

Rule 1 29

**The Insolvency Act 1986
Notice of Termination of
Voluntary Arrangement
Pursuant to Rule 1.29 of the
Insolvency Act 1986**

R.1.29

To the Registrar of Companies

For Official Use

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Company Number

04388391

Insert full name of
company

Name of Company

Times Beds Limited

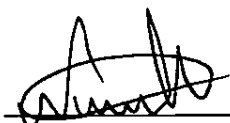
Insert full name and
address

I, Ninos Koumettou
1 Kings Avenue
Winchmore Hill
London N21 3NA

Insert date

the supervisor of a voluntary arrangement approved on 30 June 2015 enclose a copy of my notice to the creditors and members of the above-named company that the voluntary arrangement has been terminated, together with a report of my receipts and payments

Signed



Date

21/11/16

Presenter's name,
address and reference
(if any)

TI31386
Times Beds Limited

Ninos Koumettou
AlexanderLawsonJacobs
1 Kings Avenue
Winchmore Hill
London N21 3NA

For Official Use

Liquidation Section

Post Room

TUESDAY



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A20

22/11/2016

#99

COMPANIES HOUSE

Our ref NK/KCT131386

Date 16th November 2016

**Alexander
Lawson
Jacobs**

Final report and Notification of Termination

Dear Sirs,

Times Beds Limited ("the Company") – Company Voluntary Arrangement ("CVA")
High Court of Justice: 4078 of 2015
Date of Approval: 30th June 2015

Further to my report dated 10th February 2016 creditors will recall that I instructed solicitors to issue a winding up petition against the Company as the Company was unable to comply with the terms of the arrangement. Full details of the circumstances surrounding the Company's change in circumstances was set out in that report.

I can confirm now that a winding up Order was made in the High Court of Justice (reference 005535) on the 31st October 2016 and I was appointed Liquidator.

As set out in my previous report, the terms of the proposal provide that the arrangement terminates upon the making of a winding up order against the company. Upon termination of the arrangement, trusts expressed or implied shall cease save that assets already realised shall (after the provision of Supervisor's fees and disbursements) be distributed to arrangement creditors. As previously advised, there are no funds to distribute in this instance.

I will be contacting creditors under separate cover setting out my strategy in the Liquidation. In the interim, I hereby confirm that the arrangement has been terminated and provide details regarding the case to closure as follows -

Receipts and Payments

Attached at **appendix 1** is my receipts and payments account for the period 30th June 2015 to date together with a summary of receipts and payments from 30th June 2016 to date.

The funds were held in an interest bearing estate account with Barclays Bank. All receipts and payments are shown net of vat. However, it should be noted that Nominee's and Supervisor's fees and expenses are exempt from VAT in CVAs.

The only realisations proposed under the terms of the arrangement as modified were monthly contributions commencing in the sum of £6,000 which were to be made over a period of 60 months and subject to annual review. A total of £39,300 was paid by way of contributions during the course of the arrangement.

Chartered Accountants | Corporate Recovery & Insolvency Specialists
1 Kings Avenue, Winchmore Hill, London, N21 3NA
T +44 (0) 20 8370 7250 F +44 (0) 20 8370 7251 DX 36953 Winchmore Hill
E info@aljuk.com www.aljuk.com

The affairs, business and property of a company in Administration are managed by the Administrator who acts as an agent of the company over which he is appointed at all times and without personal liability. Alexander Lawson Jacobs, ALJ and ALJUK are trading names of Alexander Lawson Jacobs Ltd. Company registered in England No 5814561. Registered office as above.



Office Holders remuneration and expenses

Nominee's fess

As previously reported, the Nominee's fee agreed was in the sum of £25,000 which included the work undertaken for assisting with the drafting of the proposal, preparing my report to creditors, convening and holding the meetings of creditors and members as well as fulfilling other duties as laid down in the Insolvency Act and Rules. As set out in the proposal, the sum of £12,000 was paid prior to the meeting of creditors and the balance was to be drawn from the arrangement, if approved. The outstanding balance of £13,000 was drawn from the monthly contributions in accordance with the terms of the proposal.

Supervisor

My remuneration for acting as Supervisor is to be calculated by reference to time-cost dealing with the arrangement. It was estimated that my fees would equate to circa £15,000 over the 5 year duration.

