

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

To the Registrar of Companies

Company Number

3253156

Name of Company

TWA Logistics Limited

I / We

Robert David Adamson, Mazars House, Gelderd Road, Gildersome, Leeds, LS27 7JN

Supervisor of a voluntary arrangement taking effect on

05 December 2014

Attach my progress report for the period

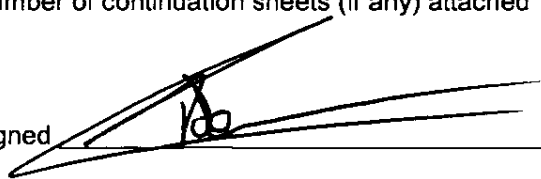
05 December 2016

to

04 December 2017

Number of continuation sheets (if any) attached

Signed



Date 22/1/18

Mazars LLP
Mazars House
Gelderd Road
Gildersome
Leeds
LS27 7JN

Ref: TWAL106071/RDA/HZB/CZR/AZH/JZB

For Official Use

Insolvency Section

Post Room

WEDNESDAY



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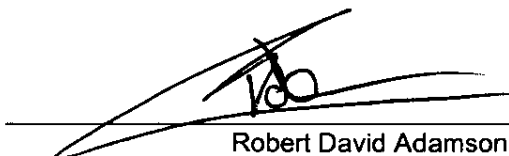
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COMPANIES HOUSE

**Voluntary Arrangement of
TWA Logistics Limited**

Statement of Affairs	From 05/12/2016 To 04/12/2017	From 05/12/2014 To 04/12/2017
ASSET REALISATIONS		
Contributions	24,000.00	94,000.00
	<u>24,000.00</u>	<u>94,000.00</u>
COST OF REALISATIONS		
Nominee's Fees	NIL	9,000.00
Nominee's Disbursements	NIL	153.90
Supervisor's Remuneration	10,000.00	36,000.00
Supervisor's Disbursements	NIL	320.00
Accountants Fees	NIL	1,000.00
Agents/Valuers Fees	NIL	2,000.00
Legal Fees	2,047.00	6,039.00
	<u>(12,047.00)</u>	<u>(54,512.90)</u>
	<u>11,953.00</u>	<u>39,487.10</u>
REPRESENTED BY		
Vat Receivable		569.20
Floating Charge Current		38,917.90
		<u>39,487.10</u>


 Robert David Adamson
 Supervisor

TWA Logistics Limited - Company Voluntary Arrangement (“the Company”) County Court at Leeds No 1189 of 2014

I refer to my appointment as Supervisor of the above arrangement on 5 December 2014 and am now able to provide you with my annual report on the progress of the arrangement. I attach, for your information, an abstract of my receipts and payments for the year ended 4 December 2017 at Appendix A.

Asset realisations

Income contributions

Under the terms of the revised proposal following a variation meeting held 12 August 2015, the Company is to pay contributions of £2,000 per month. I confirm that income contributions are up to date and a total of £94,000 has been received over the 36 month period of the arrangement to date. The sum of £48,000 is still outstanding.

Under the modifications to the proposal, the director’s remuneration must not exceed £37,000 per annum for the duration of the Arrangement. I have requested a copy of the director’s P60 for the year ended April 2017 to comply with this requirement. I am also in correspondence with the Company’s accountant to obtain up to date management accounts in order to review the Company’s financial position following the anniversary of the Arrangement. If required, I will provide a further update to creditors following my review of these documents.

VAT Receivable

Whilst Supervisor’s fees are exempt from VAT following the decision in the Paymex Limited case (2011), the Arrangement has suffered VAT on professional advisors’ costs. These invoices have been provided to the Company for inclusion in its VAT returns in order that the VAT may be recovered and refunded to the Arrangement. I am in correspondence with the director of the Company in this regard.

Creditors’ Claims

To date, claims have been received from 113 creditors totaling £930,117 compared with total claims estimated for the Statement of Affairs of some £606,387 from 171 creditors. During the period of this report, a Notice of Intended Dividend has been issued to all creditors with a deadline to submit claims being 13 October 2017. Following the expiry of this date, claim adjudication work has been completed and all claims have been admitted to rank for dividend.

