

# CVA4

## Notice of termination or full implementation of voluntary arrangement



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 2 5 4 8 3 1 2

Company name in full Plexus Cotton Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Supervisor's name

Full forename(s) Richard John

Surname Harrison

### 3 Supervisor's address

Building name/number c/o Interpath Ltd

Street 10th Floor, One Marsden Street

Post town Manchester

County/Region

Postcode M 2 1 H W

Country

### 4 Supervisor's name <sup>①</sup>

Full forename(s) Howard

Surname Smith

#### ① Other supervisor

Use this section to tell us about  
another supervisor.

### 5 Supervisor's address <sup>②</sup>

Building name/number c/o Interpath Ltd

Street 10th Floor, One Marsden Street

Post town Manchester

County/Region

Postcode M 2 1 H W

Country

#### ② Other supervisor

Use this section to tell us about  
another supervisor.

# CVA4

## Notice of termination or full implementation of voluntary arrangement

### 6 Date voluntary arrangement fully implemented or terminated

Date

<sup>d</sup>	<sup>d</sup>	<sup>m</sup>	<sup>m</sup>	<sup>y</sup>	<sup>y</sup>	<sup>y</sup>	<sup>y</sup>
1	2	1	0	2	0	2	3

### 7 Attachments

- ☒ I have attached a copy of the notice to creditors
- ☒ I have attached the supervisor's report

### 8 Sign and date

Supervisor's signature

Supervisor's signature

X



X

Signature date

<sup>d</sup>	<sup>d</sup>	<sup>m</sup>	<sup>m</sup>	<sup>y</sup>	<sup>y</sup>	<sup>y</sup>	<sup>y</sup>
1	2	1	0	2	0	2	3

# CVA4

## Notice of termination or full implementation of voluntary arrangement



### 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 **Matthew Herbert**

Company name **Interpath Ltd**

Address **5th Floor, 130 St Vincent Street**

Post town **Glasgow**

County/Region

Postcode **G 2 5 H F**

Country

DX

Telephone **Tel +44 (0) 113 521 7510**



### 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](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)**

To all creditors

Our ref 6.1N

Contact [Plexuscva@interpathadvisory.com](mailto:Plexuscva@interpathadvisory.com)

12 October 2023

Dear Sir/Madam

Plexus Cotton Limited - under a Voluntary Arrangement (the 'Company')  
High Court of Justice  
No. 2911 of 2017  
Registered Number – 02548312  
Joint Supervisors – Rick Harrison and Howard Smith  
Voluntary Arrangement commencement date - 4 May 2017  
Notice of Implementation of Arrangement

Pursuant to Rule 2.44 of the Insolvency (England and Wales) Rules 2016, notice is hereby given to creditors bound by the above Arrangement and to all members that the Arrangement has been fully implemented and is complete.

A copy of the Joint Supervisors' final report on the above Voluntary Arrangement is now available to view and download at  
[www.ia-insolv.com/case+INTERPATH+PH411C0658.html](http://www.ia-insolv.com/case+INTERPATH+PH411C0658.html).

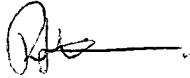
The report is accessible using password >/AF95pSV

If you require a copy of the report, please contact [plexuscva@interpathadvisory.com](mailto:plexuscva@interpathadvisory.com) or in writing at the above address.

This notice formalises our release from the office of Supervisors as our duties under the arrangement are complete. The Company's obligations and duties under the arrangement are also at an end.

As outlined in our letter dated 27 September 2023 enclosing your dividend cheque, the Joint Supervisors requested if creditors could present their dividend cheques within 7 days of receipt of the letter. Any dividend cheques outstanding at the expiration of one month from the termination of the CVA will be returned to the Company in accordance with the terms of the Voluntary Arrangement (as varied).

Yours faithfully  
For Plexus Cotton Limited – under a Voluntary Arrangement



Richard Harrison  
Joint Supervisor

The Joint Supervisors contract without personal liability

Richard John Harrison and Howard Smith are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders may be Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [www.interpathadvisory.com/privacy-insolvency](http://www.interpathadvisory.com/privacy-insolvency).

