

Rule 1 26A/1 54

The Insolvency Act 1986

Notice to Registrar of Companies of  
Supervisor's Progress ReportPursuant 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

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Company Number

04348866

To the Registrar of Companies

Name of Company

Essex Denture Centre Limited

I / We

Lee De'ath

Richard Toone, Chantrey Vellacott DFK LLP, Russell Square House, 10-12 Russell Square,  
LONDON, WC1B 5LF

supervisor(s) of a voluntary arrangement taking effect on

18 April 2011

Attach my progress report for the period

18 April 2013

to

17 April 2014

Number of continuation sheets (if any) attached

☐

Signed



Date

13/06/2014

Chantrey Vellacott DFK LLP  
Town Wall House  
Balkerne Hill  
Colchester  
Essex  
CO3 3AD

Ref ESSE39231/LMD/SMS/MH

For Official Use

Insolvency Section

Post Room

TUESDAY



\*A3A7LHJE\*

A08

17/06/2014

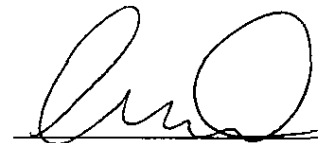
#42

COMPANIES HOUSE

**Voluntary Arrangement of  
Essex Denture Centre Limited**

Statement of Affairs		From 18/04/2013 To 17/04/2014	From 18/04/2011 To 17/04/2014
	<b>ASSET REALISATIONS</b>		
51,060 00	Debtor Contributions	9,000 00	26,250 00
	Bank Interest Gross	20 02	57 64
		<u>9,020 02</u>	<u>26,307 64</u>
	<b>COST OF REALISATIONS</b>		
	Specific Bond	NIL	135 00
	Nominees Feea	NIL	2,500 00
	Office Holders Fees	6,350 00	14,350 00
	Postage	NIL	18 17
	Legal Fees (1)	19 48	84 79
		<u>(6,369 48)</u>	<u>(17,087 96)</u>
	<b>UNSECURED CREDITORS</b>		
(138,512 56)	Unsecured Creditors	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(87,452 56)</u>		<u><b>2,650 54</b></u>	<u><b>9,219 68</b></u>
	<b>REPRESENTED BY</b>		
	Bank 1 Current		9,219 68
			<u><b>9,219 68</b></u>

Note



Lee De'ath  
Joint Supervisor

LMD/SMS/MH/ESSE39231/CVAC32/Q



**Chantrey  
Vellacott**

Thinking forward since 1788

TO ALL KNOWN CREDITORS AND MEMBERS

13 June 2014

Dear Sir or Madam

**Essex Denture Centre Limited – Under a Voluntary Arrangement**

I am pleased to enclose my annual report on the progress in the Arrangement pursuant to Rule 1 26A(4) of The Insolvency Rules 1986 (as amended)

Should you have any queries please contact Graeme Purdy on 01206 578004

Yours faithfully

LEE DE'ATH

Joint Supervisor

Licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

Enc

Town Wall House  
Balkerne Hill  
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Chantrey Vellacott DFK LLP is a  
limited liability partnership registered  
in England and Wales (No OC313147)  
whose registered office is at Russell  
Square House 10-12 Russell Square  
London WC1B 5LF

Chantrey Vellacott DFK LLP is a  
member firm of **DFK** International  
an association of independent  
accounting firms and business advisers

**IN THE MATTER OF**  
**ESSEX DENTURE CENTRE LIMITED – UNDER A VOLUNTARY ARRANGEMENT**

**REPORT OF THE JOINT SUPERVISOR**  
**PURSUANT TO RULE 1 26A(4)**  
**OF THE INSOLVENCY RULES 1986 (AS AMENDED)**

**Chantrey Vellacott DFK LLP**

**Town Wall HouseBalkerne HillColchesterEssexCO3 3AD**  
**Telephone Number. 01206 578004**  
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## **ESSEX DENTURE CENTRE LIMITED – UNDER A VOLUNTARY ARRANGEMENT**

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## **ESSEX DENTURE CENTRE LIMITED – UNDER A COMPANY VOLUNTARY ARRANGEMENT (“THE ARRANGEMENT”)**

### **REPORT OF THE JOINT SUPERVISOR**

**13 JUNE 2014**

### **INTRODUCTION**

I, Lee De'ath, of Chantrey Vellacott DFK LLP, Town Wall House, Balmerne Hill, Colchester, Essex, CO3 3AD, together with my partner, Richard Toone, was appointed Joint Supervisor of the Arrangement on 18 April 2011

