

In accordance with Rule
2.44 of the Insolvency
(England & Wales)
Rules 2016

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

1

Company details

Company number

04245636

Company name in full

TAYLOR PROTECTIVE COATINGS LIMITED

→ Filling in this form

Please complete in typescript or in bold black capitals.

2

Supervisor's name

Full forename(s)

BETHAN LOUISE

Surname

EVANS

3

Supervisor's address

Building name/number

MENZIES LLP

Street

5TH FLOOR

HODGE HOUSE, 114-116 ST MARY STREET

Post town

CARDIFF

County/Region

Postcode

CF101DY

Country

UNITED KINGDOM

❶ Other supervisor

Use this section to tell us about another supervisor.

4

Supervisor's name ^❶

Full forename(s)

JOHN DEAN

Surname

CULLEN

❷ Other supervisor

Use this section to tell us about another supervisor.

5

Supervisor's address ^❷

Building name/number

MENZIES LLP

Street

5TH FLOOR

HODGE HOUSE, 114-116 ST MARY STREET

Post town

CARDIFF

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Postcode

CF101DY

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❷ Other supervisor

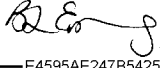
Use this section to tell us about another supervisor.

CVA4

Notice of termination or full implementation of voluntary arrangement

6	Date voluntary arrangement fully implemented or terminated
Date	<div><div><div>d</div><div>2</div></div><div><div>d</div><div>3</div></div><div><div>m</div><div>0</div></div><div><div>m</div><div>6</div></div><div><div>y</div><div>2</div></div><div><div>y</div><div>0</div></div><div><div>y</div><div>2</div></div><div><div>y</div><div>3</div></div></div>

7	Attachments
<div><div><input checked="" type="checkbox"/> I have attached a copy of the notice to creditors</div><div><input checked="" type="checkbox"/> I have attached the supervisor's report</div></div>	

8	Sign and date
Supervisor's signature	<div><div>Supervisor's signature</div><div><div>X</div><div><div>DocuSigned by:</div><div></div><div>E4595AE247B5425...</div></div></div><div>X</div></div>
Signature date	<div><div><div>d</div><div>18</div></div><div><div>Jul-2023</div><div><div>m</div><div>m</div></div><div><div>y</div><div>y</div></div><div><div>y</div><div>y</div></div></div></div>

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 Iona Murray

Company name Menzies LLP

Address 5th Floor

Hodge House

114-116 St Mary Street

Post town Cardiff

County/Region

Postcode

C

F

1

0

1

D

Y

Country

DX

Telephone 03309 129 144

**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 or email 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

IN THE HIGH COURT OF JUSTICE, CHANCERY
DIVISION

NO 6 OF 2023

IN THE MATTER OF THE INSOLVENCY ACT 1986

Taylor Protective Coatings Limited (“the Company”)

Company Number 04245636

COMPANY VOLUNTARY ARRANGEMENT (“CVA”)

**JOINT SUPERVISORS’ REPORT TO CREDITORS AND MEMBERS ON TERMINATION OF THE
CVA**

1. INTRODUCTION

- 1.1 The CVA was proposed on the basis that it would equip the Company with the time required to collect the inter-company debtor balances due from Thermal Compaction Group Ltd (“TCG”), an associated company by way of common directorship, and that it would provide creditors with a better return than they would receive in liquidation, per the estimated outcome statement at Appendix 4 of the Proposals.
- 1.2 The CVA was approved with modifications on 27 March 2023 and John Dean Cullen and I were appointed Joint Supervisors the same date.
- 1.3 The CVA was approved with modifications proposed by the Voluntary Arrangement Service on behalf of HM Revenue & Customs (“HMRC”) as set out at Appendix 1. The modifications did not alter the Proposals to the detriment of creditors who supported the original Proposals, and, being the Chair of the creditors’ meeting, I utilised the non-specific proxies of creditors who had voted in favour of the proposal to vote in favour of the modifications.
- 1.4 At the meeting, it was reported that Modification 13 as proposed by HMRC referred to my remuneration as Joint Supervisors. I, being the Chair, and the proposed Joint Supervisor, did not utilise discretion in support of this modification due to ethical conflicts.
- 1.5 As Joint Supervisor, I exercised discretion when interpreting the term “third party” for the purpose of the Proposals. The term “third party” was interpreted to mean any other entity not party to the Arrangement. This view was formed on the basis that TCG is a party to the Arrangement on the basis that it had signed an undertaking which formed an integral part of the Arrangement, and is therefore not considered a “third party” for the purpose of the Proposals, and specifically in respect of interpreting clauses 53 and 54 of the Proposals.
- 1.6 The Company is in breach of the Arrangement because it failed to meet the second contribution into the Arrangement in the sum of £10,000.00 as set out in Appendix 3 of the Proposals and the signed Declaration as at Appendix 5, by 28 April 2023. As a result, a Notice of Breach was issued to the Company and to TCG on 2 May 2023, and again on 9 May, 15 May, 22 May and 26 May 2023.
- 1.7 The Notice of Breach stated a deadline by which the breach should be remedied to avoid termination of the CVA. The Company failed to remedy the breach and, consequentially, I enclose a copy of the Notice of Termination for your information.
- 1.8 I have instructed solicitors, Capital Law Limited (“Capital Law”), to present a winding-up petition against the Company. I would advise you that it is my intention for the Official Receiver to be appointed Liquidator of the Company on the making of the winding-up order, and any queries regarding the liquidation should be directed to the Official Receiver at PO Box 16655, Birmingham, B2 2EP, or by email at Cardiff.OR@insolvency.gov.uk.