# Supervisors' Final Report 4 May 2023 to 12 October 2023

Plexus Cotton Limited – under a  
Voluntary Arrangement

12 October 2023

# Glossary

<b>The Act</b>	Insolvency Act 1986 as amended
<b>The Company</b>	Plexus Cotton Limited under a Voluntary Arrangement, a company incorporated in England and Wales (Company number 02548312)
<b>CVA/Arrangement</b>	Company Voluntary Arrangement between the Company and its CVA Creditors under the Act on the terms set out in the Proposals as modified and varied
<b>CVA Creditors' Fund</b>	Fund set up by the Supervisors to receive payments from the Company under the terms of the CVA
<b>Directors</b>	Nicholas Earlam, Peter Egli and Johannah Fischer, the directors of the Company as at the date of issuance of the report
<b>Proposal/CVA Proposal</b>	Proposals of the Directors for the CVA (comprising the terms of the CVA) of the Company
<b>Statement of Affairs</b>	Summary of the Directors' statement of affairs in respect of the Company
<b>The Joint Supervisors/Supervisors/we/our/us</b>	Richard Harrison of Interpath Advisory, 10 <sup>th</sup> Floor, 1 Marsden Street, Manchester, M2 1HW and Howard Smith of Interpath Advisory, Tailor's Corner, 4 <sup>th</sup> Floor, Thirsk Row, Leeds, LS1 4DP

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In the High Court of Justice

Case No. 2911 of 2017

Chancery Division

High Court of Justice Chancery Division -  
Companies Court

In the matter of Plexus Cotton Limited (the  
'Company')

and in the matter of the Insolvency Act 1986

We attach as Appendix 1 a copy of the Supervisors' final summary of receipts and payments in the above Voluntary Arrangement for the period 4 May 2023 to 12 October 2023 (the 'Period') and we report as follows:

## **1 Receipts**

The following realisations have been made during the final period as set out in the attached receipts and payments account (Appendix 1).

### **1.1 CVA creditor funds**

Following the third variation to the CVA, funds of \$23,420 were received from the Company for the Additional Contribution to enable the Joint Supervisors to make a final distribution to non-committee creditors. Contributions into the CVA Creditors' Fund total \$1,158,117.

After the payment of all dividends payable under the terms of the CVA, the details of which are set out below, any unclaimed dividends and surplus contributions (taking into account interest earned on funds held in the Compromised Creditors Payment Fund, less any associated bank charges for currency conversions) will be returned to the Company.

### **1.2 Bank interest, gross**

Final bank interest of \$52 has been received in the Period.

## **2 Payments**

The following payments have been made during the final period as set out in the attached receipts and payments account (Appendix 1).

### **2.1 Supervisors' fees and expenses**

Fees and expenses of \$113,947 and \$299 respectively, were paid to the Joint Supervisors in the final period. This follows approval provided by way of a decision procedure on 2 May 2023 by the Company's creditors that the Supervisors draw time costs incurred in the fourth, fifth and sixth years of the Company Voluntary Arrangement.

## **2.2 Bank charges**

Some of the Company's creditors requested dividend payment by electronic transfer. The current positive balance of \$144.66 reflects amounts deducted from creditor dividends to cover any material change in currency exchange rates and associated bank charges.

# **3 Progress of the Arrangement**

## **3.1 Third variation to the CVA**

On 14 April 2023, the Joint Supervisors sent creditors a formal notice of a decision procedure which the Supervisors convened in accordance with Clause 16 (Material variation of the CVA) of the CVA Proposal to seek the approval of the creditors in relation to a variation request proposed by the Directors which, in the Supervisors' opinion, would materially alter the effect of the CVA.

The variation request was put to the creditors as the Company confirmed it was no longer able to meet the stipulated contribution milestone of \$2.5 million by the due date of 4 May 2023. Furthermore, due to events which had taken place since the CVA was last varied in March 2022, the Directors concluded that the Company's continuing operations had no prospect of funding the return to Creditors envisaged when the CVA was originally put into place in 2017.

The key features of the proposed variation were as follows:

- All creditors' claims would be compromised to 10% of their agreed value resulting in creditors receiving a final dividend of 6 cents in the \$ to supplement the 4 cents in the \$ paid in the first year of the CVA.
- As the CVA Creditors' Fund held by the Supervisors did not contain sufficient funds to make the above payments to all creditors, it was proposed that the five largest creditors by value (the "Committee Creditors") accepted a debt instrument under which they would receive the equivalent of the final CVA dividend over a five-year period. The Directors acknowledged that these creditors were being asked to take on a higher degree of risk therefore the debt instrument also entitles the Committee Creditors to receive 70% of any net realisations made in respect of the Company's (indirectly held) Ugandan property interest during the next 10 years.
- In order to fund the proposed variation (if approved), the Company committed to making a final contribution to the CVA of approximately \$20,000 to enable the non-committee creditors to receive their entitlement of an additional 6 cents in the \$ from the Supervisors.

The variation was approved by creditors on 2 May 2023.