In accordance with Rule 1.26A(4) of The Insolvency Rules 1986 (as amended) I am pleased to present my report on the progress in the Arrangement. This report relates to the period from 18 April 2013 to 17 April 2014

### **BACKGROUND**

Creditors may recall that the general terms of the Voluntary Arrangement provided for the following

- Monthly contributions of £750, increasing to £1,354 from December 2014,
- An additional contribution equivalent to 50% of any profit over and above £17,500, and
- Repayment during the period of the Voluntary Arrangement of any outstanding directors loan accounts

Despite previous assurances the directors have failed to provide the Company's accounts for the year ended 31 March 2013, in order to assess whether any additional contribution is due. These accounts are also outstanding at Companies House. We are advised that the continued delay in preparing the accounts is as a result of moving accountants after a dispute with the previous accountant. We are advised that the directors continue in their attempts to rectify the position. Once the accounts are available the Supervisors will be able to determine whether additional contributions are due.

Discussions with the directors in respect of their outstanding loan accounts are ongoing.

### **RECEIPTS AND PAYMENTS ACCOUNT**

An abstract of the Supervisors' Receipts and Payments for the period concerned is attached at Appendix 1.

### **ASSET REALISATIONS**

#### ***Monthly Contributions***

Under the terms of the Arrangement, the Company is required to make minimum voluntary contributions of £750 per month for a minimum of 60 months. To date, contributions of

£26,250 have been received which equates to 35 payments, the 36<sup>th</sup> payment was received after the statutory period covered by this report. The Arrangement is currently up to date in respect of this requirement.

#### ***Bank Interest Gross***

Gross bank interest has accrued on the funds held in the estate account in the sum of £57.64 of which £20.02 relates to the period covered by this report.

### **DIVIDEND PROSPECTS**

#### **Secured Creditors**

The Company has one secured creditor, Lloyds TSB Commercial Finance Limited, which holds a fixed and floating charge created on 1 December 2004. As detailed in the Company's proposals, secured creditors are not bound by the terms of the Voluntary Arrangement.

The proposals allowed for the continued payment of a loan the Company had outstanding at the date of the commencement of the Arrangement. To the best of our knowledge the loan payments have been maintained, we have however requested independent confirmation that the loan is being serviced in line with the terms and conditions. Once the loan is repaid in full the £604 per month will be payable as an increased contribution to the Arrangement, it is anticipated that the loan will be repaid in December 2014.

#### **Preferential Creditors**

The Joint Supervisors are not aware of any preferential claims within the meaning of Schedule 6 of the Act and to date the Joint Supervisors have not received any preferential claims.

#### **Unsecured Creditors**

Unsecured creditor claims of £88,357 have been received to date compared to total claims of £138,512 in the Company's Statement of Affairs.

No distributions have been made to date. The Joint Supervisors will shortly circulate, under separate cover, a Notice of Intended Dividend.

As such, and if you have not already done so, I should be grateful if you would complete the attached proof of debt form included as Appendix 5 and return it to me with supporting documentation.

I hope to be in a position to pay an interim dividend on the region of five pence in the pound by 31 July 2014.

### **COSTS OF REALISATION**

Specific bond payments have been made in the sum of £135 in respect of the statutory requirement to have a bond in place. Postage costs of £18.17 have also been met from the estate account.

Legal fees have been incurred in the sum of £84 79 in respect of the transfer by way of a High Court Order of Mr Touhey's cases and his replacement as Joint Supervisor by Richard Toone

#### **NOMINEE'S FEE**

In accordance with the terms of the accepted Proposals, a Nominee's fee of £2,500 was payable. This amount has been paid under the Arrangement from the sums received to date

#### **SUPERVISORS' REMUNERATION AND DISBURSEMENTS**

In accordance with the terms of the accepted Proposals, the Supervisors' remuneration will be based on my firm's costs, in addition to drawing Category 2 disbursements

A summary of the Supervisors' time costs, covering the period since my appointment and the period covered by this report, analysed by grade of staff, are attached at Appendix 2

In accordance with the Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals and adopted by my professional licensing body, I advise that the overall time spent during the period of the administration of the case *[18 April 2011 to 17 April 2014]* and charge out value of that time is 87 80 hours and £16,162 respectively. In relation solely to the period covered by this report, I advise that the overall time spent and charge out value of that time is 31 30 hours and £6,974 respectively

