

Rule 1.26/
1.54

The Insolvency Act 1986
Notice to Registrar of
Companies of Supervisor's
Abstract of Receipts and
Payments
Pursuant to Rule 1.26(2)(b) or
Rule 1.54 of the
Insolvency Rules 1986

Form 1.3

**R.1.26(2)(b)/
R.1.54**

For Official Use

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To the Registrar of Companies

Company Number

06074576

Name of Company

Alert Professional LGV Training Limited

I / We
Kevin J Hellard
30 Finsbury Square
London
EC2P 2YU

Stephen Hunt
Tavistock House South
Tavistock Square
London
WC1H 9LG

supervisor(s) of a voluntary arrangement taking effect on

21 January 2008

present overleaf my/our abstract of receipts and payments for the period from

21 January 2012

to

20 January 2013

Number of continuation sheets (if any) attached

☐

Signed

AW

Date

20/03/2013

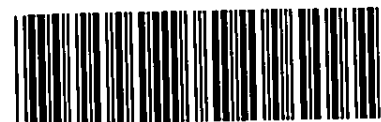
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

Ref A79017/KJH/JYC/SZACES

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Insolvency Section Post Room

THURSDAY



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A15

21/03/2013

#178

COMPANIES HOUSE

RECEIPTS		£
Brought forward from previous Abstract (if any)		14,661 26
Debtor Contributions		3,150 00
Funds recovered from former officeholder		3,269 52
Bank/ISA InterestGross		4 73
Carried forward to * continuation sheet / next abstract		21,085 51
PAYMENTS		£
Brought forward from previous Abstract (if any)		12,878 00
Unexplained payments relating to former Supervisor		1,783.26
Carried forward to * continuation sheet / next abstract		14,661 26

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the supervisor since he was appointed

Our ref KJH/JYC/LJS/A79017/7

TO THE CREDITORS
TO THE REGISTRAR
TO THE MEMBERS
TO THE COMPANY
TO THE COURT

19 March 2013

Dear Sirs,

Recovery and Reorganisation

Grant Thornton UK LLP
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Leeds
LS1 4BN

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**Alert Professional LGV Training Limited – in Company Voluntary
Arrangement (the Company)
In the matter of the Insolvency Act 1986 and the Insolvency Rules 1986
Statement of Supervisor's Account and Report Pursuant to Rule
1.26(2)(b) of the Insolvency Rules 1986 for the period from
21 January 2008 to 20 January 2013**

1 Background

- 1 1 I refer to my appointment, with Stephen Hunt of Griffins, as joint supervisor of the Company on 15 May 2012 by Order of the High Court of Justice, replacing Ninos Koumettou of Alexander Lawson Jacobs. Mr Koumettou had replaced Theodoulos Papanicola on 23 December 2011, who was appointed supervisor on 21 January 2008.
- 1 2 I write to provide you with a report on the progress of the Voluntary Arrangement (VA), made pursuant to Rule 1.26(2)(b) of the Insolvency Rules 1986, for the period from 21 January 2008 to 20 January 2013, but also including any significant developments, which have occurred since my appointment.
- 1 3 Please note that the progress report to 20 January 2012 should have been issued by Mr Koumettou during his period of office, and this does not appear to have been done.
- 1 4 The comments below should be read in conjunction with Appendix A enclosed with this report.

**2 Supervisors' comments
Contributions to the VA**

- 2 1 During the VA to the year end, the Company had made total monthly contributions of £18,050 and a lump sum contribution of £1,000, totalling £19,050.
- 2 2 At the date of my appointment, the Company had paid total contributions of £20,500 into the VA. As a result of the change of supervisors the payments fell slightly into arrears, but were subsequently brought up to date, and I have received a total of £3,150 to date. The total contributions required under the terms of the VA are £25,000 and a further £1,350 is therefore required to complete them (that is 3 monthly instalments of £450 each).

Chartered Accountants

Member firm within Grant Thornton International Ltd

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales. No. 00307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP. A list of members is available from our registered office.

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address.

Receipts and payments

- 2 3 I enclose, as Appendix B, a summary of the former supervisors' receipts and payments made within the VA, from the inception of the VA to the year end on 20 January 2012, which shows a balance in hand of £1,856 87. Also included is a cumulative receipts and payments account up to the end of the former supervisors' periods of office on 14 May 2012. These figures have been taken from their electronic records and recent bank statements.
- 2 4 Also enclosed on Appendix B is a summary of my receipts and payments from the date of my appointment on 15 May 2012 to 20 January 2013. This shows funds in hand of £6,424 25, being the balance transferred from Mr Koumettou's account together with the contributions which I have collected. I have made no payments to date.

