

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

03767018

Name of Company

TWS (Leeds) Limited

I / We
 Brendan Ambrose Guilfoyle
 93 Queen Street
 Sheffield
 S1 1WF
 DX 10616 Sheffield

Ashleigh William Fletcher
 93 Queen Street
 Sheffield
 S1 1WF

supervisor(s) of a voluntary arrangement taking effect on

07 October 2009

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

07 October 2011

to

06 October 2012

Number of continuation sheets (if any) attached

☐

Signed

Date

20/11/12

The P&A Partnership
 93 Queen Street
 Sheffield
 S1 1WF
 DX 10616 Sheffield

Ref T420809/AWF/f

For Official Use

Insolvency Section

Post Room

THURSDAY



A06

22/11/2012

COMPANIES HOUSE

#126

RECEIPTS		£
Brought forward from previous Abstract (if any)		183,856 79
Voluntary Contributions		60,750 00
Bank Interest Gross		38 81
Carried forward to * continuation sheet / next abstract		244,645 60
PAYMENTS		£
Brought forward from previous Abstract (if any)		109,451 14
Supervisors Fees		12,845 00
Disbursements/Incidental Outlay		95 34
Legal Fees (including Drafting Fee)		2,209 50
Trade & Expense Creditors		74,998 79
VAT Receivable		771 90
Carried forward to * continuation sheet / next abstract		200,371 67

* 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



The P&A Partnership

Business Recovery & Insolvency

The P&A Partnership
93 Queen Street
Sheffield S1 1WF

MDX 10616 SHEFFIELD

t +44(0)114 275 5033

f +44(0)114 276 8556

www.thepandapartnership.com
epost@thepandapartnership.com

TO THE CREDITORS

Our Ref T420809/CVA0801/AWF/f

Your Ref

Date 20 November 2012

Contact Ashleigh William Fletcher

Dear Sirs

TWS (LEEDS) LIMITED

THIRD ANNUAL REPORT ON THE COMPANY VOLUNTARY ARRANGEMENT

Further to my appointment as Supervisor of the Voluntary Arrangement of the above named company's affairs on 7 October 2009 and in accordance with Rule 1 26(2) of the Insolvency Rules 1986 I write to provide creditors with my third report on the progress of the Arrangement

My report is based on the following points

- 1 Summary of the Company's Proposal
- 2 Asset realisations to date
- 3 Liabilities to date admitted for dividend
- 4 Summary of Receipts & Payments
- 5 Supervisor's disbursements
- 6 Supervisor's remuneration
- 7 Dividend prospects for Creditors
- 8 Future conduct of the Arrangement

1 SUMMARY OF THE COMPANY'S PROPOSAL

- 1 1 The terms of the proposal state that the Company shall continue to trade and pay 60 monthly instalments of £4,250 from future profits into the CVA estate. This figure was subsequently increased to £6,750 per month as per a modification proposed by HM Revenue & Customs and subsequently incorporated into the CVA proposal

2 ASSET REALISATIONS TO DATE

- 2 1 To the third anniversary of my appointment I have received the sum of £216,000 in respect of contributions, which means that contributions are currently £27,000 in arrear, which equates to four monthly contributions of £6,750

- 2 2 Please note that one of these contributions was subsequently received into the CVA on 17 October 2012, and a variation to the terms of the CVA agreed by creditor on 14 November 2012, stated that the remaining three months arrears of contributions, totalling £20,250, are to be offset against the third party lump sum of £20,000 paid at the commencement of the CVA
- 2 3 The three outstanding monthly payments are therefore waived and are not require to be paid into the CVA estate, and the CVA proposal is currently compliant
- 2 4 Further details of the agreed variation are detailed in Section 8 of this report

3 LIABILITIES TO DATE ADMITTED FOR DIVIDEND

- 3 1 The Company's Statement of Affairs did not anticipate any preferential claims in the CVA, and no preferential claims have been received to date
- 3 2 It was estimated on the Company's Statement of Affairs that there were 38 unsecured creditors totalling £915,176 86
- 3 3 I have received claims from 22 unsecured creditors in the amount of £1,302,062 44
- 3 4 This includes a non-preferential claim from HM Revenue & Customs in the amount of £713,731 31
- 3 5 There are 13 creditors who failed to submit their proof of debt totalling £19,740 45, and therefore these creditors have subsequently been omitted from any distributions made
- 3 6 The final claims of £1,302,062 44 are some £386,885 60 greater than estimated on the Company's Statement of Affairs