This equates to an average hourly charge out rate of £184 08. These figures do not include VAT

To date, the Joint Supervisors have drawn fees in the sum of £14,350 and disbursements in the sum of £237 96 of which fee of £6,350 have been drawn since my last report

The work undertaken as Supervisor is derived from the responsibilities placed upon me by the underlying legal and regulatory framework for work of this nature. I have been assisted by the assignment manager and administrator, together with secretarial staff and cashiers. All personnel were charged directly to the assignment for all of the time relating to the case

Although this case has generally been of average complexity with no exceptional responsibility falling upon me as Joint Supervisor my time costs are greater than initially anticipated as a direct result of the directors' inability to provide the information required, which has meant additional time has been expended pursuing it. We have also spent greater time than anticipated dealing with creditors queries and the agreement of claims

Disbursements represent the reimbursement of expenses incurred on behalf of the assignment. These are outlined in the summary of Supervisors' timecosts and disbursements attached

#### **CHARGE OUT RATES**

In common with other professional firms, my charge out rates increase from time to time over the period of the administration of the case. I enclose an explanation of office holders charging and disbursement recovery policies for your reference as Appendix 3



A guide to Insolvency Practitioners' Fees – Voluntary Arrangements, which provides information for creditors in relation to the remuneration of a Supervisor, can be accessed at the website of the Association of Business Recovery Professionals at

<http://www.r3.org.uk/index.cfm?page=1210>

Alternatively, I can provide you with a copy on written request

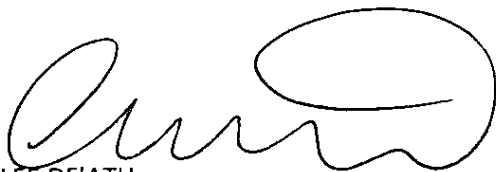
#### **RIGHT TO REQUEST FURTHER INFORMATION**

I would draw your attention to Rule 1.55 of the Insolvency Rules 1986 (as amended), the text of which is reproduced at Appendix 4. These Rules set out the circumstances under which creditors may request further information in relation to the Nominees' or Supervisors' remuneration and expenses.

#### **CONCLUSION**

As noted above, due to external issues the Company was unable to comply with the Joint Supervisors' requests and provide the information requested. However, the Company is still attempting to resolve the position and otherwise has been complying with the terms of the arrangement. It is anticipated that an interim dividend will be declared shortly. As such, a Notice of Intended Dividend will be circulated to those creditors who are yet to submit details of their claim under separate cover.

Should you require any further information, in addition to that already given, please contact Graeme Purdy at this office, on 01206 578004.



LEE DE'ATH

Joint Supervisor

Licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

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**Voluntary Arrangement of  
Essex Denture Centre Limited**

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(138,512 56)	UNSECURED CREDITORS		
	Unsecured Creditors	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(87,452.56)</u>		<u>2,650 54</u>	<u>9,219 68</u>
REPRESENTED BY			
Bank 1 Current			9,219 68
			<u>9,219.68</u>

Note

  
 Lee De'ath  
 Joint Supervisor

**SUMMARY OF SUPERVISORS' TIMECOSTS & DISBURSEMENTS**

ESSEX DENTURE CENTRE CVA - ESSE40142

Time and Chargeout Summary for the period 18/04/2011 to 17/04/2014							
Classification of work function	Hours					Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	3 20	6 00	38 50	15 20	62 90	10,846 00	172 43
Investigations	0 00	0 50	0 30	0 00	0 80	152 50	190 62
Realisation of Assets	0 00	2 40	0 50	0 00	2 90	801 50	276 38
Creditors	1 10	3 30	16 30	0 00	20 70	4,187 00	202 27
Shareholdings	0 50	0 00	0 00	0 00	0 50	175 00	350 00
Total Hours	4 80	12 20	55 60	15 20	87 80	16,162 00	184 08
Total fees Claimed	1,680 00	3,481 00	8,935 00	2,066 00	16,162 00		

Category 2 Disbursements	
Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	
Type and Purpose	£
Couriers	18 17
Other	84 79
	102 96

ESSEX DENTURE CENTRE CVA - ESSE40142

Time and Chargeout Summary for the period 18/04/2013 to 17/04/2014							
Classification of work function	Hours					Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	1 50	2 90	11 00	4 70	20 10	4,351 00	216 47
Realisation of Assets	0 00	0 80	0 00	0 00	0 80	240 00	300 00
Creditors	0 50	1 00	8 90	0 00	10 40	2,383 50	229 18
Total Hours	2 00	4 70	19 90	4 70	31 30	6,974 50	222 83
Total fees Claimed	700 00	1,410 00	4,303 00	561 50	6,974 50		