Investigations

- 2 5 I am investigating the conduct of the former supervisors and making enquiries to ascertain whether all aspects of the VA have been complied with in accordance with the proposals and modifications.
- 2 6 I am also considering the possibility of a claim against Mr Papanicola's insolvency insurance bond, which may include any matters where his actions or omissions may have prejudiced creditors' prospects of any dividend.
- 2 7 In particular, I am investigating whether the fees he drew were excessive and dishonestly reduced the amount available to distribute to creditors. Such a claim would also provide for my duplicated costs in administering the VA, as noted in Appendix A. If the claim is successful it would result in additional funds being available by way of a distribution to creditors. It is, however, currently too early to be able to advise if a claim is viable and, if so, the quantum and timing of any realisations.

Other assets

- 2 8 One of the conditions of the Proposal is that the director provide the Supervisors with management accounts on a 6-monthly basis to assess whether any profits have been made by the Company, a share of which accrues to the Arrangement.
- 2 9 The accounts I have seen to date have not revealed any profit, however, the Company reported problems with its accounting system and up to date figures have not been provided.
- 2 10 In addition it appears that the former liquidator did not make any attempt to recover the VAT charged on certain assets in the Arrangement.
- 2 11 In view of this, and in conjunction with section 2 14 below, I would recommend that the Arrangement be extended in order that I can ascertain the position.

Creditors' claims

- 2 12 Creditors' claims anticipated to rank for dividend were estimated in the proposals at £27,438. Claims received and admitted by Mr Papanicola to rank for dividend amount to £39,048, being a difference of 42%.

- 2 13 The modifications to the proposals provide that it shall be considered a breach of the VA if the liabilities of the Company exceed by 10% or more the estimated value supplied by the director
- 2 14 It appears that the difference of £11,610 relates principally to H M Revenue & Customs claim being approximately £7,000 more than estimated, and an additional claim of around £4,000 being received from PEG Associates Limited, which is not on the Statement of Affairs. It does not appear that the director would have been able to predict these differences
- 2 15 In view of the fact that the VA is approaching its conclusion, I would recommend that the VA be continued despite the breach, and I therefore seek creditor approval to that effect in the attached postal voting resolution form, which I should be grateful if you would complete and return to me by 19 April 2013

Distribution of funds

- 2 16 The proposals estimated a return to unsecured creditors of approximately 47.37 pence in the pound within five years of the start of the VA. An initial dividend of 4.73 pence in the pound was proposed to be paid on the second anniversary of the VA. It appears that the former supervisors did not make any dividend payments. On current information, without further realisations, it is unlikely that there will be any distribution for creditors, after taking into account the accrued supervisors' time costs
- 2 17 As noted in the investigation section above in Appendix A, there may be sufficient funds to pay a dividend to creditors but the quantum and timing of any distribution would depend on the outcome of our investigations and a successful claim against Mr Papanicola's insolvency bond

Joint supervisors' remuneration and disbursements

- 2 18 Paragraph 5.1(f) of the proposals provided for the supervisor's fees to be fixed on the basis of time spent on the administration of the voluntary arrangement

Former supervisors

- 2 19 Mr Papanicola's records reveal time costs to 23 November 2011 totalling £15,616.00 representing 79.60 hours at an average rate of £196.18 per hour, against which he appears to have drawn fees of £9,850 as supervisor and £4,000 as nominee. Supervisor's time costs of £6,500 were estimated in the proposals. Nominees fees of £4,000 were authorised. A summary of Mr Papanicola's time costs to 23 November 2011 is attached at Appendix C. I do not have details of his time costs up to the date he vacated office on 22 December 2011
- 2 20 I do not have details of Mr Koumettou's time costs to enable disclosure in accordance with Statement of Insolvency Practice 9 (SIP 9). However, the available information indicates that he did not draw any fees, but drew expenses of £13.34

Current supervisors

- 2 21 In accordance with SIP 9, I attach as Appendix E, a summary of my time costs from 15 May 2012 to 20 January 2013 for each grade of staff and type of work carried out. This shows total time costs of £12,443.85 representing 50.78 hours at an average of £245.05 per hour, against which no fees have been drawn. I intend to draw my remuneration, however, in accordance with the proposals, out of the funds in hand prior to finalising the VA and ceasing to act.
- 2 22 An overview of the voluntary arrangement, including details of any matters which may have had a significant impact on time costs are included in Appendix. Details of Grant Thornton's charging and disbursement recovery policies, together with details of any disbursements charged during the period under review is attached as Appendix D.