2. COMMENTS ON RECEIPTS AND PAYMENTS

2.1 Attached at Appendix 2 is my receipts and payments account for the period of the CVA. All amounts are shown gross of VAT, as CVA's are generally exempt from VAT. I have reconciled the account against the financial records that I am required to maintain.

2.2 Please note that subsequent to the date of this report, payments will be made as follows:

Reason for payment:	Amount (£):
Winding-up costs	4,785.40
Joint Nominees' fee	500.00
Joint Supervisors' fee	230.90
Joint Supervisors' disbursements	213.75
Remaining balance of funds:	2,991.69

2.3 The balance of funds is held in a non-interest-bearing estate bank account.

Winding-up fees

2.4 Under the terms of the Arrangement as modified, TCG was required to pay £5,618.00, in cleared funds, to fund the issuing of winding up proceedings against the Company on the date the CVA was approved. These funds were duly received and shall be utilised for this purpose.

2.5 Capital Law have quoted £4,785.40, inclusive of applicable VAT, for preparing and lodging the petition at Court, and attending the hearing. This quote also includes disbursements, being a Court issue fee, advertising costs, and a process server fee. The quote also includes the Official Receiver's deposit of £2,600.00.

Voluntary contributions

2.6 Under the terms of the Arrangement as modified, and the signed declaration by Thermal Compaction Group Ltd ("TCG"), the Company was scheduled to receive 16 monthly contributions in accordance with the cash flow at Appendix 3 of the Proposals, totalling £758,480.00. The Company received one contribution of £5,000.00 into the Arrangement together with £5,618.00 to be held for the purposes of petitioning for the winding up in the event of the termination of the Arrangement. Total receipts amount to £10,618.00.

Other receipts

2.7 During the period of the CVA, the sum of £3.74 of bank interest was generated from the monies held in the estate account. The estate account was switched to a non-interest-bearing status following termination of the Arrangement.

3. CREDITOR CLAIMS

3.1 The claims received from creditors were as follows:

	Per Proposals £	Received £
Preferential creditors:	127,588.56	TBC
Unsecured creditors:	722,979.70	371,184.50

HMRC require the Company to complete the final split VAT return prior to the implementation of the CVA before they can finalise their preferential claim. They also require the Company to file its Corporation Tax return for the period ended 30 September 2022 in order to finalise their unsecured claim. They await these returns from the Company.

- 3.2 An unsecured claim was received from Cynosure UK Ltd in an amount of £3,496.50, which was not listed as a liability by the director for the purpose of the CVA. This amount is believed to be disputed.
- 3.3 I have received correspondence from Vessco Engineering Ltd regarding a potential claim against the Company, albeit I have not received a formal proof of debt form regarding this debt.
- 3.4 Since the terms of the Arrangement included a clause in respect of the funds held by the Supervisors' on termination, such that they are held in Trust for the benefit of creditors of the CVA, a Notice of Declaration of Dividend will be issued to preferential creditors shortly in respect of the final dividend.
- 3.5 The outcome for creditors who submitted claims in the Arrangement is as follows:

	Per Proposals p in £	Amount distributed p in £
Preferential creditors	100	NIL
Unsecured creditors	100	NIL

No funds have been distributed to creditors to date. Once HMRC have received the Company's VAT return for the final period prior to implementation of the CVA and been able to finalise their claim, it is envisaged that the balance of funds will be paid to them as a preferential dividend in accordance with the trust. On the basis of the funds held and the statement of affairs figure for HMRC's preferential claim, this is anticipated to be around £0.02p in the £.

