

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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To the Registrar of Companies

Company number

05106346

Name of Company

(a) Insert full name of company

(a) ALPHA POWDER COATINGS (PETERBOROUGH) LIMITED

(b) Insert full name and address

I, (b) Graham Stuart Wolloff, of  
Elwell Watchorn & Saxton LLP  
2 Axon  
Commerce Road  
Lynchwood  
Peterborough PE2 6LR

supervisor of a voluntary arrangement taking effect on

(c) Insert date

(c) 5 December 2011

Attach my progress report for the period  
from

(c) 5 December 2011

to

(c) 4 December 2012

Number of continuation sheets (if any) attached

Six

Signed



Date 4 February 2013

Presenter's name,  
Address and reference  
(if any)Elwell Watchorn & Saxton LLP  
2 Axon  
Commerce Road  
Lynchwood  
Peterborough PE2 6LR

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Liquidation section

Post Room

TUESDAY



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COMPANIES HOUSE

# EWS

## Elwell Watchorn & Saxton LLP

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2 Axon, Commerce Road Lynchwood,  
Peterborough, PE2 6LR

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BUSINESS RECOVERY CONSULTANTS AND LICENSED INSOLVENCY PRACTITIONERS

www.ewslp.co.uk

Our ref GSW jne\7

4 February 2013

### TO ALL CREDITORS

Dear Sirs

**ALPHA POWDER COATINGS (PETERBOROUGH) LIMITED**  
**IN COMPANY VOLUNTARY ARRANGEMENT**  
**Peterborough County Court No 467 of 2011**

COMPANIES HOUSE

I refer to my appointment as Supervisor of the Company Voluntary Arrangement ("CVA") on 5 December 2011, and write in accordance with Rule 1.26 of The Insolvency Rules 1986, as amended, to provide my first annual report to creditors on the progress and efficacy of the CVA

A copy of this report has been filed in Court and with the Registrar of Companies, and sent to the company

Attached to this report are the following

- Receipts and payments account
- Schedule of remuneration and disbursements

### Overview

The principal terms of the CVA are as follows

- the company is to continue trading under the control of the director, Mr D L Allen,
- the company is to make monthly contributions to the CVA over a 5 year period. The monthly contributions shall comprise minimum payments of £1,067,
- the subsidiary company, Alpha Powder Coatings (Wet Paint) Limited, is to make monthly contributions to the CVA over a 5 year period. The monthly contributions shall comprise minimum payments of £500,
- the overall level of contributions shall be sufficient to ensure a minimum return to non-preferential creditors in the CVA of 60p in the £

At this stage, I consider the CVA to be progressing satisfactorily and that the estimated outcome is achievable

### Receipts and payments

A copy of my receipts and payments account drawn up to the anniversary of the approval of the CVA, showing funds in hand of £12,707, is attached. The account shows contributions amounting to £21,670 (see also below). The account also shows payment of my remuneration as Nominee of £5,000 and also Supervisor's remuneration on account of £3,600

### Contributions

Notwithstanding the minimum monthly contributions required of £1,567 from the two companies, over the course of the year, I have received contributions above the minimum totalling £2,866. I have informed the director however that they need to plan to increase the payments in order to achieve the minimum dividend required over the CVA period

LEICESTER ■ LONDON ■ NORTHAMPTON ■ NOTTINGHAM ■ PETERBOROUGH

Elwell Watchorn & Saxton LLP is a limited liability partnership registered in England number OC311000. VAT Registration Number 655 0983 15.  
Registered office 109 Swan Street, Sileby Leicestershire LE12 7NN  
Members Richard Elwell Ltd David Watchorn Ltd Paul Saxton Ltd Graham Wolloff Ltd Joe Sadler Ltd



### **Distribution to creditors**

At this stage, I am not in a position to pay an initial dividend to non-preferential creditors (see also below)

### **Secured creditors**

Secured creditors comprised Venture Finance PLC (Venture) and Barclays Bank PLC, who provided factoring, and loan and overdraft facilities respectively. The Proposals provided for these arrangements to continue unaffected by the CVA. Subsequent to the CVA, the company has revised its funding arrangements as follows

On 20 December 2011, the company entered into a factoring agreement with Bibby Financial Services Limited (Bibby), succeeding that provided by Venture. The agreement is supported by a mortgage debenture over the company's assets in Bibby's favour. Venture's security was satisfied on 21 March 2012.

