

Rule 1 26/  
1 54

The Insolvency Act 1986  
 Notice to Registrar of  
 Companies of Supervisor's  
 Abstract of Receipts and  
 Payments  
 Pursuant to Rule 1 26(2)(b) or  
 Rule 1 54 of the  
 Insolvency Rules 1986

# R.1.26(2)(b)/ R.1.54

For Official Use

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To the Registrar of Companies

Company Number

3297334

Name of Company

Phillips Limited

I / We  
 Neil Francis Hickling  
 Marmion House  
 3 Copenhagen Street  
 Worcester  
 WR1 2HB

supervisor(s) of a voluntary arrangement taking effect on

08 May 2009

present overleaf my/our abstract of receipts and payments for the period from

08 May 2012

to

07 May 2013

Number of continuation sheets (if any) attached

☐

Signed



Date

27 JUN 2013

Smith & Williamson LLP  
 Marmion House  
 3 Copenhagen Street  
 Worcester  
 WR1 2HB

Ref PH198/MB6/TRDF

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Insolv

WEDNESDAY



\*A2BSR220\*

A37

03/07/2013

#257

COMPANIES HOUSE

| <b>RECEIPTS</b>  |  | <b>£</b>  |
|--|--|-----------|
| Brought forward from previous Abstract (if any)            |  | 70,059 37 |
| Contributions  |  | 22,000 00 |
| Bank Interest Net of Tax                                   |  | 0 09      |
| Vat Control Account  |  | 800 00    |
| Carried forward to<br>* continuation sheet / next abstract |  | 92,859 46 |
| <b>PAYMENTS</b>  |  | <b>£</b>  |
| Brought forward from previous Abstract (if any)            |  | 50,850 10 |
| Supervisor's Fees  |  | 4,800 00  |
| Stationery & Photocopying                                  |  | 40 50     |
| Postage & Carriage   |  | 29 70     |
| Trade & Expense Creditors                                  |  | 15,587 78 |
| VAT Receivable   |  | 974 04    |
| Carried forward to<br>* continuation sheet / next abstract |  | 72,282 12 |

\* Delete as  
appropriate

\* Delete as  
appropriate

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the supervisor since he was appointed

TIME AND CHARGE-OUT SUMMARY

| Classification of work function        | Hours                                |                                     |                        |                  |             | Time Cost<br>£ | Average<br>Hourly<br>Rate |
|--|--------------------------------------|-------------------------------------|------------------------|------------------|-------------|----------------|---------------------------|
|  | Partners &<br>Associate<br>Directors | Managers &<br>Assistant<br>Managers | Other<br>Professionals | Support<br>Staff | Total Hours |                |                           |
| Time from 08/05/2009<br>to 07/05/2012  | 529 75                               | 2,494 95                            | 1,186 35               | 12 50            | 93 80       | 17,918 25      | 191 03                    |
| Time reported<br>previously            | 529 75                               | 2,494 95                            | 1,186 35               | 12 50            | 93 80       | 17,918 25      | 191 03                    |
| <b>Time year ended<br/>07/05/2013</b>  |                                      |                                     |                        |                  |             |                |                           |
| Administration and<br>Planning         | 2 10                                 | 6 80                                | 1 65                   | 3 60             | 14 15       | 2,766 25       | 195 49                    |
| Investigations                         | 0 00                                 | 0 00                                | 0 00                   | 0 00             | 0 00        | 0 00           | 0 00                      |
| Realisation of assets                  | 0 00                                 | 1 05                                | 0 00                   | 0 00             | 1 05        | 262 50         | 250 00                    |
| Trading                                | 0 00                                 | 0 00                                | 0 00                   | 0 00             | 0 00        | 0 00           | 0 00                      |
| Creditors                              | 0 00                                 | 0 55                                | 0 00                   | 0 00             | 0 55        | 137 50         | 250 00                    |
| Time incurred during<br>last 12 months | 2 10                                 | 8 40                                | 1 65                   | 3 60             | 15 75       | 3,166 25       | 201 03                    |
| Total Time incurred                    | 531 85                               | 2,503 35                            | 1,188 00               | 16 10            | 109 55      | 21,084 50      | 192 46                    |



**PHILLIPS LIMITED  
COMPANY VOLUNTARY ARRANGEMENT  
SHREWSBURY COUNTY COURT 312 OF 2009  
ANNUAL REPORT TO CREDITORS FOR THE YEAR ENDED 7 MAY 2013**

**Introduction**

Neil Francis Hickling of Smith & Williamson LLP was appointed as Supervisor of the Company Voluntary Arrangement ("CVA") of Phillips Limited ("The Company") at the meeting of creditors held on 8 May 2009.

