

Rule 1.26A/1 54

The Insolvency Act 1986

Notice to Registrar of Companies of
Supervisor's Progress Report**R.1.26A(4)(a)/****R.1.54**Pursuant to Rule 1 26A(4)(a) or
Rule 1 54 of the
Insolvency Rules 1986

For Official Use

To the Registrar of Companies

Company Number

05101755

Name of Company

Commercial Trade Services (Group) Limited

I / We

Elizabeth Arakapiotis, Mountview Court, 1148 High Road, Whetstone, London, N20 0RA

supervisor(s) of a voluntary arrangement taking effect on

07 April 2011

Attach my progress report for the period

07 April 2014

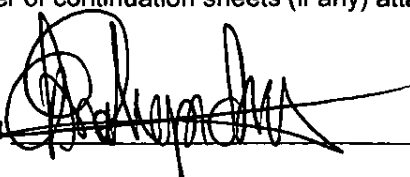
to

06 April 2015

Number of continuation sheets (if any) attached

☐

Signed



Date

29/5/2015

Kallis & Company
Mountview Court
1148 High Road
Whetstone
London, N20 0RA

Ref COM2194/EA/CKP/OC

For Official Use

Insolvency Section

Post Room

WEDNESDAY



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03/06/2015

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COMPANIES HOUSE

**Commercial Trade Services (Group) Limited
Supervisor's Progress Report
for the year ended 06/04/2015**

STATUTORY INFORMATION

Company name	Commercial Trade Services (Group) Limited
Registered number	05101755
Date of incorporation	14 April 2004
Trading name	Commercial Trade Services
Principal trading activity	Sales & Repairs of Catering Equipment
Trading address	Unit 10, Lea Park Trading Estate, Millent Road, London, E10 7LG
Registered office	12E Manor Road, London, N16 5SA
Supervisor's name	Elizabeth Arakapiotis
Supervisor's address	Kallis & Company, Mountview Court, 1148 High Road, Whetstone, London, N20 0RA
Supervisor's date of appointment	07 April 2011
Court name and reference	High Court of Justice, 2439 of 2011

The voluntary arrangement was approved on 07 April 2011 and I was appointed Supervisor

Please find below my Progress Report for the year ended 06/04/2015. This report details my comments on the progress of the arrangement and the prospects for its full implementation.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 07/04/2014 to 06/04/2015 is attached at Appendix 1 together with a summary which gives details of all transactions for the 24/36/48 months since the commencement of the voluntary arrangement on 07 April 2011.

a) Voluntary contributions

Under the modified terms of the arrangement Commercial Trade Services (Group) Limited is scheduled to make 60 consecutive monthly contributions of £1,100, rising as reviews allow. To date, £51,700 has been received of which £13,200 has been received in the period that this report relates to. A further contribution relating to April 2015 was received on 07/04/2015 and does not therefore appear in the enclosed receipts and payment account for the year ended 06/04/2015. To date, all due contributions have been received in a correct and timely manner.

Commercial Trade Services (Group) Limited has not advised of receipt of any windfalls since the approval of the arrangement.

Commercial Trade Services (Group) Limited

Supervisor's Progress Report for the year ended 06/04/2015

The company's abbreviated accounts for the period to 30 April 2014 have been reviewed which show that the company made a profit of £10,228, As this is the first period during the CVA in which the company made a profit, these accounts would be used as the base year to determine any subsequent increases in contributions in future periods

b) Bank Interest

Interest earned on the amounts in hand totals £77 60 of which £5 30 was realised in the current reporting period

CREDITOR CLAIMS

	As per Proposals	Lodged to Date
	£	£
Unsecured	259,023 28	170,308 09

There are 12 creditor claims outstanding with a statement of affairs balance totalling £26,319 37

OFFICE HOLDER'S REMUNERATION AND DISBURSEMENTS

Under the terms of the proposal my remuneration as nominee is to be calculated as a fixed fee of £2,500 A fee of £5,000 was also paid in relation to the preparation of the proposal This was paid by the Company prior to the commencement of the arrangement

Under the terms of the proposal my remuneration as supervisor is to be calculated on a time cost basis I have drawn supervisor's remuneration of £3,500 in the period covered by this report and £15,300 in total during the arrangement My total time costs to 6 April 2015 amount to 16,144 07, which have been charged at an average charge out rate of £146 38, of which £4,324 40 was charged in the period between 7 April 2014 and 6 April 2015 I have drawn £15,300 to date of which £4,324 40 was drawn in the period between 7 April 2014 and 6 April 2015