4. OFFICE HOLDERS' REMUNERATION

- 4.1 Under the terms of the Proposals as modified, my remuneration as Joint Nominee was fixed at £500.00. This sum will be paid from the assets of the Arrangement.
- 4.2 Under the terms of the modified Proposals, my remuneration as Joint Supervisor was fixed by reference to time spent by myself and my staff and shall not exceed £35,000.00 and must be drawn proportionately in line with receipts. Based on the realisations achieved during the CVA, I am entitled to remuneration of £230.90 and disbursements of £213.75.
- 4.3 During the course of the CVA, I have taken the necessary steps to discharge my duties as Joint Supervisor in accordance with the terms of the Arrangement. A description of the routine work undertaken since my appointment as Joint Supervisor is as follows:

ADMINISTRATION AND PLANNING

- Statutory notifications;
- Preparing documentation required;
- Dealing with routine correspondence;
- Maintaining electronic case details on internal case management system;
- Case bordereau;
- Case planning and administration;
- Preparing reports to members and creditors;
- Convening decision procedures of creditors;
- Monitoring compliance with the terms of the Arrangement; and
- Issuing a notice of termination and the report of termination.

CASHIERING

- Maintaining and managing the cashbook and bank account;
- Preparing estate account payment requests; and
- Arranging for the specific penalty bond to be obtained

CREDITORS

- Dealing with creditor correspondence and telephone conversations;
- Maintaining creditor information on internal case management systems; and
- Reviewing and adjudicating on proofs of debt received from creditors;

REALISATION OF ASSETS

- Corresponding with the director and collecting payments;
- Liaising with the director regarding the monthly contributions; and
- Issuing the notice of breach.

- 4.4 This work was necessary to administer the CVA. Some of the work was required by statute and regulatory guidance, and shows that the remuneration I have drawn in respect of my duties as Joint Supervisor is a fair and reasonable reflection of the work conducted.
- 4.5 Information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>.
- 4.6 A copy of 'A Creditors' Guide to Voluntary Arrangement Fees' also published by R3, together with an explanatory note which shows Menzies LLP's fee policy are available at the following link: <https://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>.
- 4.7 Please note that there are different versions of the Guidance Notes, and you should refer to the April 2021 version. A hard copy of both documents can be obtained on request.

5. OFFICE HOLDERS' EXPENSES

- 5.1 Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate.
- 5.2 Expenses are split into:
- Category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
 - Category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.
- 5.3 Expenses of £6,899.15 have been incurred, of which, £1,900 has been paid to date. The costs payable to Capital Law for issuing the winding-up petition are payable from the designated sum paid by TCG.

5.4 I have used the following professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Marsh Ltd	Specific bonding	Fixed fee based on level of bond
The Post Office	Postage	Fixed fee
Capital Law Limited	Solicitors	Fixed fee and disbursements

5.5 The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I also confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case.

5.6 Details of the category 1 expenses that I have paid to date are included in the receipts and payments account attached at Appendix 2.

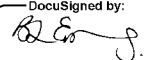
5.7 The Proposals estimated expenses totalling £500.00 arising as a result of the CVA. Expenses totalling £6,899.15 have been incurred to date. As you can see, the expenses incurred are higher than originally anticipated. This is because I had not foreseen paying a creditor's petitioning costs as an expense of the CVA. The cost to petition for the winding-up of the Company were not included in the expenses estimate as specific provision was made for separate funds.

6. OTHER MATTERS

6.1 To comply with the Provision of Services Regulations, some general information about Menzies LLP, including the complaints policy, Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found at <https://www.menzies.co.uk/helping-you/business-recovery/making-a-complaint/>, and <https://www.menzies.co.uk/gdpr-data-protection-legal/>.

6.2 Menzies LLP uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Menzies LLP uses your personal information on our website at <https://www.menzies.co.uk/legal/>.

6.3 Should creditors or members have any queries regarding the conduct of the CVA, or if they want hard copies of any of the documents made available on-line, they should contact me at Menzies LLP, 5th Floor, Hodge House, 114 – 116 St Mary Street, Cardiff, CF10 1DY, or by email at IMurray@menzies.co.uk, or by phone on 03309 129 144.

