

Rule 1.26/1.54

The Insolvency Act 1986

Notice to Registrar of Companies of
Supervisor's Progress Report**R.1.26A(4)(a)/
R.1.54****Pursuant to Rule 1.26A(4)(a) or
Rule 1.54 of the Insolvency Rules
1986**

To the Registrar of Companies

For Official Use

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Company Number

03619158

(a) Insert full name of

Name of Company

Cee Dee Engineering Limited

(b) Insert full name and
Address

We Andrew Mackenzie
009581
Begbies Traynor (Central) LLP
Unit 8B
Marina Court
Castle Street
Hull
HU1 1TJ

Bob Maxwell
009185
Begbies Traynor (Central) LLP
Toronto Square
Toronto Street
Leeds
LS1 2HU

(c) Insert date

Joint Supervisors of a voluntary arrangement taking effect on

(c) 06 June 2012

Attach our progress report for the period
from

(c) 06 June 2014

to

(c) 05 June 2015

Number of continuation sheets (if any) attached 0

Signed



Date

11.6.15

Presenter's name, address
and reference

CE044CVA
Begbies Traynor (Central) LLP
Unit 8B
Marina Court
Castle Street
Hull
HU1 1TJ

Liquidation S

For Official Use

THURSDAY



A21 *A49T483C* #336
18/06/2015
COMPANIES HOUSE

HULL COUNTY COURT
No 193 of 2012

Andrew Mackenzie and Bob Maxwell appointed joint supervisors on
6 June 2012

Cee Dee Engineering Limited (Company Voluntary Arrangement)

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

Period: 06 June 2014 to 05 June 2015

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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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Cee Dee Engineering Limited (Under a Voluntary Arrangement)
"the Supervisors"	Andrew Mackenzie of, Unit 8B, Marina Court, Castle Street, Hull, HU1 1TJ and Bob Maxwell of Begbies Traynor (Central) LLP, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"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	Cee Dee Engineering Limited
Trading name(s)	Cee Dee Engineering Limited
Date of Incorporation	20 August 1998
Company registered number	03619158
Company registered office	126 Cumberland Street, Hull, East Yorkshire, HU2 0PT
Commencement date of the Arrangement	06 June 2012
Duration of the Arrangement	62 Months

Main provisions of the Arrangement	Company contributions of
	Year One
	12 x £2,500
	Year Two
	12 x £2,750
	Year Three
	12 x £2,750
	(modified at variation meeting dated 18 July 2014 1 x £2,750 + 11 x £1,375)
	Year Four
	12 x £2,750
	(modified at variation meeting dated 18 July 2014 1 x £1,375 + 11 x £2,750)
	Year Five
	5 x £2,750, 7 x £3,750
Dividends paid to creditors	3 55 p in the £
Anticipated further dividends	A dividend is to be paid upon funds being available

3. INTRODUCTION

- 3 1 Pursuant to Rule 1 26A(6) of the Rules, the Joint 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 Joint 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 Joint Supervisors to report on the progress of the Arrangement and the prospects for its full implementation
- 3 3 This is the Joint Supervisors' third annual report, which should be read in conjunction with the second annual report circulated on 22 July 2014

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 as well as cumulative figures showing the receipts and payments since the date of the Joint 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

Receipts

Company Contributions

Contributions totalling £16,500 have been received from the Company during this period, a further contribution is due for May 2015 at £1,375 and then £1,375 for June 2015. From July 2015 16 further contributions of £2,750 are due and a final seven contributions at £3,750 to the end of the CVA.

Bank Interest Gross

£24.21 has been received in respect of bank interest during this period.

Payments

Joint Supervisors' Fees

Fees in the sum of £10,000 have been drawn by the Joint Supervisors during this period for the monitoring of the Voluntary Arrangement in accordance with the proposal document and modifications. These fees are taken in accordance with the approval by members and creditors at the initial meetings held on 06 June 2012. A detailed breakdown of these costs is provided in Appendix 2 to this report.

Corporation Tax

Corporation tax in the sum of £4.83 has been paid during the reporting period in relation to the above VA.

Unsecured Creditors

A first distribution in the sum of £5,000 was made to unsecured creditors. This represented a distribution to creditors of 3.55p in the £. A further distribution is anticipated to be made to unsecured creditors shortly.

- 5.2 You will recall that the terms of the Arrangement as modified provided for the following:

6. PROSPECTS FOR FULL IMPLEMENTATION OF THE ARRANGEMENT

An initial variation was proposed to creditors on 12 May 2014 and a "new resolution" put forward by HMRC at a meeting of creditors dated 12 June 2014; however, the new resolution was received too late to be given adequate consideration by the Company and the variation was not approved.