A schedule of my time costs incurred to date is attached as Appendix 2 and information about current charge out rates and routine work undertaken is attached as Appendix 3

A copy of 'A Creditors' Guide to Insolvency Practitioners' Fees under Voluntary Arrangements' published by the Association of Business Recovery Professionals and 'Statement of Insolvency Practice 9' are available at the link <http://www.kallis.co.uk/services/creditors> Hard copies can be obtained on request to my office

During the course of the year I have taken the necessary steps to discharge my duties as supervisor in accordance with the terms of the arrangement This includes monitoring for receipt of the company's contributions, reviewing the company's trading, agreeing creditors' claims, and paying a dividend to creditors

As per my receipts and payments account various expenses have been incurred and paid which are detailed below, together with expenses which have yet to be paid

The disbursements listed are all Category 1 disbursements My firm's disbursements recovery policy is attached as Appendix 3

The following table details the disbursements that were incurred, paid and which remain outstanding in this matter

Commercial Trade Services (Group) Limited
Supervisor's Progress Report for the year ended 06/04/2015

	<u>Period from 07/04/2014 to 06/04/2015</u>		<u>To date</u>	
	<u>Paid £</u>	<u>To be paid £</u>	<u>Paid £</u>	<u>To be paid £</u>
Disbursement				
Specific Bond	43 20		223 20	
Court Fees			30 00	
Postage		19 00		75 16

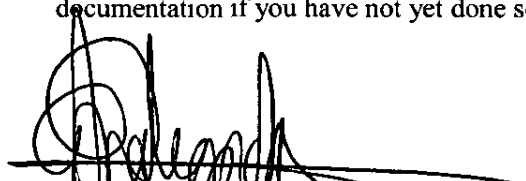
MATTERS OUTSTANDING

- a) Provision of accounts for period ended 30 April 2015 in order to determine any future increases in contributions
- a) Agreement of claims Any creditor who has not yet submitted a claim should now do so as soon as possible

PROGRESS AND PROSPECTS FOR THE FULL IMPLEMENTATION OF THE ARRANGEMENT

Based on the information currently available I anticipate that a dividend to unsecured creditors of around 21 5p in the £ is achievable Given that the company is successfully adhering to the terms of the proposal to date, I anticipate that full implementation of the proposal with the remaining time is feasible This will be achieved by way of continued voluntary contributions

The most recent dividend was for 4 70p in the £ and was paid to all proving unsecured creditors in July 2014 To date dividends totalling 14 10p in the £ have been paid I enclose herewith a Notice of Intended Dividend to all unsecured creditors Please forward the completed Proof of Debt form with supporting documentation if you have not yet done so



ELIZABETH ARAKAPIOTIS
SUPERVISOR

**Voluntary Arrangement of
Commercial Trade Services (Group) Limited**

Statement of Affairs		From 07/04/2014 To 06/04/2015	From 07/04/2011 To 06/04/2015
	ASSET REALISATIONS		
500 00	Plant & Machinery	NIL	NIL
NIL	Stock	NIL	NIL
28,930 34	Book Debts	NIL	NIL
	Company contribution	13,200 00	51,700 00
11,677 58	Cash at Bank	NIL	NIL
	Bank Interest Gross	5 30	77 60
		<u>13,205 30</u>	<u>51,777 60</u>
	COST OF REALISATIONS		
	Specific Bond	43 20	223 20
	Office Holders Fees	3,500 00	15,300 00
	Court Fees	NIL	30 00
		<u>(3,543 20)</u>	<u>(15,553 20)</u>
	PREFERENTIAL CREDITORS		
(9,400 00)	Employee Arrears/Hol Pay	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	UNSECURED CREDITORS		
(33,945 70)	Trade & Expense Creditors	613 91	1,841 73
(141,000 00)	Employees	NIL	NIL
(25,000 00)	Directors	NIL	NIL
(7,373 95)	Banks/Institutions	NIL	NIL
(116,409 00)	HM Revenue & Customs (PAYE)	1,925 24	5,775 72
(83,668 58)	HM Revenue & Customs (VAT)	5,460 85	16,382 55
		<u>(8,000 00)</u>	<u>(24,000 00)</u>
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
(375,789.31)		<u>1,662 10</u>	<u>12,224.40</u>
	REPRESENTED BY		
	Bank 1 Current Interest Bearing		12,224 40
			<u>12,224 40</u>