Creditors were sent a creditors' guide to fees with the initial proposal and a copy can be downloaded from this firm's website, aljuk.com/downloads. Should creditors require a hard copy, please do not hesitate to contact Kern Cramphorn.

I would summarise the time costs for this case as follows -

Period	Dates covered	Time Cost	Hours	Average charge out rate	Supervisor's fees drawn in period
1	30 th June 2015 –29 th June 2016	£16,235.00	61.80	£262.70	£8,426.00
2	30 th June 2016– to date	£ 5,170.50	19.90	£259.82	£11,862.28
3	Total	£21,405.50	81.70	£262.00	£20,288.28

Attached at **appendix 2** is an analysis of time spent by grade and type of work undertaken for each period. It should be noted that as per my previous report, the time costs analysis for period 1 was slightly less. This is because time-cost for a member of staff who had worked on the case had not been processed on the system.

Since my appointment, I have taken the necessary steps to discharge my duty as Supervisor in accordance with the terms of the arrangement. This has included -

- Reporting to creditors following the meeting of creditors
- Processing creditors' claims
- Bonding
- Setting the case up on internal systems
- Monitoring monthly contributions and other payments due into the arrangement
- Issuing notices of breach when the terms have not been complied with
- General administrative duties involved with the Supervision of the arrangement
- Meeting with the director regarding the problems with ongoing trading,
- Liaising with creditors
- Liaising with solicitors regarding the default

However, as previously reported, in light of the series of events which have occurred after the CVA was approved including issuing notices of breach, various meetings with the director to discuss the financial position of the Company, discussions with HMRC and Wakefield County Council regarding the post VA arrears position, convening a meeting of creditors to consider the variation of the terms of the arrangement and the requirement to petition for the winding up of the Company, my costs to date are substantially higher than anticipated

It should be noted that the terms of the arrangement as modified by HMRC required the creditors to be asked whether the costs associated with seeking a variation shall be met from VA funds in the event that the variation is rejected. The requisite majority of creditors did not approve the resolution allowing my costs for dealing with variation to be approved. Creditors will note that there is a shortfall of £1,117.22 in relation to my costs, which has not been recovered. This includes the costs for dealing with the variation meeting. Any outstanding costs for dealing with the closure of the case can be claimed in the Liquidation, however these will be minimal and will be written off.

Since my last report, I have dealt with enquiries from creditors, the variation meeting and adjournment thereof and matters arising in relation to the winding up petition. It should also be noted that the cost of drafting the annual progress report is covered in period 2.

The charge out rates of this firm's staff grades, exclusive of VAT are as follows:-

Staff Grade	Hourly rates 2015/2016
Partner	350-400
Manager	250-300
Senior Case Administrator	190-250
Administrator	100-175
Assistants and support staff	75-125

These rates are reviewed in January each year and are adjusted to take into account inflation and the firm's overheads. Time is charged in 6 minute units and changes to hourly rates are made at the beginning of each year. There have been no changes to the those detailed above.

I instructed solicitors to issue proceedings to wind up the company as required by the terms of the arrangement. I have not however subcontracted any other work which I would usually undertake to any party during the arrangement.

Expenses

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2. These are detailed in the guide to fees. However, I would summarise these as follows,-

Category 1 expenses are attributed to the estate and are recoverable in full from the estate without the prior approval of creditors. This will include the cost of statutory advertising, external meeting room hire, external storage, specific bond insurance, company search fees and postage.

Category 2 expenses are incurred by the firm and recharged to the estate. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, and internal storage.

In accordance with the terms of the proposal, I have only recovered category 1 expenses incurred in my capacity as Nominee and Supervisor

Type of expense	Amount (£)	Paid (£)	Outstanding (£)
Insurance Bond	576 00	576 00	0 00
Search	8 00	8 00	0 00
Court filing fee	50 00	50 00	0 00
External room hire (meeting of creditors)	195 00	195 00	0 00
Postage	378 94	378 94	0 00
Total	1,207 94	1,207.94	0.00

The sum of £217 34 postage costs has been incurred since my last report and has been drawn since my last report. This does not include the costs of sending this final report which have been written off.

Petitioning Creditor Costs

HMRC have been paid £920 in respect of their initial petitioning costs.

