

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

--	--	--

To the Registrar of Companies

Company Number

04936470

Name of Company

Reed Presentation Limited

I / We  
Ashleigh William Fletcher  
93 Queen Street  
Sheffield  
S1 1WF  
DX 10616 SheffieldGareth David Rusling  
93 Queen Street  
Sheffield  
S1 1WF  
DX 10616 Sheffield

supervisor(s) of a voluntary arrangement taking effect on

14 September 2011

Attach my progress report for the period

14 September 2011

to

13 September 2012

Number of continuation sheets (if any) attached

☐

Signed

Date

30/10/12

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

Ref R454911/AWF/f

For Official Use

Insolvency Section

Post Room

SATURDAY



\*A1LF9E5L\*

A09


10/11/2012

#238

COMPANIES HOUSE

**Voluntary Arrangement of  
Reed Presentation Limited**

<b>Statement of Affairs</b>	<b>From 14/09/2011 To 13/09/2012</b>
<b>ASSET REALISATIONS</b>	
Voluntary Contributions	44,000 00
Bank Interest Gross	8 66
	<u>44,008 66</u>
<b>COST OF REALISATIONS</b>	
Petitioners Costs	830 00
Specific Bond	264 00
Drafting Fees	5,000 00
Nominees Fee	5,000 00
Office Holders Fees	15,765 00
Incidental Outlay	537 39
Agents/Valuers Fees	1,750 00
Legal Fees	4,919 50
Court Fees	35 00
Bank Charges	53 95
	<u>(34,154 84)</u>
	<u><b>9,853.82</b></u>
<b>REPRESENTED BY</b>	
Bank Balance	8,018 44
VAT Control Account	1,835 38
	<u><b>9,853.82</b></u>

  
\_\_\_\_\_  
Ashleigh William Fletcher  
Joint Supervisor



# 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 R454911/CVA0801/AWF/f

Your Ref

Date 29 October 2012

Contact Ashleigh Fletcher

Dear Sirs

### REED PRESENTATION LIMITED

### FIRST ANNUAL PROGRESS REPORT OF THE COMPANY VOLUNTARY ARRANGEMENT

Further to my appointment as Supervisor of the Voluntary Arrangement of the above named company's affairs on 14 September 2011 and in accordance with Rule 1.26A of the Insolvency Rules 1986 I write to provide creditors with my first 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 60 Monthly contributions of £4,000 per month are to be paid into the CVA estate, resulting in total contributions of £240,000, for the benefit of unsecured creditors
- 1.2 The anticipated distribution to creditors is 22.15p in the £ over a 5 year period
- 1.3 A former director of the Company has an overdrawn loan account in the sum of approximately £25,000 according to the Company's books and records. The Company is to look into the circumstances of this debt and is to consider appropriate steps to recover these funds. The directors will confirm the exact figure, and the steps the Company propose to take to recover these funds to the Supervisor in due course
- 1.4 A modification proposed by creditors and subsequently incorporated into the CVA proposal states that should the above monthly contributions fall 30 days in arrears and remain so after a further 30 days this shall constitute a failure and the Supervisor shall petition to windup the Company

- 1 5 In relation to the directors overdrawn loan account, a modification proposed by creditors and subsequently incorporated into the CVA proposal states that the directors loan account is to be repaid in full over the duration of the CVA, and the Company upon receipt of such funds shall pass these monies to the Supervisor for the benefit of the CVA creditors. If repayment is not made the Supervisor must report to creditors for proposed action for recovery and reasons. In this regard, the Company have subsequently advised that the directors overdrawn loan account was shown in the Company's records in error, and they are in the process of providing further information in relation to same. The Joint Supervisors will investigate this matter fully, and will report to creditors whether a recovery will be made in this regard.

## 2 ASSET REALISATIONS TO DATE

- 2 1 Voluntary contributions of £4,000 per month have been received totalling £44,000 as at the first anniversary of the approval of the Company Voluntary Arrangement. This equates to 11 monthly contributions, and therefore as at the 13 September 2012, the contributions are one month in arrears.

## 3 LIABILITIES TO DATE ADMITTED FOR DIVIDEND

- 3 1 The Company's Statement of Affairs anticipated preferential claims totalling NIL. To date claims of £2,815.32 have been admitted from preferential creditors.
- 3 2 It was estimated on the Company's Statement of Affairs that there were unsecured creditors totalling £939,100.69.
- 3 3 I have been notified of unsecured creditors in the amount of £923,287.44.
- 3 4 I have admitted the non preferential claim from HM Revenue and Customs in the sum of £432,409.90 for voting purposes only, and a claim for dividend purposes is anticipated shortly.
- 3 5 The landlords claim totalling £275,500 is also included in the above unsecured claims, but is anticipated to be reduced on the basis that they have subsequently relet the trade premises, and therefore will mitigate their claim.
- 3 6 There are further outstanding claims totalling £62,550.06.
- 3 7 Non preferential creditors are admitted to date total £923,287.44, and with potential future claims of £62,550.06, the final claims maybe approximately £985,837.50, subject to the comments above in relation to HM Revenue and Customs and the landlords claim. This estimate is sum £46,736.81 greater than estimated on the Company's Statement of Affairs.