A second variation was proposed and approved at a meeting of creditors on 18 July 2014.

The variation approved was for the Company to pay a reduced monthly contribution in the sum of £1,375 per month over a 12-month period and reverting to £2,750 per month thereafter, rising to £3,750 in the final year with a revised dividend estimate of 53p in the £ being implemented going forward with a possible increase as a result of the profit ratchet clause and annual reviews.

The Company is currently 1 month in arrears with its CVA payments and the Joint Supervisors continue to work closely with the Company's director in order to ensure a successful completion of the CVA.

7. ESTIMATED OUTCOME FOR CREDITORS

- 7.1 The total amount owed to creditors at the commencement of the Arrangement was £121,817
- 7.2 The Company's director originally estimated HM Revenue and Customs' claim to be £87,641 however their claim has been received in the sum of £135,068.63. The Joint Supervisors' have reviewed this claim and liaised with the Company's accountants. Total claims received to date are in the sum of £140,843.79 and are therefore in excess of the original sum within the director's statement of affairs within the Proposal.
- 7.3 On the basis of sums received to date, the approved variation and estimated future receipts the Joint Supervisors estimate the outcome for creditors to be in the sum of 53p in the £. It is anticipated that a further dividend can be declared and paid to creditors shortly, subject to the availability of funds.

8. JOINT SUPERVISOR'S REMUNERATION & DISBURSEMENTS

The Joint 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 Joint Supervisors' time costs for the period from 06 June 2014 to 05 June 2015 amount to £13,466 which represents 59.5 hours at an average rate of £226.32 per hour. A sum of £6,000 has been incurred in fees as a result of the ongoing convening, holding, adjourning and reconvening, holding, reporting and circulating to creditors the outcomes of the variation and adjourned variation meetings.

An analysis of time costs incurred in this period and the cumulative period, 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 Joint 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 06 June 2014 to 05 June 2015
- Table of time spent and charge-out value for the period 06 June 2012 to 05 June 2015

For the period from 06 June 2014 to 05 June 2015 the Supervisors have drawn the sum of £10,000 plus VAT by way of remuneration.

The Supervisors confirm that to 05 June 2015, they have drawn the total sum of £17,500 by way of remuneration plus disbursements of £105 plus VAT.

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

The Joint Supervisors are to review the Company's accounts to June 2015 in accordance with the modified proposal and confirm whether there is any scope for an increase in contributions. This review will take place out of this reporting period.

10. CONCLUSION

The Joint Supervisors will report again in approximately 1 year's time or at the conclusion of the Arrangement, whichever is the sooner.

A handwritten signature in black ink, consisting of a large loop followed by a horizontal stroke and a small flourish.

A G Mackenzie
Joint Supervisor

Dated 10 June 2015

JOINT SUPERVISORS' ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 06 June 2014 to 05 June 2015

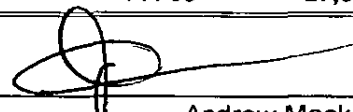
**Cee Dee Engineering Limited
(Under a Voluntary Arrangement)**

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 06/06/2012 To 05/06/2014 (£)	From 06/06/2014 To 05/06/2015 (£)	Total (£)
Company Contributions		57,750 00	15,125 00	72,875 00
Bank Interest Gross		16 23	24 21	40 44
		57,766.23	15,149 21	72,915.44
PAYMENTS				
Nominees' Fee		9,500 00	0 00	9,500 00
Supervisors' Fees		7,500 00	10,000 00	17,500 00
Office Holders Expenses		105 00	0 00	105 00
Professional Fees		1,850 00	0 00	1,850 00
Agents/Valuers Fees		1,750 00	0 00	1,750 00
Legal Fees and Disbursements		9,384 50	0 00	9,384 50
Corporation Tax		1 96	4 83	6 79
Unsecured Creditors		0 00	5,000 00	5,000 00
		30,091 46	15,004 83	45,096 29
Net Receipts/(Payments)		27,674 77	144 38	27,819 15

MADE UP AS FOLLOWS

Vat Receivable	2,580.90	0 00	2,580 90
Bank 1 Current	25,093 87	(477 50)	24,616 37
Suspense Account	0.00	621 88	621 88
	27,674 77	144 38	27,819.15