4 RECEIPTS AND PAYMENTS

- 4 1 Attached is the Receipts and Payments Account for the period 7 October 2011 to 6 October 2012, plus a cumulative Receipts and Payments Account since appointment

5 SUPERVISOR'S DISBURSEMENTS/ INCIDENTAL OUTLAY

- 5 1 Total disbursements to date total £2,022 06 and a breakdown of these disbursements are shown below
- 5 2 On the approval by creditors of the voluntary arrangement, the drawing of the supervisor's disbursements was agreed. In accordance with new best practice procedures introduced after appointment, the basis of such disbursements now have to be disclosed. I enclose as Appendix B, a Guide to Fees and Disbursements that fulfils this requirement

Category 1 Disbursements	£
Specific Bond	628 00
Category 2 Disbursements	
Travel	305 13
Postage & Stationery	1,036 43
Search Fees	52 50

6 SUPERVISOR'S REMUNERATION

- 6 1 A resolution passed at the first meeting of creditors, based the Supervisor's remuneration on a time basis, incorporated in Schedule 6 to the Insolvency Rules 1986, and in accordance with that resolution £53,351 50 on account of remuneration to date has been drawn
- 6 2 The time spent by the Supervisor and his staff in carrying out his functions and duties is attached
- 6 3 The total average hourly charge amounts to £263 04 making time costs to date of £53,724 90
- 6 4 Please note that accountant's fees and agents fees have been paid as an expense of CVA but were not detailed in the original estimated outcome statement The fees discharged by the Joint Supervisors are as per the attached Receipt & Payments account
- 6 5 The legal fees detailed in the attached Receipts & Payments account relate to the drafting of the proposal and additional legal assistance in relation to the clarification of creditor claims, the review of the company's actual trading figures, and issues relating to loans made to the company by the director potentially affecting the monthly contributions required Please note that these fees are in excess of the estimated figure provided in the original outcome statement due to the additional legal assistance detailed above and due to the fact that the legal costs associated with the drafting of the CVA proposals were understated
- 6 6 The Joint Supervisors fees are in excess of those anticipated in the estimated outcome statement This relates to the various defaults of the arrangement terms and the associated correspondence with the company and creditors, ongoing discussions with the company in relation to the variation of the original terms of the proposal and correspondence with the company in relation to the company's compliance Further issues have also arisen in relation to the creditor's claims, which were unforeseen, and issues relating to loans made to the company by the directors potentially affecting the monthly contributions required

7 DIVIDEND PROSPECTS

- 7 1 The original proposal estimated that unsecured creditors would receive estimated return of 26 17p in the £ over the five year period
- 7 2 A first distribution was made to the unsecured creditors on 14 December 2010 of 3 pence in the £, a total of £39,061 87
- 7 3 A second distribution was made to the unsecured creditors on 1 March 2012 of 5 76 pence in the £, a total of £74,998 79
- 7 4 To date a total of 8 76p in the £ has been distributed to the CVA unsecured creditors
- 7 5 A previously stated above a variation to the original proposal was agreed by creditors on 14 November 2012 and based on the variation it is estimated that a third and final distribution will be made to unsecured creditors of approximately 7 74p in the £, resulting in a total dividend to unsecured creditors of 16 5p in the £

8 FUTURE CONDUCT OF THE ARRANGEMENT

- 8 1 The third and final dividend payable to unsecured creditors will depend on the company complying with the variation which states that a third party lump sum is to be paid into the CVA estate in the sum

of £50,000 within three months of the approval of the variation proposal, in full and final settlement of the CVA

- 8 2 Please note that the third party lump sum offer of £50,000 relates to the sale of a family member's property, which is in the process of being concluded
- 8 3 The specific variation proposed by the company and agreed by creditors is as follows
- 1) That it is agreed that a third party lump sum of £50,000 is paid into the CVA estate within three months of approval of the variation, in full and final settlement of the CVA
 - 2) That the arrears of contributions, currently totally £20,250, are offset against the third party lump sum of £20,000 paid at the commencement of the CVA, and that these monthly payments are therefore waived and are not required to be paid into the CVA estate
- 8 4 It should be noted that HM Revenue & Customs voted to accept the above variation on the basis that until the current time to pay agreement in place with TWS (Leeds) Limited and HM Revenue & Customs, is fully settled, the arrangement shall not be concluded as satisfactory
- 8 5 If creditors have any queries regarding this Report, please do not hesitate to contact the Supervisor or his staff
- 8 6 In order to minimise future costs, it is not my intention to report further to creditors within the next 12, unless, as anticipated, the CVA conclude within the next 12 months, in which case the final report to creditors will be circulated along with the final distribution to creditors