Professional Services

Messrs Summers Nigh Law were instructed to issue winding up proceedings against the Company. It was estimated that the costs, including Court fees would amount to circa £5,000 - £6,000.

The actual costs were in the sum of £3,889 including VAT (where applicable), which comprised of -

Court filing fee	£1,880 00
Prior petition fee	£10 00
Legal agents	£49 00 including VAT
Service of petition	£150 00
Solicitor's fees	£1,800 including VAT

The choice of professionals 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. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

Creditor Claims

As there was no prospect of a dividend distribution in the arrangement, I have not expended time adjudicating upon the claims received. **Creditors will be required to submit fresh proof of debts forms in the Liquidation. Creditors will be advised of the process in a report which will follow shortly.**

Secured Creditor claims

As per the register of Companies, Habib Bank AG Zurich (the Bank) have a fixed and floating charge created on 4 November 2010 delivered on 6 November 2010, over the undertaking and all property and assets present and future including, book debts, uncalled capital, buildings, fixtures, fixed plant & machinery (the charge).

The directors Isikhar Hussain (IH) and Akhmat Hussain (AH) refinanced personal assets in order to clear the liability to the Bank and on the 5th June 2015, IH and AH paid £294,517 66 to discharge the Bank's liability. The benefits of the Bank's charge were assigned to IH and AH under the equitable doctrine of subrogation and at this time they became the secured creditor in place of the Bank. The Bank agreed to keep the charge registered at Companies House which, as far as I am aware, remains the position. This will be considered further in the Liquidation.

Employees

The employees were given notice of the CVA proposals, both as contingent creditors and because the CVA affects their right to be paid from the National Insurance Fund. In simple terms, if the company enters liquidation without going into CVA first the employees get paid certain amounts from the fund, but if the company enters CVA first they may lose that right. They will still be preferential creditors for the same amount in any subsequent liquidation, but they will not be paid out of the National Insurance Fund so will only get paid if there are funds available for distribution to preferential creditors.

I have not received a claim from any employees or the Redundancy Payments Office. I have however received notice from the Employment Tribunals that a judgement was made against the company on 23rd October 2014 in relation to a claim by an ex-employee Mr N Naveed which he had sought to enforce under a writ of control. I was however advised that this liability was paid by the director.

H M Revenue and Customs (HMRC)

HMRC were included in the proposal with an estimated claim in the sum of £178,000 in relation to historic PAYE, VAT and CT together with and associated interest and charges. A final claim was submitted in the sum of £197,627 67 and break-down was provided.

Tax	Period	Amount
PAYE/NIC	2013- 2014	£7,800 25
	2014 – 2015	£25,989 54
	2015 – 2016	£4,588 45
PAYE penalties	2010 - 2011	£6,636 00
Corporation Tax	APE 30/6/2013	£6,590 60
	APE 30/06/2012	£2,486 04
	APE 30/06/2011	£7,683 56
Corporation Tax penalties	APE 30/06/2014	£100 00
	APE 30/06/2011	£1,563 72
Interest/costs		£2,219 92
Regulation 80	2007-2011	£11,711 00
VAT		£120,285 59

Connected creditors

Connected creditors agreed to waive their entitlement to a dividend in the arrangement. Times Property Developments Limited and Mastercraft Beds Limited (connected companies) had outstanding intercompany loans in the sums of £2,126 and £20,817 66 respectively and the directors had a combined overdrawn loan account of £50,975. Additionally, the directors were owed salaries of £27,062.

Wakefield County Council (WCC)

WCC were included in the Company's statement of affairs with an estimated claim in the sum of £112,720 which included the balance of their claim for the year ended April 2016. This allowed for the £15,000 reduction in respect of an agreement for payment which had been

reached to pay for vehicles which they had taken control of, together with a reduction in the rates in relation to a sub tenant being secured to rent part of the premises

I received a claim from WCC in the sum of £147,771 in the CVA process which comprised of the following balances -

2013/2014	£24,678
2014/2015	£52,042
2015/2016	£71,051

From my discussions with WCC I understand that the company could have been entitled to a reduction in business rates following the split of the premises. However, despite being advised to contact WCC to discuss the position, the company failed to do so in light of the other ongoing issues which were more pressing.