The company has granted additional security to Barclays Bank PLC, by way of a deed of charge and debenture dated 24 May and 6 July 2012 respectively. This security provides a charge over credit balances held, and additional security in respect of the loan funding in place prior to the CVA, required by the Bank following the approval of the CVA. The Bank no longer provides overdraft facilities to the company. In summary, the Bank now holds a legal charge over the company's property, a mortgage debenture over the company's assets and a fixed charge over credit balances held.

As part of the revised funding arrangements with the company, on 20 December 2011, Alpha Powder Coatings (Wet Paint) Limited granted a mortgage debenture over its assets in favour of Bibby.

### **Preferential creditors**

There are no preferential creditor claims.

### **Non-preferential creditors**

The current non-preferential creditor claims position is summarised as follows

	<b>Statement of Affairs £</b>	<b>Claims Received £</b>
Trade and expense	59,094	34,736
HM Revenue & Customs		
- VAT	55,773	78,472
- PAYE and NIC	57,867	68,049
Totals	£172,734	£181,257

HM Revenue & Customs have submitted claims in the liquidation as above, I am awaiting fuller details of the claim amounts however before determining the claims for dividend purposes. Once the claims position of HM Revenue & Customs and the trade and expense creditors are finalised, I will be able to declare an interim dividend to the non-preferential creditors.

### **Estimated outcome for non preferential creditors**

The terms of the CVA provide that 'the Supervisor shall not make any distribution to creditors until at least 28 days after the first despatch of a notice requesting persons believed to be creditors to submit their claims'. That notice was sent immediately following the commencement of the CVA. Therefore, where creditors have not yet submitted claims, they may be excluded from a dividend.

It follows that trade and expense creditors who have yet to submit claims in the CVA should contact this office with details of their claims, as soon as possible.

The final outcome of the CVA is a minimum dividend of 60p in the £. Based on the claims received and the contributions made to date, there appears to be no reason why this should not be achieved.

### **Exercise of discretion/extension of duration**

There are no matters on which I have been required to exercise discretion in relation to the CVA or consider an extension of its duration.

**Matters preventing conclusion of the arrangement**

There are no matters at this stage preventing the conclusion of the CVA as envisaged

**Other matters**

Under the terms of the CVA, the director continues to remain responsible for the company's affairs and all compliance matters

The company prepares Accounts as at 30 June each year. Once those prepared as at 30 June 2012 are available, I will review these to determine whether additional contributions are to be made to the CVA

Throughout the 12 months covered by this report, the company has co-operated fully with me

**Supervisor and Nominee costs**


Details of my remuneration and disbursements as Supervisor are attached, together with details of the Nominee costs paid

**Other professional costs**

No other professional costs have been incurred

If you have any questions on the contents of this report, please contact John Endersby or myself at this office

Yours faithfully



Graham S Wolloff

Supervisor

Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants

Encls

**ALPHA POWDER COATINGS (PETERBOROUGH) LIMITED**  
**COMPANY VOLUNTARY ARRANGEMENT**

**Receipts and Payments Account 5 December 2011 to 4 December 2012**

Statement of Affairs		Actual	
£		£	£
	ASSET REALISATIONS		
0.00	Bank Interest Gross	2 91	
0 00	Other Current Assets	<u>21,670.00</u>	21,672.91
	COST OF REALISATIONS		
0.00	Appointee Remuneration	(3,600.00)	
0.00	Legal Fees - CVA Registration Fee	(35.00)	
0.00	Nominee Remuneration	(5,000.00)	
0 00	Specific Bond	<u>(330 00)</u>	(8,965.00)
	UNSECURED CREDITORS		
(25,468 00)	Associated Creditors	0 00	
(122,052.00)	HM Revenue and Customs	0.00	
(59,922.90)	Trade and Expense Creditors	<u>0.00</u>	0.00
	EQUITY		
(100.00)	Ordinary	<u>0 00</u>	0.00
<u>(207,542.90)</u>			<u>12,707 91</u>
	REPRESENTED BY		
	Current Account - interest bearing	<u>12,707.91</u>	12,707 91
			<u>12,707.91</u>

**ALPHA POWDER COATINGS (PETERBOROUGH) LIMITED  
IN COMPANY VOLUNTARY ARRANGEMENT**

**SCHEDULE OF REMUNERATION AND DISBURSEMENTS**

**Firm's charging policy**

It is the firm's policy that all staff involved on an assignment will record all time spent on dealing with matters arising on that client and that the time will be categorised to show the type of activity carried out. The charge out rates of partners, directors and managers do not therefore include provisions for time spent by secretaries, cashiers and support staff.