Elizabeth Arakapiotis
Supervisor

Analysis of Supervisor's time costs for the period 07/04/2014 To 06/04/2015

KALLIS & COMPANY
INSOLVENCY PRACTITIONERS

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
Administration & Planning	2.00	0.00	5.25	6.00	3.75	17.00	2,641.70	344.88
Financials	0.30	0.00	0.00	0.00	7.86	8.16	677.20	215.34
Realisation of Assets	0.00	0.00	0.35	0.00	0.00	0.35	66.50	190.00
Creditors	0.40	0.00	1.00	5.00	0.00	6.40	939.00	146.72
Total Hours	2.70	0.00	6.60	11.00	11.61	31.91		135.52
Total Fees (GBP)	854.50	0.00	1,254.00	1,375.00	840.90		4,324.40	

Analysis of Supervisor's time costs for the period 07/04/2011 To 06/04/2015

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
Administration & Planning	6.80	1.00	22.80	25.35	7.24	63.19	10,859.36	361.78
Financials	0.40	0.00	0.75	0.95	28.01	30.11	2,510.45	214.05
Realisation of Assets	0.00	0.00	1.75	0.40	0.00	2.15	396.50	184.42
Creditors	2.20	0.00	2.00	9.74	0.90	14.84	2,377.76	160.23
Total Hours	9.40	1.00	27.30	36.44	36.15	110.29		146.38
Total Fees (GBP)	2,897.50	275.00	5,187.00	5,082.26	2,702.31		16,144.07	

PRACTICE FEE RECOVERY POLICY FOR KALLIS & COMPANY

Introduction

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the court. Further detail about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.kallis.co.uk. Alternatively a hard copy may be requested from Kallis & Company, Mountview Court, 1148 High Road, Whetstone, London N20 0RA.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under the old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

This is the basis that we use in the majority of cases and we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Charge Out Rates – current and historic hourly rates

Grade of staff	Effective from 01/10/2012	Effective from 01/10/2010	Effective from 01/10/2007
Partner – appointment taker	£275-335	£275-320	£275-300
Senior Manager	£275	£275	£275
Manager	£170-£275	£170-£275	£170-£275
Senior/Case Administrator	£90-£175	£90-£175	£90-£175
Support Staff	£60-£85	£60-£85	£60-£85

These charge-out rates charged are reviewed periodically and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories:

- Administration and Planning – which includes work such as planning how the case will be administered and progressed, the administrative set up of the case, notifying creditors and others of the appointment, keeping the records relating to the case up to date, and reporting on progress of the case to creditors and others. All other statutory matters.
- Financials – which includes work relating to the financial aspects of the estate including completion and agreement of tax returns (VAT, PAYE and CT), banking and reconciliations, and expense payments.
- Realisation of Assets – which includes work such as identifying, securing and insuring assets, dealing with retention of title claims, collecting debts owed, and selling assets.

- Investigations – which includes work such as undertaking an initial review of the financial affairs of the company and bankrupt, undertaking a detailed investigation with a view to making recoveries for the benefit of creditors where matters such as preferences or wrongful trading come to light as a result of the initial review, and reporting to the Insolvency Service on the conduct of the directors
- Creditors - which includes work such as communicating with creditors, dealing with creditors' claims, and where funds realised allow, paying dividends to creditors Dealing with employees and liaising with the redundancy payments office
- Trading – which includes work such as managing and controlling all aspects of the business, and preparing financial records and information relating to that trading

Percentage basis

The new legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal Different percentages can be used for different assets or types of assets Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis

Fixed fee

The new legislation allows fees to be charged at a set amount Different set amounts can be used for different tasks Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis

All bases

The officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

Solicitors/Legal Advisors, Auctioneers/Valuers, Accountants, Quantity Surveyors, Estate Agents, Other Specialist Advisors

Disbursements

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

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Kallis & Company, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and company search fees

Category 2 expenses are incurred by the firm and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element 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, internal storage and mileage

It is proposed that the following Category 2 disbursements are recovered

Room Hire	£50 per hour
Mileage	40p per mile
Storage	£15 per box annually
Destruction costs	£5 50 per box