Rates prior to April 2016 were included in the Council's claim in the CVA. The company was due to resume payments in respect of the 2016/2017 period in April. Although some payments were made, this was not full payment and it is expected that the Council will have an increased claim in the Liquidation in respect of the post VA liabilities which accrued.

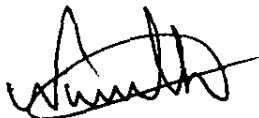
Dividend distribution

Insufficient funds were realised to enable a dividend distribution in the CVA.

Termination

In light of the Winding Up Order which has been made against the Company, I hereby confirm that the arrangement has been terminated. A certificate of Termination will be filed at Companies House, a copy of which is attached at **appendix 3**.

Yours faithfully,



N Koumettou FCA, FCCA, FABRP
Supervisor

Licensed Insolvency Practitioner


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

**Voluntary Arrangement of
Times Beds Ltd
Supervisor's Abstract of Receipts & Payments**

Statement of Affairs		From 30/06/2016 To 16/11/2016	From 30/06/2015 To 16/11/2016
	SECURED ASSETS		
NIL	Fixed assets	NIL	NIL
		NIL	NIL
	SECURED CREDITORS		
(294,517 66)	I and A Hussain	NIL	NIL
		NIL	NIL
	HIRE PURCHASE		
NIL	Vehicles NV12 OBO / NV12 OBP	NIL	NIL
(60,451 00)	MAN Financial Services Limited	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
NIL	Plant, Machinery	NIL	NIL
NIL	Property Improvement Costs	NIL	NIL
NIL	Unencumbered Motor Vehicles	NIL	NIL
NIL	Stock/WIP	NIL	NIL
NIL	Book Debts	NIL	NIL
NIL	Habib Bank	NIL	NIL
NIL	Yorkshire Bank - Current A/c	NIL	NIL
NIL	Yorkshire Bank - Euro A/c	NIL	NIL
	Bank Interest Gross	1 37	5 22
	Default Petition Costs	NIL	2,500 00
	Contributions - Monthly	NIL	36,800 00
		1 37	39,305 22
	COST OF REALISATIONS		
	Petitioning Costs	3,581 00	3,581 00
	Court Fees	NIL	50 00
	Petitioners Costs	NIL	920 00
	Specific Bond	NIL	576 00
	Nominee's Fees	NIL	13,000 00
	Postage	217 64	378 94
	Supervisor's Fees	11,862 28	20,288 28
	External Room Hire	NIL	195 00
	VAT Suffered	308 00	308 00
	Searches	NIL	8 00
		(15,968 92)	(39,305 22)
	PREFERENTIAL CREDITORS		
(220 85)	Employee - Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(723,540 72)	Trade & Expense Creditors	NIL	NIL
(10,000 00)	Civil Penalty	NIL	NIL
(20,817 66)	Connected Creditor- Mastercraft Beds	NIL	NIL
(78,037 00)	Connected Creditor - Directors' loan ac	NIL	NIL
(2,126 00)	Connected Creditor - Times Beds Limit	NIL	NIL
(178,000 00)	HM Revenue & Customs - VAT/PAYE/	NIL	NIL
(112,720 00)	Wakefield County Council Business R	NIL	NIL
(2,204 89)	Employee claim	NIL	NIL

**Voluntary Arrangement of
Times Beds Ltd
Supervisor's Abstract of Receipts & Payments**

Statement of Affairs		From 30/06/2016 To 16/11/2016	From 30/06/2015 To 16/11/2016
		NIL	NIL
DISTRIBUTIONS			
90 00	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<u>(1,482,545 78)</u>		<u>(15,967.55)</u>	<u>0.00</u>
REPRESENTED BY			
			NIL