The time cost to the client is calculated by multiplying the time spent by the individual by their charge-out rate. Time is recorded in units of 6 minutes, with 10 units making up each hour of time spent. Charge-out rates are reviewed annually and are subject to change without prior notice. Full details of the rates applied to a specific case are available on application.

The charge-out rates of the persons involved in this case from commencement to the current time are as follows:

	<b>Charge-out rate at commencement (up to £ per hour)</b>
Partner	195 00
Director	165 00
Manager	135 00
Other professionals*	105 00
Administrative staff	45 00

\*In April 2012, the charge out rate of certain grades of staff under the 'Other Professionals' banding was increased within the maximum band charge-out rate previously stated.

**Nominee's remuneration**

The first meeting of creditors resolved that the nominee's remuneration be fixed at £5,000, as set out in the Proposals, and which has been paid from CVA funds.

**Supervisor's remuneration**

In relation to the supervisor's remuneration, the first meeting of creditors resolved that remuneration be fixed by reference to the time properly spent by the supervisor and his staff in attending to matters arising in the CVA, as set out in the Proposals. The supervisor has ensured that case assignments have been carried out by appropriate grades of staff.

The time costs during the course of my administration for the period covered by this report are summarised below:

Work Category	Hours by grade					Total hours	Time cost (£)	Average hourly rate (£)
	Partner	Director	Manager	Other professional	Admin staff			
Administration and planning	2 40	3 10	11 70	9 90	1 45	28.55	3,319 75	116 28
Investigations	-	-	-	-	-	-	-	-
Asset realisations	-	-	2 40	-	-	2 40	324 00	135 00
Trading	-	-	-	-	-	-	-	-
Creditors	-	-	17 90	1 80	-	19 70	2,533 50	128 60
<b>Total hours</b>	<b>2 40</b>	<b>3 10</b>	<b>32 00</b>	<b>11 70</b>	<b>1 45</b>	<b>50 65</b>	<b>6,177.25</b>	<b>121 96</b>
<b>Total time costs</b>	<b>468 00</b>	<b>511 50</b>	<b>4,320 00</b>	<b>812 50</b>	<b>65 25</b>			

Remuneration of £3,600 was paid on account on 28 May 2012, in accordance with the approved terms of the CVA.

### **Supervisor's disbursements**

Supervisor's disbursements can be summarised as follows

Category 1, disbursements not requiring approval, represent a re-charge to the client for direct costs, payable to independent third parties, specifically incurred in the administration of the CVA. In certain instances these costs were initially met from the firm's resources due to the lack of funds available at the time that payment was due.

Category 2, disbursements requiring approval, represent a charge to the client for the costs incurred by the firm specifically in relation to the CVA.

The first meeting of creditors resolved that payment shall be made in respect of Category 2 disbursements as follows:

- The in house storage of books and records will be charged at the rate of £1 per archive box per month for the duration of the assignment, plus fifteen months
- Mileage will be charged at up to 45p per mile
- Postage, stationery and telephone are recharged at the rate of £2 per letter and £3 per copy of report in addition to the cost of postage

No Category 2 disbursements have been paid in the period. There are however such disbursements that have been accrued but the quantum is not material to the outcome of the proceedings.

### **Statement of creditors rights to receive further information**

Within 21 days of receipt of this progress report, a creditor may request the office holder to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by:

- A secured creditor
- A non-preferential creditor with the concurrence of at least 5% in value of the creditors (including that creditor)
- Any non-preferential creditor with the permission of the court

The office holder must provide the requested information within 14 days, unless he considers that:

- the time or cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the proceedings or might be expected to lead to violence against any person, or
- the office holder is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the office holder's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

A copy of this firm's Standard Terms of Business may be downloaded from  
<http://www.ewslp.co.uk/default.asp?contentID=38>

Alternatively, a Creditor may obtain a printed copy by contacting this office directly.