees re Arrears/Hol Pay	415 76	415 76
Pension Contributions	2,054 78	2,054 78
	<u>(6,986 75)</u>	<u>(6,986 75)</u>
UNSECURED CREDITORS		
Trade Creditors	70,805 63	70,805 63
	<u>(70,805 63)</u>	<u>(70,805 63)</u>
	<u>6,139.96</u>	<u>6,139.96</u>
REPRESENTED BY		
Bank 1 Current		6,139 96
		<u>6,139.96</u>



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,
- d Table of time spent and charge-out value for the period from 7 December 2013 to 28 November 2014, and
- e Cumulative table of time spent and charge-out value for the period from 7 December 2012 to 28 November 2014 6 December 2014

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.

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

² Ibid 1

- *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

- (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 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
- (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 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	110
Administrator	
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 has not been complex
- 1 3 **Exceptional responsibilities**
There have been no exceptional responsibilities
- 1 4 **The office holders' effectiveness**
Based on performance to date, the company has exceeded its obligations to creditors under the CVA
- 1 5 **Nature and value of property dealt with by the office holders'**
The assets in the CVA are the seasonal voluntary contributions
- 1 6 **Anticipated return to creditors**
As envisaged at the outset creditors are expected to receive a total return of 42p in the £
- 1 7 **Time costs analysis**
An analysis of time costs incurred between 7 December 2013 and 28 November 2014 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 Supervisors' fees are based on time costs properly incurred. As at 28 November 2014 these time costs exceed £27,000 but we have limited our remuneration so as to maximise the return to creditors
- 1 11 **Approval of Expenses and Disbursements**
This firm's disbursements policy formed part of the Proposal which was approved by creditors on 7 December 2012
- 1 13 **Other professionals employed & their costs**
No agents or solicitors have been employed

[illegible]

[illegible]