Whilst the modified terms of the Arrangement originally stipulated a minimum dividend return to unsecured non-preferential creditors, this requirement was removed as part of the variation approved by creditors on 12 August 2015. Based upon claims received and admitted to date, an interim dividend of 2.43p in the £ will be distributed to creditors under a separate cover and a final dividend of 3.21p in the £ is expected to be distributed upon completion.



Expenses of the Arrangement

Details of all expenses incurred during the period of the report are provided in the Expense Statement attached at Appendix B, together with an explanation as to why the expenses have been incurred.

Details of expenses paid during the current period are shown in the receipts and payments account at Appendix A. The amount of expenses paid during the period may be more than the amount incurred due to balances carried over from previous periods.

I have reviewed the expenses incurred to date and I am satisfied that they are reasonable in the circumstances of the case.

Nominee's fee and disbursements

The Nominee's fee and disbursements were agreed by creditors under the terms of the proposal at £10,000. This amount has been drawn in full and includes a fee of £1,000 plus VAT paid to Flannagans Accountants for their assistance with the preparation of the proposal. The remaining £9,000 has been drawn in full.

Supervisor's remuneration

The Supervisor's remuneration was fixed under the terms of the proposal on a time-cost basis. To date the sum of £36,000 has been drawn.

In accordance with Statement of Insolvency Practice 9 ("SIP 9") an analysis of time spent by activity and grade of personnel during the period covered by this report is attached at Appendix C1. During the period of this report, 69.50 hours have been spent on the case with a total value of £8,215.60, giving an average charge out rate of £118.21 per hour.

Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Details of the charge out rates of the team members employed on the assignment during the period covered by this report are attached at Appendix E. Specialist departments within our firm, such as Receivables, Tax and VAT may charge a number of hours if and when their expert advice is required. The rate ranges provided incorporate these different rates.

Attached at Appendix C2 are details of the Supervisors' cumulative time costs since appointment, totalling £39,136.80. This represents 281.50 hours at an average hourly rate of £139.03. As disclosed in my previous reports, the level of time costs incurred in administering this case are higher than originally anticipated due to the Company proposing a variation to the arrangement within the first 12 months. This was rejected by creditors and further variations were then put forward. The total time costs include work done in liaising with the Company and the majority creditors, drafting the proposed variations, holding the meeting and the subsequent adjourned meeting and reporting the outcome to creditors.

In an effort to minimise further costs for the duration of the arrangement, the administering of this case continues to be carried out by staff of lower charge out rates, although the work is still be overseen by a senior staff member.

Due to changes in SIP 9, I am now required to provide you with additional, proportionate information regarding my costs, to include an explanation as to why certain tasks were carried out and whether the work carried out provided a financial benefit to creditors and members. Accordingly, please find attached at Appendix D a narrative summary of the work carried out during the current reporting period.

In accordance with statement of Insolvency Practice 9, a guide entitled "Voluntary Arrangements - A creditors' guide to Insolvency Practitioners' fees" is available to download from the website [https://www.r3.org.uk/media/documents/publications/professional/Guide to Voluntary Arrangement Fees Nov20111.pdf](https://www.r3.org.uk/media/documents/publications/professional/Guide%20to%20Voluntary%20Arrangement%20Fees%20Nov20111.pdf) or alternatively will be provided free of charge upon written request to this office.

Supervisors' Disbursements

Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Supervisors or the firm that can be allocated to the case on a proper and reasonable basis).

Category 2 disbursements require approval in the same manner as remuneration and members will recall that a resolution was passed on 5 December 2014 by unsecured creditors in agreement of the anticipated Category 2 disbursements of the Supervisors.