This is the fourth report to the creditors since the approval of the CVA on 8 May 2009.

**CVA Proposal**

The basis of the CVA is that the company had a 3 month payment holiday after the approval of the CVA and was to make monthly contributions of £2,000 for a period of 5 years from August 2009 to July 2014.

The company's CVA proposal was amended in a number of ways by modifications proposed by various creditors and approved by the creditors meeting held on 8 May 2009. The principal modifications are -

- 1 Every 12 months the Supervisor is to conduct a review of the company's business income and expenditure and obtain an increase in voluntary contributions of not less than 50% of any increase in the net income after provision for any tax due
- 2 The director shall not declare or pay any dividend to the shareholders for the duration of the voluntary arrangement.
- 3 The director shall not declare or pay himself additional remuneration or fees save any amounts agreed with the creditors representing 75% by value of creditors voting on the issue
- 4 The duration of the arrangement shall not exceed 63 months without the prior approval of a 75% majority in value of creditor claims voting in favour of the resolution.

**Supervisors Receipts & Payments Account**

The Supervisors account detailing receipts and payments for the period 8 May 2012 to 7 May 2013 is attached as Appendix 1. The receipts and payments account discloses a balance of £21,551.37 as at 7 May 2013.

In the period under review, contributions received from the company total £22,000. The contribution for April 2013 was paid late, and is therefore not included in the enclosed receipts and payments account.

Bank interest of £0.08 pence has been received in the period.

The VAT charged on the CVA expenses is being reclaimed by the company and the relevant VAT has been refunded by the company to the CVA.



## **Supervisor's Review of Income and Expenditure**

Under the modifications approved by the creditors the supervisor is to review the company's financial statements annually to establish whether or not there are additional profits available to increase the monthly contributions

The company's year end is 31 July and the annual review straddles two accounting periods. I have received a copy of the company's accounts for the year ended 31 July 2012 which shows that the company made a profit before tax of £23,328 compared to a profit before tax of £12,296 in the year ended 31 July 2011. The profit of £23,328 equates to the level of the contributions payable by the company and it is considered that there are no additional contributions required from the company.

### **Director's salary**

The director's P60 for the tax year ended 5 April 2013 disclosed that the gross earnings before tax was £58,649.90 equivalent to a net salary of £3,400 per month, which is in line with the company's forecasts and the copy payslips which I have had sight of. The director's net salary has not increased since the approval of the CVA.

### **Company dividends**

The company's accounts for the year ended 31 July 2012 do not disclose any payment of dividends

### **Company Compliance with the CVA Proposal**

In view of the above I consider that the company has complied with the terms of the CVA proposal and modifications during the year under review.

### **Preferential Creditors**

There are no preferential claims in the CVA.

### **Unsecured Creditors**

The company disclosed thirty seven creditors totalling £296,274.04 and fifteen claims totalling £247,032.62 have been received to date.

### **Dividends**

In the year ended 7 May 2013 a second interim dividend of 6 31 pence in the pound was paid to creditors. A third interim dividend of 6 37 pence in the pound was paid to creditors on 23 May 2013, making the total dividend to creditors to be 20 6 pence in the pound

## **Supervisor's Remuneration and Disbursements**

Paragraph 7 1(h) of the CVA proposal approved by the meeting of creditors held on 8 May 2009 contains provision for payment of the Supervisor's remuneration on a time cost basis from funds paid over to him. The CVA proposal also provides for payments on account of the Supervisor's remuneration during the course of the CVA.