Category 2 Disbursements	
Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	
Type and Purpose	£
Other	19 48
	19 48

## CHANTREY VELLACOTT DFK LLP

### CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICIES

#### Chargeout Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the firm's chargeout rates applicable to this appointment, exclusive of VAT, are as follows

	From 1 August 2013 £ per hour	From 1 August 2011 £ per hour	From 1 August 2010 £ per hour
Partners / Office Holders	350 - 450	350 - 450	350 - 430
Consultants	350 - 450	350 - 450	350 - 450
Directors	325 - 350	325 - 340	320 - 330
Senior Manager	300 - 325	300 - 315	270 - 310
Managers	280 - 295	280 - 295	250 - 280
Assistant Managers	260 - 280	260 - 275	230 - 260
Senior Executive / Analyst	220 - 250	220 - 250	175 - 250
Executive	135 - 180	125 - 175	100 - 170
Cashier	125 - 165	120 - 160	115 - 180
Secretaries / Support / Junior Analyst	80 - 115	80 - 110	70 - 110

Chargeout rates are normally reviewed annually on 1 July when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

#### Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, storage, online reporting facilities, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

#### Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

#### Circulars to creditors

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

#### Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT is levied to cover the cost of booking the room.

#### Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the HM Revenue & Customs approved rate, currently 40p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

#### Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

**Chantrey Vellacott DFK LLP**

**Effective 1 August 2013**

Chantrey Vellacott DFK is a limited liability partnership registered in England and Wales (NoOC313147) whose registered office is at Russell Square House, 10-12 Russell Square, London, WC1B 5LF. The term "partner" denotes a member of a limited liability partnership. A list of members of Chantrey Vellacott DFK LLP is available at our registered office.

**EXTRACTS OF 1.55 OF THE INSOLVENCY RULES 1986 (AS AMENDED)**

**Extracts of Rule 1.55 of The Insolvency Rules 1986 (as amended)**

**1 55 Provision by nominee or supervisor of information about time spent on a proposal or voluntary arrangement**

**1 55(1) [Duty of nominee or supervisor to provide statement]** A person ("the relevant person") who has acted or is acting as -

- a) a nominee in respect of a proposed voluntary arrangement, or
- b) a supervisor in respect of a voluntary arrangement

must, on request in writing by any person mentioned in paragraph (2), supply free of charge to that person a statement complying with paragraph (3)

**1.55(2) [Who may request statement]** The persons referred to in paragraph (1) are –

- a) any director of the company,
- b) where the proposal has been approved, any creditor or member of the company in respect of the arrangement

**1 55(3)[Period and content of statement]** The statement referred to in paragraph (1)–

- a) must cover the period beginning with the date of the appointment of the relevant person as nominee or supervisor, as the case may be, and ending –
  - (i) with the date next before the date of making the request on which the relevant person has completed any period as nominee or supervisor, or both, which is a multiple of 6 months, or
  - (ii) where the relevant person has ceased to act as nominee or supervisor, the date upon which the person so ceased, and
- b) must comprise the following details –
  - (i) the total number of hours spent on the voluntary arrangement by the relevant person whether as nominee or supervisor, or both, and any staff assigned to the voluntary arrangement during that period,
  - (ii) for each grade of individual so engaged, the average hourly rate at which any work carried out by individuals in that grade is charged, and
  - (iii) the number of hours spent by each grade of staff during that period

**1.55(4) [Time limit to request statement]** No request pursuant to this Rule may be made where more than 2 years has elapsed since the relevant person ceased to act in any capacity in relation to the proposal or any voluntary arrangement arising out of the approval of the proposal

**1.55(5) [Time limit for supply of statement]** Any statement required to be provided to any person under this Rule must be supplied within 28 days of that date of the receipt of the request by the person required to supply it

## COMPANY VOLUNTARY ARRANGEMENT

Essex Denture Centre Limited

Date of Voluntary Arrangement – 18 April 2011

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date of the interim order	£
4	Details of any documents by reference to which the debt can be substantiated [Note the nominee or supervisor may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show -  (a) amount of Value Added Tax  (b) amount of claim NET of Value Added Tax	£  £
6	If total amount above includes outstanding uncapitalised interest, please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with Schedule 3 to the Social Security Pensions Act 1975)	Category  Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	