DocuSigned by:

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Bethan Louise Evans
Joint Supervisor

Dated: 23 June 2023

APPENDIX 1

MODIFICATIONS PROPOSED BY THE VOLUNTARY ARRANGEMENT SERVICE ON BEHALF OF
HM REVENUE & CUSTOMS

Taylor Protective Coatings Limited - Company Voluntary
Arrangement

Modifications Schedule

	A	B	C	D	E	F	G	FOR (%)	AGAINST (%)	TOTAL VALUE OF CLAIMS (£)
Modifications:										
1. (Interpretation) Any modification to the entire proposal approved by creditors and accepted by the company shall wholly supersede any contradictory terms or implied provisions in the proposal. Any conflicting modification(s) proposed by creditors shall be fully resolved prior to approval of the proposal in order that the intention of the modification is given priority and effect.	X	X	X	X	X	X	X	100		178,520.55
2. (Variation) No variation shall be proposed following approval of the arrangement that would cause or have the effect of varying or removing modifications imposed by HMRC in support of the proposal without the express agreement of the HMRC Voluntary Arrangements Service	X	X	X	X	X	X	X	100		178,520.55
3. For the avoidance of doubt the following paragraphs of the proposal or Standard Conditions shall not be amended or removed and shall be incorporated in the approved arrangement. - Standard Condition 67.4 (HMRC-Specific breach clause. - Standard Condition 68 (Retention of funds by Supervisor). - Standard Condition 71 (Third Party obligations).	X	X	X	X	X	X	X	100		178,520.55
4. (Time limit) No time limit for lodging claims shall apply to HMRC.	X	X	X	X	X	X	X	100		178,520.55
5. (Dividend prohibition) No non preferential distribution will be made until the HMRC Final Claim has been made and the supervisor has admitted the claim for dividend purposes.	X	X	X	X	X	X	X	100		178,520.55
6. (Expenses of arrangement) CTSa/VAT due on realisation of assets included in the arrangement will be regarded as an expense of realising the asset payable out of the net sale proceeds.	X	X	X	X	X	X	X	100		178,520.55
7. (Tax-Overpayments) Set-off of refunds due from the Crown against debts due to the Crown will be in accordance with statute and established legal principles. Any repayment due to the company for periods for which claims arise under the arrangement, when so ever they may arise, shall firstly be offset against HMRC's claims in the arrangement. Any remaining surplus shall be similarly applied to the claims of other Crown Departments and should any surplus remain it shall be repaid to the company. Any repayments due to the company for periods that arise after the arrangement shall be applied to any post approval HMRC liability with any surplus being repaid to the company.	X	X	X	X	X	X	X	100		178,520.55
8. (Co debtors) The release of the company from its debts by the terms of CVA shall not operate as a release of any co-debtor for the same debts.	X	X	X	X	X	X	X	100		178,520.55
9. (Included / Excluded assets) For the avoidance of doubt and unless specifically excluded below all of the company's assets will be included within the arrangement as per proposal.	X	X	X	X	X	X	X	100		178,520.55
10. (Payments) The company is to pay the total balance outstanding to HMRC over the course of the arrangement (£130,472.85)	X	X	X	X	X	X	X	100		178,520.55
11. The directors of the company shall not: (a) declare or pay any dividend to themselves or the shareholders of the company for the duration of the voluntary arrangements, (b) declare of pay themselves additional remuneration and or fees above the annual rate of inflation, (c) increase the remuneration of any person involved in the management of the business, whether by way of increase in salary, payment, bonus or benefit, (d) enter into any contract of undertaking for the sale of the business nor dispose of the goodwill or of any assets or goodwill forming part of or essential to its continuing trade, (e) create or extend any mortgage, debenture, charge or security over any part of the company/business except for those that subsist at the date of the proposal. This shall not affect any commercial factoring or similar arrangement.	X	X	X	X	X	X	X	100		178,520.55
12. The arrangement shall not be capable of successful completion until all unsecured, non-preferential creditors claiming in the arrangement have received a minimum dividend of 100 pence in the pound (100p/p)	X	X	X	X	X	X	X	100		178,520.55
13. (Fees) The supervisor's fee shall not exceed £35,000.00 in total and shall be drawn proportionately in line with receipts.	X							73.09		130,472.85

Notes:
1. Proxies B, C, D, E, F, G have provided the Chairperson with discretion
2. Chairperson has no discretion to support Supervisors' or Nominees' fees

Taylor Protective Coatings Limited -
Company Voluntary Arrangement

Modifications Schedule

Key: 			
	Name of Creditor	Value of Claim (£)	Percentage %
A	HM Revenue and Customs	130,472.85	73.09
B	Xerox Finance Ltd	12,882.72	7.22
C	Spray Plant 2K Ltd	4,474.20	2.51
D	MMC Lifting Services Ltd	679.37	0.38
E	Jotun Paints (Europe) Ltd	5,469.58	3.06
F	Hempel UK Ltd	3,455.94	1.94
G	Acothane UK Limited	21,085.89	11.81
Total:		178,520.55	100
Total excluding HMRC:		48,047.70	26.91
HMRC total:		130,472.85	73.09