Statement of Insolvency Practice (SIP9) a guidance note of best practice, concerns Insolvency Practitioners Remuneration and expenses. A time and charge out summary for the year ended 7 May 2013 in the format recommended by SIP9, is attached as Appendix 2 of this report showing that during the year 15 75 hours has been spent at an average of £201.03 per hour totalling £3,166.25. The total time spent by the Supervisor and his staff in dealing with matters relating to the CVA from his appointment on 8 May 2009 to 7 May 2013 amounts to 109 55 hours at an average of £192.46 per hour totalling £21,084 50.

The applicable hourly rates for the year ended 7 May 2013 are as follows:-

| Grade                          | Year Ended<br>30/04/2013<br>£ | Year Ended<br>30/04/2014<br>£ |
|--------------------------------|-------------------------------|-------------------------------|
| Partners & Associate Directors | 325-375                       | 325-375                       |
| Managers                       | 210-275                       | 200-275                       |
| Other Senior professionals     | 140-165                       | 145-185                       |
| Assistants & Support Staff     | 70-75                         | 70-75                         |

During the year ended 7 May 2013 the Supervisor drew remuneration of £4,800 plus VAT. The total Supervisor's remuneration drawn since his appointment on 8 May 2009 amounts to £20,578.25 plus VAT.

## **Category 2 Disbursements**

Paragraph 7 1(h) of the CVA approved by the meeting of creditors held on 8 May 2009 also contained provision of the following category 2 disbursements.

1. Postage at actual costs
2. Photocopying at 10 pence per sheet
3. Storage of up to £10 per box per annum

The category 2 disbursements paid in the year ended 7 May 2013 are as follows:-

|                             |              |
|-----------------------------|--------------|
|                             | £            |
| Stationery and photocopying | 40 50        |
| Postage and carriage        | <u>29 70</u> |
|                             | 70.20        |

## **Summary of the CVA to date**

During the period of this review the company has complied with the terms of the proposal. I am of the opinion that there should be no increase at present in the quantum of the monthly contributions that the company is making, but this will be reviewed again once the accounts for the year ended 31 July 2013 are available.

If you wish to discuss any matters arising from this report please contact my manager Marina Bray.

A handwritten signature in black ink, appearing to read 'N F Hickling', with a stylized flourish at the end.

N F Hickling  
Supervisor

28 June 2013

**Voluntary Arrangement of  
Phillips Limited**

**APPENDIX 1**

| Statement<br>of Affairs          | From 08/05/2012<br>To 07/05/2013 | From 08/05/2009<br>To 07/05/2013 |
|----------------------------------|----------------------------------|----------------------------------|
| 112,500 00                       |                                  |                                  |
| ASSET REALISATIONS               |                                  |                                  |
| Contributions                    | 22,000 00                        | 88,000 00                        |
| Bank Interest Net of Tax         | 0 09                             | 47 54                            |
|                                  | <u>22,000 09</u>                 | <u>88,047 54</u>                 |
| COST OF REALISATIONS             |                                  |                                  |
| Specific Bond                    | NIL                              | 264 00                           |
| Nominee's fee                    | NIL                              | 7,500 00                         |
| Supervisor's Fees                | 4,800 00                         | 20,578 25                        |
| Supervisor's Expenses            | NIL                              | 21 58                            |
| Company Searches                 | NIL                              | 18 00                            |
| Legal Fees (1)                   | NIL                              | 2,452 00                         |
| Stationery & Photocopying        | 40 50                            | 426 40                           |
| Postage & Carriage               | 29 70                            | 83 18                            |
|                                  | <u>(4,870 20)</u>                | <u>(31,343 41)</u>               |
| UNSECURED CREDITORS              |                                  |                                  |
| Trade & Expense Creditors        | 15,587 78                        | 35,152 75                        |
|                                  | <u>(15,587 78)</u>               | <u>(35,152 75)</u>               |
| <b>(183,774.00)</b>              | <b><u>1,542.11</u></b>           | <b><u>21,551.38</u></b>          |
| REPRESENTED BY                   |                                  |                                  |
| VAT Receivable                   |                                  | 974 04                           |
| Interest Earning Current Account |                                  | 20,577 34                        |
|                                  |                                  | <u>21,551.38</u>                 |



Neil Francis Hickling  
Supervisor