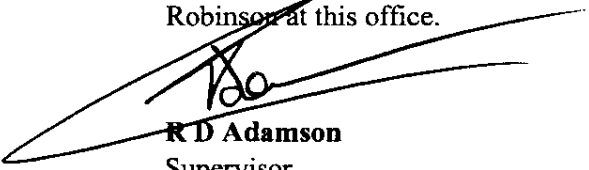
Further details of the rates agreed are provided within the Supervisors' Rates and Disbursements policy which is attached at Appendix E.

Details of disbursements incurred in the period and whether they constitute Category 1 or Category 2 disbursements, is provided below. Details of disbursements paid during the period is provided within the attached receipts and payments account.

Type of Disbursement	Description	Amount incurred in period (£)
<u>Category 2</u>		
Mileage	This expense represents the costs of travelling to meet with the Directors' at the Company premises for the purpose of reviewing the Company's financial performance and ensuring compliance with the terms of the Arrangement.	73.80
Total		73.80

Any Other Matters

If you require any further information in the meantime, please do not hesitate to contact me or Claire Robinson at this office.



R D Adamson
Supervisor

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

**Voluntary Arrangement of
TWA Logistics Limited
Supervisor's Summary of Receipts & Payments**

Statement of Affairs £	From 05/12/2016 To 04/12/2017 £	From 05/12/2014 To 04/12/2017 £
ASSET REALISATIONS		
Contributions	24,000.00	94,000.00
	24,000.00	94,000.00
COST OF REALISATIONS		
Nominee's Fees	NIL	9,000.00
Nominee's Disbursements	NIL	153.90
Supervisor's Remuneration	10,000.00	36,000.00
Supervisor's Disbursements	NIL	320.00
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Agents/Valuers Fees	NIL	2,000.00
Legal Fees	2,047.00	6,039.00
	(12,047.00)	(54,512.90)
	11,953.00	39,487.10
REPRESENTED BY		
Vat Receivable		569.20
Floating Charge Current		38,917.90
		39,487.10

APPENDIX B**TWA Logistics Limited
Company Voluntary Arrangement****EXPENSE STATEMENT**

Type of Expenditure	Who expense incurred by and nature of expense	Amount incurred in current period (£)
Supervisors' Remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required of a Liquidator as dictated by statute.	8,215.60
Supervisors' Disbursements	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. A further breakdown of the disbursements incurred in the period is provided within the report.	73.80
Total Expenses		8.289.40

TWA LOGISTICS LIMITED - In Company Voluntary Arrangement
Analysis of Supervisor's time costs for the period 05/12/2016 to 04/12/2017

Classification of Work	Hours					Total	Time	Av
Function	Partner	Director	Manager	Administrator	Support	Hours	Cost	hourly Rate
Admin & Planning	0.30			0.10	0.20	0.60	£ 133.50	£ 222.50
Taxation				0.50	0.20	0.70	54.40	77.71
Realisation of Assets			0.10			0.10	14.00	140.00
Creditors			1.10	19.30		20.40	1,574.50	77.18
Reporting			1.20	14.10	2.00	17.30	1,065.80	61.61
Distributions			0.20	2.10		2.30	244.00	106.09
Cashiering			0.20	7.30	0.60	8.10	1,073.20	132.49
Statutory & Compliance	10.00		350.00	6.50		20.00	4,056.20	202.81
Total Hours	10.30		6.30	49.90	3.00	69.50		
Total Time Costs (£)	3,265.10		977.30	3,766.20	207.00		8,215.60	
Av Hourly Rate	317.00		155.13	75.47	69.00			118.21