Andrew Mackenzie
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 06 June 2014 to 05 June 2015, and
- e Cumulative table of time spent and charge-out value for the period from 6 June 2012 to 05 June 2015

BEGBIES TRAYNOR

POLICY FOR RE-CHARGING EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

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 make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Standard professional practice¹ requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

DEFINITIONS

Required professional practice classifies expenses into two broad categories -

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges,
- *Category 2 expenses (approval required)* – all other items of expenditure
 - Which cannot, or cannot easily, be directly related to a particular insolvency case because there is an element of shared or allocated cost, and/or
 - Where the cost of the expense incurred is an estimated, unitised cost with the estimate based on external costs or opportunity cost

DISBURSEMENT CHARGES (Category 2 Disbursements)

- 1 Mileage is recovered at 45p per mile. The Category 2 element relates only to company cars.
- 2 Charges are made as follows

Postage	Actual
Photocopying	15p per sheet
- 3 Internal Room Hire is charged at £100 per meeting.
- 4 Asset Appraisal and Disposal services are provided by BTG Asset Consulting a division of BTG Consulting LLP and Eddisons which are both part of Begbies Traynor Group plc. Asset Appraisal and Disposal costs are charged at £125 per hour and are reclaimed from asset realisations of the company.
- 5 The location of assets or individuals, surveillance and other investigative services are provided by BTG Intelligence, which is part of the Begbies Traynor Group plc. Costs are charged at from £250 per hour.

Professional Advisors

In a number of cases, we have the need to employ outside professional advisors, which may include Solicitors, Valuers and Agents or in some cases, Specialist Tax Advisors. We set out below the name and type of the advisors used and the basis on which their fees are paid.

¹ Statement of Insolvency Practice 9 (SIP 9) effective from 1 April 2007

Name of Professional Advisor	Basis of Fee Arrangement
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Our choice of the above advisor is based on our knowledge of their experience and their ability to perform the type of work on which they have been instructed

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

Grade of staff	Charge-out Rate (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Cashier/Secretarial	110
Junior Administrator	110

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units)

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	Cee Dee Engineering Limited
CASE TYPE	COMPANY VOLUNTARY ARRANGEMENT
OFFICE HOLDERS	Andrew Mackenzie AND Robert Maxwell
DATE OF APPOINTMENT	06 June 2012

1 CASE OVERVIEW

1 1 This overview and the time costs analysis attached and 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 a contribution based Voluntary Arrangement with an annual monitoring of the Company's accounts and the Joint Supervisors continue to report in accordance with the IA1986. A modification was proposed and approved in 2014.

1 3 The office holders' effectiveness

The contributions continue to be monitored and pursued as per the initial strategy. A letter has been sent to the Company's director outside the reporting period requesting the CVA payments are brought up to date before 01 July 2015.

1 4 Nature and value of property dealt with by the office holders'

The Company has to date made contributions into the Voluntary Arrangement of £72,875 and a distribution will be made to creditors upon the agreement of the creditor claims subject to the availability of funds.

1 5 Anticipated return to creditors

The return to creditors was initially anticipated to be a 100p in the £ distribution over 5 years. The variation to the proposal approved at the meeting of creditors dated 18 July 2014 estimates the outcome to creditors to be 53p in the £. 3 55 p in the £ has been paid to date.

1 6 Time costs analysis

An analysis of time costs incurred from 06 June 2014 to 05 June 2015 and 06 June 2012 to 05 June 2015 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 7 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 8 Approval of fees

The Joint Supervisors' fees were approved on a time cost basis by members and creditors at the initial meetings dated 06 June 2012.

1 9 Approval of Expenses and Disbursements

The Joint Supervisors' expenses and disbursements were approved on a time cost basis by members and creditors at the initial meetings dated 06 June 2012

1 10 Category 2 Disbursements

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of my appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Eddisons (formerly BTG Asset Consulting)	1,750
TOTAL	1,750

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

3 2 1 VAT and TAX

HMRC letters and notifications, VAT forms, reclaiming VAT

3 2 2 Administration

Filing, notices sending, general correspondence, bank recs, checklist completing, diary updates, corresponding with creditors

3 2 3 Statutory reports and returns

Forms completing, notices to Co House, reporting on the outcome of the initial meeting

3 2 4 Case strategy and planning

General correspondence, diary, case reviews, monitoring the monthly CVA payments, corresponding with the director, varying the arrangement

3 2 5 Claims, Proofs and Distributions

Agreeing claims, creditor queries, making a distribution to unsecured creditors

[illegible]

Total fees drawn to date £