Yours faithfully


Ashleigh William Fletcher
Joint Supervisor

APPENDIX A
RECEIPTS & PAYMENT ACCOUNT
FOR THE PERIOD OF THE 7 OCTOBER 2011 TO 6 OCTOBER 2012, PLUS A
CUMLATIVE RECEIPT & PAYMENTS ACCOUNT SINCE APPOINTMENT

**Voluntary Arrangement of
TWS (Leeds) Limited**

Statement of Affairs		From 07/10/2011 To 06/10/2012	From 07/10/2009 To 06/10/2012
	ASSET REALISATIONS		
20,000 00	Third Party Contributions	NIL	20,000 00
405,000 00	Voluntary Contributions	60,750 00	216,000 00
	Bank Interest Gross	38 81	85 55
		<u>60,788 81</u>	<u>236,085 55</u>
	COST OF REALISATIONS		
	Specific Bond	NIL	628 00
(2,500 00)	Nominees Fees	NIL	2,500 00
(10,000 00)	Supervisors Fees	12,845 00	53,351 50
(500 00)	Disbursements/Incidental Outlay	95 34	1,394 06
	Agents/Valuers Fees	NIL	475 00
(2,500 00)	Legal Fees (including Drafting Fee)	2,209 50	10,710 50
	Accountants Fees	NIL	6,000 00
		<u>(15,149 84)</u>	<u>(75,059 06)</u>
	UNSECURED CREDITORS		
(189,336 86)	Trade & Expense Creditors	74,998 79	114,060 66
(50,000 00)	Banks/Institutions	NIL	NIL
(500,000 00)	Inland Revenue - PAYE/NIC	NIL	NIL
(129,000 00)	Bibbys	NIL	NIL
		<u>(74,998 79)</u>	<u>(114,060 66)</u>
(458,836.86)		<u>(29,359 82)</u>	<u>46,965 83</u>
	REPRESENTED BY		
	VAT Receivable		771 90
	Bank Balance		44,273 93
	VAT Control Account		1,920 00
			<u>46,965.83</u>

APPENDIX B
GUIDE TO FEES AND DISBURSEMENTS TO BE CHARGED BY THE JOINT
SUPERVISORS

Creditors Guide to the Fees, Expenses and Disbursements charged by The P&A Partnership

Rates applicable from the 1st April 2011

Details of Insolvency Practitioners Licensing Bodies

John Russell, Brendan Ambrose Guilfoyle, Andrew Philip Wood, Christopher Michael White, Gareth David Rusling and Ashleigh William Fletcher are all licensed by the Insolvency Practitioners Association of Valiant House, 4-10 Heneage Lane, London, EC3A 5DQ Philip Andrew Revill is licensed by the Institute of Chartered Accountants of England & Wales of Silbury Court, 412/416 Silbury Boulevard, Milton Keynes, MK9 2AF Derek Ewan Simpson is licensed by The Institute of Chartered Accountants of Scotland of CA House, 21 Haymarkets Yard, Edinburgh EH12 5BH Steven Edward Butt is licensed by the Association of Chartered Certified Accountants of 2 Central Quay, 89 Hydepark Street, Glasgow G3 8BW

Insolvency Practitioners Fees

The Insolvency Rules 1986 entitles the Insolvency Practitioner to receive remuneration for his services and sets out the basis of how such remuneration shall be fixed which includes a percentage of the assets realised and monies distributed to creditors, a set amount, by reference to the time properly given by the office holders, their partners and staff in attending to matters arising, or one or more of the above bases and different basis may be fixed for different things Where it has been agreed by resolution of the secured creditors, a creditor's committee or creditors generally, that the office holders remuneration will be calculated by reference to a time basis, then such remuneration will be calculated in units of 6 minutes at the following hourly standard rates -

Grade	Total Hourly Standard Rates £	Total Hourly Complex Rates £
Partners/Associate	320 – 435	480 – 600
Partners & Directors		
Senior Manager & Managers	215 – 290	320 – 440
Administrators	176 – 215	
Assistants	40 – 176	