TWA LOGISTICS LIMITED - Company Voluntary Arrangement

Analysis of Supervisors' time costs for the period 05/12/2014 to 04/12/2017

Classification of Work	Hours					Total	Time	Av
Function	Partner	Director	Manager	Administrator	Support	Hours	Cost	hourly Rate
Admin & Planning	3.70		1.20	3.70	0.30	8.90	£ 1,745.70	£ 196.15
Taxation				2.30	0.20	2.50	172.60	69.04
Realisation of Assets	2.50		0.90	15.90		19.30	2,911.20	150.84
Trading	1.20			0.90		2.10	494.70	235.57
Employees				0.10		0.10	12.70	127.00
Creditors			1.40	55.30	9.50	66.20	5,058.00	76.40
Reporting	6.50		3.50	42.20	9.60	61.80	6,980.00	112.94
Distributions			0.20	2.10		2.30	244.00	106.09
Cashiering			1.30	14.80	13.80	29.90	3,387.40	113.29
Statutory & Compliance	40.50		12.50	33.10	2.30	88.40	18,130.50	205.10
Total Hours	54.40		21.00	170.40	35.70	281.50		
Total Time Costs (£)	17,244.80		3,929.90	15,625.70	2,336.40		39,136.80	
Av Hourly Rate	317.00		187.14	91.70	65.45			139.03

TWA Logistics Limited
Company Voluntary Arrangement

**NARRATIVE SUMMARY OF THE SUPERVISORS' TIME COSTS
FOR THE CURRENT REPORTING PERIOD**

Work carried out in the current period

Administration and planning

Work undertaken includes:

- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system;
- Filing;

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. Strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Realisation of Assets

Details of the main assets included under the terms of the proposal are provided within the Supervisors' report. The work involved in realising assets within the current period include:

- Monitoring and pursuing periodic income contributions in accordance with the terms of the proposal;

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.

Creditors

There are approximately 171 unsecured creditor claims of which claims have been received from 113 creditors. Further information regarding unsecured creditor claims is included within the report.

In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Responding to any queries which arise;
- Logging creditor claims;
- Collating information from the Company records to assist with claim adjudication work.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors, however, as it is expected that a dividend will be paid to unsecured creditors, work undertaken in dealing with creditor claims does have a financial benefit in enabling the correct adjudication of claims (as detailed further below).

Distributions

A distribution has been prepared in the current period and will be issued to creditors under a separate cover.

Work undertaken in respect of creditor distributions include:

- Adjudication of creditor claims, requesting further information where necessary or dealing with rejected claims;

- Preparing dividend calculations;
- Processing and payment of distributions.

The work involved in agreeing and paying distributions provides a financial benefit through ensuring that the appropriate funds are distributed to creditors.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Reporting the outcome of any meetings;
- Annual progress reports.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken includes:

- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for members and creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

Statutory and Compliance

The work undertaken as required by statute and our internal procedures involves:

- Case monitoring and statutory compliance, including internal case reviews.

The majority of this work derived no financial benefit for members and creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

APPENDIX E

TWA Logistics Limited Limited

Rates and Disbursements Policy

Charge-out rates

Details of the current charge-out rates of the personnel working on this case are set out below:

Grade of personnel	Range of Hourly Charge Out Rate (£)	
	Prior to 1 September 2017	From 1 September 2017
Partner	300 - 317	440- 500
Director	227 - 250	390 - 400
Manager / Senior Manager	155 - 211	215 - 350
Senior Administrator / Assistant Manager	127 - 211	130 - 200
Junior Administrator / Administrator	85 - 115	90 - 100
Cashier	100 - 130	90 - 100

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Disbursements

Some of the expenses incurred on this matter are likely to be paid by this firm in the first instance and subsequently re-charged to the estate. Such disbursements fall into 2 categories as follows:

Category 1 disbursements: These are payments to independent third parties where there is specific expenditure directly referable to the case and as such can be drawn without prior approval.

Category 2 disbursements: These are costs that are directly referable to the case but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the Supervisor or his firm, and that can be allocated to the case on a proper and reasonable basis. Such disbursements require approval in the same manner as remuneration.

It is proposed that the following Category 2 disbursements incurred in administering the case be charged:

- Mileage will be charged at relevant Inland Revenue rates, currently 45p per mile.
- Photocopying bulk circulars. Photocopying is charged at 3p per page.

All other disbursements are to be reimbursed at cost.

The Supervisor reserves the right to increase the charges applicable to mileage and photocopying during the course of the liquidation in line with inflation or increases from our suppliers. Any material amendments will be advised to creditors in the next statutory report.