## **3.2 Creditors' committee**

The Company's obligation to produce regular business updates to the Creditors' Committee continued in the final period.

### 3.3 Unsecured creditors

As previously reported, creditors' claims have been agreed at \$21,114,007 of which \$5,514,359 is subordinated and ineligible for participation in CVA distributions. All claims have been finalised including one committee creditor whose claim was potentially partially secured by funds held in escrow.

Following the third variation approval, all non-committee creditors' claims were compromised to 10% of their agreed value meaning that all such creditors have received a final dividend of 6 cents in the \$ to supplement the 4 cents in the \$ paid in the first year of the CVA.

It would assist the Supervisors greatly, if creditors could present their dividend cheques within **7 days** of receipt of this letter. Any dividend cheques outstanding at the expiration of **one month** from the termination of the CVA will be returned to the Company in accordance with the terms of the Voluntary Arrangement (as varied).

As outlined at section 1.1, the Company transferred the funds required to facilitate the payment of the final dividend to non-committee creditors. During the final period, the Joint Supervisors have processed the final dividend payments to these creditors, along with any previously uncashed dividend payments.

During the Period \$109,231 has been paid, bringing total dividends paid to unsecured creditors of \$701,978.

### 3.4 Completion of the CVA

Following the distribution of the CVA Creditors' Fund and the debt instruments, the Supervisors have issued a notice confirming the CVA has been completed.

## 4 Office Holders' Remuneration

In accordance with the terms of the Proposal, the Joint Supervisors' remuneration is fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Arrangement.

Attached at Appendix 2 is a detailed analysis of time spent and charge out rates for each grade of staff for the various areas of work carried out in the Period (as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No.9) together with details of expenses incurred to date.

In the Period, the Joint Supervisors incurred time costs of £55,819, representing 112 hours at an average rate of £498 per hour. This includes tax, VAT and pensions advice from Interpath Advisory in-house specialists. No expenses were incurred in the Period, as shown at Appendix 3. This brings cumulative time costs to £396,429 and expenses to £1,343.

Final fees of £90,000 and expenses of £236 have been paid to the Joint Supervisors during the Period. This follows approval provided on 2 May 2023 by the Company's creditors that

the Supervisors could draw time costs incurred in the fourth, fifth and sixth years of the arrangement. Total fees of £335,000 and expenses of £1,343 have been drawn in the CVA.

By way of a reminder, the CVA Proposal estimated that the total fees to be paid to the Supervisors would be £250,000 plus outlays. However, the estimate was based on an assumed CVA duration of four years and did not envisage that the formation of a creditors' committee and three variations would be required.

Our work in the final period included the preparation and circulation of the final report to creditors, final progress report to the creditors' committee and also distributing the final dividend to the Company's creditors.

Please note that all staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. However, the cost of staff employed in central administration functions is not charged directly to this assignment but is reflected in the general level of charge out rates.

A creditors' guide to fees can be found at:

<https://www.r3.org.uk/media/documents/publications/professional/Voluntary%20Arrangement%20Creditor%20Fee%20Guide%20April%202017.pdf>

However, if you are unable to access this guide and would like a copy then please contact Matthew Herbert on 0161 529 8869.

## 5 Notice of completion of the CVA

Following the final distribution to the non-committee creditors, the terms of the CVA have been fully implemented.

Notice is therefore given pursuant to Rule 2.44 of the Rules (as amended) to all creditors bound by the CVA and to members that the CVA has been fully implemented and is complete from the date of this report, being 12 October 2023.

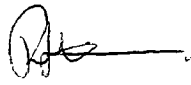
This notice formalises our release from office as Joint Supervisors as our duties under the CVA are complete.

Notwithstanding the sending of the Notice of Completion, the CVA terms state that the compromises and releases effected by the CVA shall remain in full force and effect and the CVA shall continue to apply to the extent necessary to give full meaning and effect to its provision.

Creditors are reminded that any dividend cheques outstanding at the expiration of **one month** from the termination of the CVA will be returned to the Company in accordance with the terms of the Voluntary Arrangement (as varied)

If you have any further queries in relation to the above, please direct them to Matt Herbert on 0161 529 8869.