## 4 RECEIPTS AND PAYMENTS

- 4 1 Attached at Appendix A is the Receipts and Payments Account for the period 14 September 2011 to the 13 September 2012.

## 5 SUPERVISOR'S DISBURSEMENTS

5 1 Disbursements to date total £537 39 and a breakdown of these disbursements are shown below

Category 1 Disbursements	£
Court Fees	35 00
Specific Bond	264 00
Category 2 Disbursements	
Postage and Stationery	537 39

## 6 SUPERVISOR'S REMUNERATION

6 1 The resolution passed at the first meeting of creditors, based the Supervisor's remuneration on a time basis and in accordance with that resolution £15,765 00 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 as Appendix C

6 3 The total average hourly charge amounts to £236 11 making fees to date of £15,866 30

6 4 The above fees are higher than the level anticipated in the estimated outcome statement on the basis that additional work has been required to be carried out by the Joint Supervisor in relation to the tribunal claims of the ex-employees, and the clarification of their final claims in the Company Voluntary Arrangement. Additional work has also been carried out in relation to the former directors overdrawn loan account, clarification of H M Revenue and Customs petition cost, and clarification of the former landlords final claim in the Company Voluntary Arrangement. Finally, additional correspondence has been required with the Company in relation to the ongoing compliance of the Company Voluntary Arrangement including the processing of the VAT sums reclaimable by the Joint Supervisors. It is anticipated that total Supervisors fees in this matter will be in the region of £27,000

## 7 DIVIDEND PROSPECTS

7 1 It is anticipated that preferential creditors will be discharged in full

7 2 An interim dividend will also be payable to unsecured creditors once clarification has been received in relation to HM Revenue and Customs claim, the former landlords claim and the tribunal employee claims

7 3 Due to the above uncertainty, the estimated return to creditors is unclear, but a further modification proposed by creditors and subsequently incorporated in the CVA proposal states that the estimated dividend of 22 15p in the £ must be achieved to enable the CVA to conclude successfully

**8 FUTURE CONDUCT OF THE ARRANGEMENT**

- 8 1 If creditors have any queries regarding this report, please do not hesitate to contact the Supervisor or his staff
- 8 2 In order to minimise future costs, it is not my intention to report further to creditors within the next 12 months unless there are any significant events

Yours faithfully



**Ashleigh William Fletcher**  
Supervisor

**APPENDIX A**  
**RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD**  
**14 September 2011 to 13 September 2012**

## Voluntary Arrangement of Reed Presentation Limited

Statement of Affairs		From 14/09/2011 To 13/09/2012	From 14/09/2011 To 13/09/2012
	ASSET REALISATIONS		
240,000 00	Voluntary Contributions	44,000 00	44,000 00
	Bank Interest Gross	<u>8 66</u>	<u>8 66</u>
		44,008 66	44,008 66
	COST OF REALISATIONS		
	Petitioners Costs	830 00	830 00
	Specific Bond	264 00	264 00
(5,000 00)	Drafting Fees	5,000 00	5,000 00
(5,000 00)	Nominees Fee	5,000 00	5,000 00
(15,000 00)	Supervisors Fees	15,765 00	15,765 00
(500 00)	Incidental Outlay	537 39	537 39
(1,500 00)	Agents Fees	1,750 00	1,750 00
(5,000 00)	Legal Fees	4,919 50	4,919 50
	Court Fees	35 00	35 00
	Bank Charges	<u>53 95</u>	<u>53 95</u>
		(34,154 84)	(34,154 84)
<u>208,000 00</u>		<u><u>9,853.82</u></u>	<u><u>9,853.82</u></u>
	REPRESENTED BY		
	Bank Balance		8,018 44
	VAT Control Account		<u>1,835 38</u>
			<u><u>9,853.82</u></u>
	Ashleigh William Fletcher		
	Joint Supervisor		



**APPENDIX B**  
**CREDITORS' GUIDE TO THE FEES, EXPENSES AND DISBURSEMENTS**  
**CHARGED BY THE P&A PARTNERSHIP**

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

### Rates applicable from the 1<sup>st</sup> 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 R454911/J/AWF/f

**SIP 9 - Time & Cost Summary**

Period 14/09/11 13/09/12

## Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants	Total Hours		
Administration & planning	14 70	1 70	9 70	3 10	29 20	7 047 70	241 36
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	5 20	0 00	0 00	2 40	7 60	1,760 00	231 58
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	21 20	0 50	0 00	6 40	28 10	7,185 00	255 69
Case specific matters	2 20	0 00	2 10	2 00	6 30	1,153 60	183 11
Pre Sip9 Time Recording	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	43 30	2 20	11 80	13 90	71 20	17 146 30	240 82
Total Time Cost (£)	13 856 00	638 00	2 096 30	556 00			