These are our current hourly charge out rates and are exclusive of value added tax Rates are reviewed annually and creditors will be advised of any alteration thereto In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the secured creditors, creditor's committee or the creditors generally, that their remuneration on such time as is agreed shall be charged on the above higher hourly complex rate

Debt Collection, Contested Asset Recovery and Related Services

Contested debt collection will be referred to P&A Receivables Services PLC, an associated company of The P&A Partnership and its dedicated legal firm James Peters & Co The fees of P&A Receivables Services PLC shall be charged by reference to the time properly given by their staff, such fees will be calculated in units of 6 minutes at the hourly rate of £80 P&A Receivables Services PLC may also be used to recover items such as plant and machinery, to locate debtors and to serve documents The fees for work of this nature will be calculated in accordance with P&A Receivables Services PLC's standard rates James Peters & Co fees will be charged by reference to time costs properly incurred, calculated in 6 minute units at an hourly rate of between £111 and £217, plus their disbursements These fees are in accordance with the guideline rates for summary assessment of costs following consultation between the legal profession and the Designated Civil Judge and are typical of legal firms in this geographical area

Expenses and Disbursements

The payment of **Category 1** disbursements will be a charge against the estate to recover the actual cost of the disbursement paid out in respect of the administration of the estate A separate amount will be charged by way of an expense to recover the cost of **Category 2** disbursements for services provided by the insolvency practitioner's firm **Category 2** disbursements will include storage of company's books and records at the insolvency practitioner's own storage facility The books and records will be stored in banker's boxes and a storage fee will be charged at the rate of £7 50 per box per month This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after the first anniversary of the completion of the insolvency administration The recharge for company searches and electronic identification procedures for all new clients will depend on the documentation requested The charges will be £10 per set of financial accounts, £5 for an annual return, £5 for a mortgage summary, £10 for a company report, £35 for the Memorandum and Articles of Association, £15 for credit references, £5 for any other documents and £15 for electronic verification searches These charges reflect the insolvency practitioners costs to cover the administration costs of collating the information in addition to the direct costs in obtaining the documents An annual fee of £175 will be charged on corporate matters for the maintenance of the company's registered office at our office addresses The charge for the use of meeting rooms will be a flat rate of £100 per meeting or £150 in our London premises This includes where requested, the use of computer and media facilities Travelling by motor vehicle on business for the administration of the insolvency will be charged to the estate per mile at the appropriate rate currently published by the "AA" for the type of vehicle and engine size used All circulars will be sent out by first class post and the actual postage costs will be charged as an expense to the estate In respect of circulars, stationery and photocopying will be charged out at the rate of 50p per letterhead, 25p per copy paper or facsimile, 09p per proxy form, 09p creditor's guide, 20p large envelope, 18p small envelope, 16p address labels No charge will be made in respect of individual letters relating to the administration of the estate as the costs of these disbursements are reflected in the hourly rate The charges stated above are subject to small annual increments and creditors will be advised of these with future circulars

Introduction to Lending Sources

The P&A Partnership may make referrals to P&A Lender Services Ltd ('PALS') being an associated company PALS and its authorised representatives are not authorised under the Financial Services and Markets Act 2000 or by the Financial Services Authority to provide specific investment advice but they may be able to introduce funding seeking parties ('FSP's') to one or more reputable lending services ('Lender')

In such circumstances where any party associated with the referral is subsequently subject to any formal insolvency procedure and the Partners of The P&A Partnership are appointed office holders in relation to any formal insolvency, then any arrangement fees or commissions or payments becoming due to PALS (if any) from any Lender in respect of the acquisition or future trading of the business and assets of the insolvent party, will be paid into the realisation fund in the formal insolvency for the benefit of creditors

Our Ref T420809/JJAWF/c

T420809

TWS (Leeds) Limited

20 November 2012

SIP 9 - Time & Cost Summary

Period 07/10/09 06/10/12

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants	Total Hours		
Administration & planning	55 70	4 40	15 65	14 10	89 85	21 603 60	240 44
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	1 70	0 00	0 00	0 20	1 90	527 00	277 37
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	50 80	2 20	0 00	3 50	56 50	15,974 00	282 73
Case specific matters	49 80	0 60	0 40	5 20	56 00	15,620 30	278 93
Pre Sip9 Time Recording	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	158 00	7 20	16 05	23 00	204 25	53,724 90	263 04
Total Time Cost (£)	47,850 00	1,955 50	2 759 40	1 160 00			