APPENDIX 2

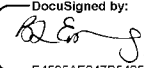
JOINT SUPERVISORS' RECEIPTS AND PAYMENTSE ACCOUNT

**Voluntary Arrangement of
Taylor Protective Coatings Limited
To 23/06/2023**

S of A £		£	£
	ASSET REALISATIONS		
	Contribution to Winding Up Costs	5,618.00	
	Contributions into CVA	5,000.00	
Uncertain	Inter-Company Debtors	NIL	
	Bank Interest Gross	3.74	
			10,621.74
	COST OF REALISATIONS		
	Creditor's Petition Costs	1,900.00	
			(1,900.00)
	PREFERENTIAL CREDITORS		
(64,137.55)	HM Revenue and Customs - PAYE &	NIL	
(63,451.01)	HM Revenue and Customs - VAT	NIL	
			NIL
	UNSECURED CREDITORS		
(182,421.44)	Trade & Expense Creditors	NIL	
(1,076,499.63)	Directors	NIL	
(229,166.65)	CBILS	NIL	
(183,803.05)	Electricity Costs (Disputed)	NIL	
			NIL
	DISTRIBUTIONS		
(2.00)	Preference Shareholders	NIL	
(500,003.00)	Ordinary Shareholders	NIL	
			NIL
(2,299,484.33)			8,721.74
	REPRESENTED BY		
	Barclays Bank NIB		8,721.74
			8,721.74

Note:

All items detailed on the receipts and payments account are shown gross of VAT as Company Voluntary Arrangements are generally exempt from VAT.

DocuSigned by:

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Bethan Louise Evans
Joint Supervisor

APPENDIX 3

JOINT SUPERVISORS' ANALYSIS OF TIME COSTS FOR THE PERIOD FROM 27 MARCH 2023 TO 23 JUNE 2023

TAYLOR PROTECTIVE COATINGS LIMITED - UNDER A COMPANY VOLUNTARY ARRANGEMENT

APPENDIX 3

TIME CHARGE OUT SUMMARY FOR THE PERIOD FROM 27 MARCH 2023 TO 23 JUNE 2023

HOURS								
Classification of Work Function	Partner/ Director	Manager	Senior	Administrator	Support	Total Hours	Time Costs £	Blended Hourly Rate £
Administration & Planning	7.80	6.60	-	24.60	0.90	39.90	10,210.00	255.89
Realisation of Assets	0.80	2.10	-	2.70	-	5.60	1,459.00	260.54
Creditors	0.70	4.80	-	4.20	0.30	10.00	2,507.00	250.70
Investigations	-	-	-	-	-	-	-	-
Total Hours	9.30	13.50	-	31.50	1.20	55.50		
Total Costs	4,929.00	4,218.00	-	4,903.00	126.00		14,176.00	255.42
Total Fees Drawn to Date:							269.32	
Balance of Time Costs Accrued but Unpaid							13,906.68	

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS		
	From 1 June 2022	1 Oct 2021 to 31 May 2022
	£ per hour	£ per hour
Partner/Director	500-580	450-525
Manager	300-450	270-400
Senior	270-280	240-250
Administrator	150-220	135-200
Support Staff	120	105
Note 1 There may have been a number of promotions through the various grades during the period of the administration. Note 2 Overhead costs are reflected in the charge out rates detailed. Note 3 The charge-out rate of the Insolvency Practitioners for this assignment is currently £530 per hour, and the administrator is £150 per hour. Note 4 Time is recorded in minimum units of 6 minutes.		

IN THE HIGH COURT OF JUSTICE, CHANCERY
DIVISION

NO 6 OF 2023

IN THE MATTER OF THE INSOLVENCY ACT 1986

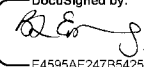
Taylor Protective Coatings Limited ("**the Company**")

(Company Number 04245636)

NOTICE OF TERMINATION OF COMPANY VOLUNTARY ARRANGEMENT ("CVA")

NOTICE IS GIVEN by Bethan Louise Evans and John Dean Cullen, the Joint Supervisors of the CVA, to the creditors and members of the Company under rule 2.44 of The Insolvency (England and Wales) Rules 2016 that the CVA approved on 27 March 2023 terminated on 23 June 2023.

Creditors requiring further information regarding this notice, should either contact me at 5th Floor Hodge House, 114-116 St Mary Street, Cardiff, CF10 1DY, or contact Iona Murray by telephone on 03309 129 144, or by email at IMurray@menzies.co.uk.

DocuSigned by:

F4595AF247B6425

Bethan Louise Evans
Joint Supervisor

Date: 23 June 2023