Signed



Dated

12 October 2023

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Richard John Harrison

Joint Supervisor

## Appendix 1

## Receipts and payments account for the period 4 May 2023 to 12 October 2023

Plexus Cotton Limited - under a Voluntary Arrangement		
Abstract of receipts & payments		
Statement of affairs (£)	From 04/05/2023 To 12/10/2023 (£)	From 04/05/2017 To 12/10/2023 (£)
OTHER REALISATIONS		
Bank interest, gross	51.63	51.63
CVA Creditor Funds	23,420.36	1,158,117.36
	23,471.99	1,158,168.99
COST OF REALISATIONS		
Supervisors' fees	(113,946.95)	(430,631.02)
Supervisors' expenses	(299.13)	(1,740.25)
Irrecoverable VAT	NIL	(3,893.30)
Legal fees	NIL	(19,565.59)
Legal disbursements	NIL	(91.45)
Bank charges	171.08	144.66
	(114,075.00)	(455,776.95)
UNSECURED CREDITORS		
Trade & expense	(109,230.69)	(701,977.85)
	(109,230.69)	(701,977.85)
	<b>(199,833.70)</b>	<b>414.19</b>
REPRESENTED BY		
Floating charge current		NIL
Barclays Floating charge deposit		414.19
		<b>414.19</b>

## Appendix 2

## Time cost analysis for the period from 4 May 2023 to 6 October 2023

General correspondence	<b>3.80</b>	2,265.00	596.05
Fund management	<b>2.10</b>	1,113.00	530.00
General (Cashiering)	<b>16.75</b>	6,270.50	374.36
Reconciliations (& IPS accounting reviews)	<b>2.20</b>	814.00	370.00
Fees and WIP	<b>5.45</b>	2,659.00	487.89
Appointment and related formalities	<b>0.30</b>	190.50	635.00
Checklist & reviews	<b>6.45</b>	3,268.50	506.74
Closure and related formalities	<b>0.30</b>	159.00	530.00
Statutory receipts and payments accounts	<b>0.20</b>	106.00	530.00
Strategy documents	<b>11.20</b>	6,103.50	544.96
General correspondence	<b>2.10</b>	1,097.00	522.38
Payment of dividends	<b>45.35</b>	24,448.00	539.10
Statutory reports	<b>15.90</b>	7,325.00	460.69
<b>Total in period</b>	<b>112.10</b>	<b>55,819.00</b>	<b>497.94</b>
Brought forward time (appointment date to SIP 9 period start date)	943.27	396,429.05	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	112.10	55,819.00	
Carry forward time (appointment date to SIP 9 period end date)	1,055.37	452,248.05	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

## Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this engagement. Time is charged by reference to actual work carried out on the Arrangement.

Managing Director	780
Director	725
Senior Manager	635
Manager	530
Senior Administrator	370
Administrator	265
Support	165

Narrative of work carried out for the period from 4 May 2023 to 12 October 2023.

The key areas of work have been:

Statutory and compliance	preparing statutory receipts and payments accounts; concluding the CVA, notification to creditors, members, the Court and Companies House.
Strategy documents, Checklist and reviews	monitoring and reviewing the CVA strategy; reviewing matters affecting the outcome of the CVA; complying with internal filing and information recording practices, including documenting strategy decisions.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; raising bills to the Company in accordance with the basis which has been approved by them.
Cashiering	receipt of contributions to the CVA from the Company; preparing and processing vouchers for the payment of creditors dividends; cheque and CHAPS payments in relation to the dividends paid to creditors with admitted claims; ensuring compliance with appropriate risk management procedures in respect of payments and dividend re-issue procedures; reconciling CVA bank accounts to internal systems.
Creditors and claims	maintaining claims records and responding to enquiries from creditors regarding the CVA and submission of their claims; reviewing claims submitted by creditors, recording claim amounts and maintaining claim records; collating and verifying bank details for Chaps payments; preparation of the annual and final report to creditors.



## Appendix 3 Expenses for the period from 4 May 2023 to 12 October 2023

We have not incurred any expenses in the Period.

<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
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### Interpath Advisory Policy for the recovery of expenses

Where funds permit, the Supervisors will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

**Expenses:** These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

**Category 1 expenses:** These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party who is not an associate of the office-holders. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the Supervisors or their staff.

**Category 2 expenses:** These are costs that are directly referable to the appointment in question but not a payment to an independent third party. These include payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

**Associates:** are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm. Please note that the above expenses are considered Associate expenses and will be subject to additional Category 2 expenses approval should we wish to draw these.

The only Category 2 expenses that Interpath Advisory currently include is mileage. Mileage claims fall into three categories:

- use of privately-owned vehicle or car cash alternative – 45 pence per mile.
- use of company car – 60 pence per mile.
- use of Managing Director's car – 60 pence per mile.

For all of the above car types, when carrying passengers an additional 5 pence per mile per passenger will also be charged where appropriate. Any expenses to be paid from the estate are disclosed within the summary of disbursements above.

**[www.interpathadvisory.com](http://www.interpathadvisory.com)**

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