Ninos Koumettou
Supervisor

Time Entry - Detailed SIP9 Time & Cost Summary

TI131386 - Times Beds Ltd
From 30/06/2016 To 16/11/2016
Project Code POSTAPPT

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
FINANCIAL Financial matters e.g R&P invoices SIP9 report	0.00	0.10	0.00	1.20	1.30	156.00	120.00
GENERAL General administration not covered elsewhere	0.00	2.50	0.00	0.00	2.50	750.00	300.00
LEGAL Legal matters not covered elsewhere	0.00	0.60	0.00	0.00	0.60	180.00	300.00
CORRES General correspondence	0.00	6.80	0.00	0.90	7.70	2 134.50	277.21
REPORTFIN Final reports matters	0.00	2.60	0.00	0.80	3.40	864.00	254.12
REPORTGEN General reports i.e non statutory	0.00	0.00	0.00	1.20	1.20	126.00	105.00
REVIEWS Case reviews	0.00	1.40	0.00	0.00	1.40	420.00	300.00
Admin & Planning	0.00	14.00	0.00	4.10	18.10	4 630.50	255.83
CREDCLAIMS Creditors claims related matters	0.00	0.10	0.00	0.00	0.10	30.00	300.00
CREDCORRES Creditor correspondence & other contact	0.00	1.30	0.00	0.00	1.30	390.00	300.00
MEETMOD Modification meetings	0.00	0.40	0.00	0.00	0.40	120.00	300.00
Creditors	0.00	1.80	0.00	0.00	1.80	540.00	300.00
Total Hours	0.00	15.80	0.00	4.10	19.90	5,170.50	259.82
Total Fees Claimed						20,288.28	

Time Entry - Detailed SIP9 Time & Cost Summary

T131386 - Times Beds Ltd
From 30/06/2015 To 16/11/2016
Project Code POSTAPPT

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
CORRES General correspondence	0.00	16.50	0.00	1.50	18.00	5,107.50	283.75
FINANCIAL Financial matters e.g R&P invoices SIP9 report	0.00	0.50	0.00	7.40	8.00	957.00	119.62
GENERAL General administration not covered elsewhere	0.40	10.50	0.20	1.80	13.30	3,669.00	275.86
LEGAL Legal matters not covered elsewhere	0.00	1.10	0.00	0.00	1.10	330.00	300.00
MEETGEN General meetings (not annual final modification)	0.00	2.50	0.00	0.00	2.50	750.00	300.00
REPORTFIN Final reports matters	0.00	2.50	0.00	0.80	3.40	864.00	254.12
REPORTGEN General reports i.e non statutory	0.00	0.00	0.00	1.20	1.20	126.00	105.00
REPORTSTAT Statutory reports e.g Annuals 6-monthly	1.00	8.90	0.00	0.00	9.90	3,070.00	310.10
REVIEWS Case reviews	1.00	5.50	0.00	0.00	6.50	2,050.00	315.38
STAGE2 Stage 2 matters	0.00	0.70	0.00	2.20	2.90	441.00	152.07
Admin & Planning	2.40	49.30	0.20	14.90	66.80	17,364.50	259.95
MEETMOD Modification meetings	0.00	0.40	0.00	0.00	0.40	120.00	300.00
CREDCLAIMS Creditors claims related matters	0.00	0.80	0.00	2.20	3.00	471.00	157.00
CREDCORRES Creditor correspondence & other contact	0.00	3.00	0.00	0.00	3.00	900.00	300.00
Creditors	0.00	4.20	0.00	2.20	6.40	1,491.00	232.97
ASSETCORR Correspondence re assets not covered elsewhere	0.00	0.20	0.00	0.00	0.20	60.00	300.00
ASSETDEBT Debtor realisation matters (non factored)	0.00	8.30	0.00	0.00	8.30	2,490.00	300.00
Realisation of Assets	0.00	8.50	0.00	0.00	8.50	2,550.00	300.00
Total Hours	2.40	62.00	0.20	17.10	81.70	21,405.50	262.00
Total Fees Claimed						20,288.28	

TIMES BEDS LIMITED ("The Company") –IN A COMPANY VOLUNTARY ARRANGEMENT

IN THE HIGH COURT OF JUSTICE NO. 4078 OF 2015

CERTIFICATE OF TERMINATION

I, Ninos Koumettou, the Supervisor of the Voluntary Arrangement of the above-named Company approved at a creditors' meeting held on 30th June 2015, hereby certify that the Arrangement has been terminated due to the following

- 1 Due to the Company's inability to comply with the terms of the Company Voluntary arrangement, in accordance with the terms of the proposal, in my capacity as Supervisor, I issued a Winding Up petition against the Company
- 2 A Winding Up Order was made against the Company on the 31st October 2016 in the High Court of Justice (reference CR-2016-005535)
- 3 The terms of the proposal provide the arrangement terminates upon the making of such Order



Ninos Koumettou
Supervisor

Date 16 November 2016