3 Resolution by Correspondence

- 3 1 As advised in Section 2.8-2.11, the modifications to the proposals have been breached by total creditor claims admitted exceeding the director's estimations by over 10%. I therefore seek creditors' approval to continue the VA.
- 3 2 In addition, section 6.10(a) provides that the VA should last a maximum of five years. However, in order to conduct the investigations outlined in section 2.5-2.7 and potentially enable a greater distribution to creditors, I require further time in office. To that effect, I also seek creditor sanction to extend the VA to the extent required to realise any bond claim which may be pursued.
- 3 3 I should be grateful therefore if you would complete the postal voting resolution form attached at Appendix F and return it to me by 19 April 2013.
- 3 4 Should you have any queries regarding the content of this report, or wish to discuss any matter further, please contact Somaya Akhtar on the details provided below.

Yours faithfully


pp Kevin Hellard
Joint Supervisor

T 0113 200 1692
E somaya.akhtar@uk.gt.com

Enc

A Overview of the voluntary arrangement

Introduction

The following information is provided in connection with the Supervisor's remuneration and disbursements in accordance with SIP 9

An overview of the case

When considering the Supervisors remuneration, the creditors' committee, or in this case, in the absence of a committee, creditors generally, should have regard to

- i the complexity of the case
- ii any exceptional responsibility falling on the office holder
- iii the office holder's effectiveness, and
- iv the value and nature of the property in question

The vast majority of our work to date has been conducted by a senior professional and manager and has involved reviewing the previous supervisor's files and taking the necessary steps to progress the arrangement. This has included reconciling the contributions received into the estate bank account and liaising with the Company to collect its contributions.

From our experience, most CVAs fail due either to the projections, on which the proposal was based, being overly optimistic, causing cash flow issues for the company within the arrangement, or due to a failure to comply with the terms of the arrangement. I was keen to enter into dialogue with the management team at an early stage so that any breaches, or potential breaches, could be addressed as quickly as possible.

The substitution of supervisors has resulted in additional time costs being incurred, which could not have been anticipated at the time the proposals were put forward to creditors. Mr Koumettou may have accrued costs which have not yet been billed, and time costs have been incurred by me and my staff in reviewing the level of contributions and administering the VA.

The proposals anticipated a return to creditors of 47.37p per £, and that a dividend of 4.73p per £ would be paid on the second anniversary, but no dividend has been paid to date.

I am conducting a review of the previous supervisors' actions and those of the Company to ascertain whether all the provisions of the proposals and modifications have been dealt with.

It is not yet possible to ascertain whether this review will ultimately result in further realisations for the benefit of creditors.

In the event that there are no further realisations, other than the remaining contributions, funds held will total approximately £7,770, and will be used to defray the costs of supervising the VA with any available surplus being distributed to participating creditors.

B Supervisor's Abstract Of Receipts And Payments 21 January 2008 to 7 December 2012

Former Office Holders - 21 January to 14 May 2012

RECEIPTS	21/01/08 - 20/01/12	21/01/12 - 14/05/12	Total (£)
Voluntary Contributions	18,050 00	1,450 00	19,500 00
Lump Sum Contribution	1,000 00	-	1,000 00
Bank Interest Gross	10 87	5 99	16 86
	19,060 87	1,455.99	20,516 86
PAYMENTS			
Specific Bond	398 00	30 00	428 00
Koumettou's Expenses	-	13 34	13 34
Papanicola's Fees	9,850 00	-	9,850 00
Legal Fees	230 00	-	230 00
VAT Receivable	926 00	-	926 00
Intermediary Expenses (debtsgone plc)	1,300 00	-	1,300 00
Nominees Fees	4,000 00	-	4,000 00
Nominees Expenses	500 00	-	500 00
	17,204.00	43.34	17,247.34
Balances in Hand	1,856.87	1,412.65	3,269.52

Grant Thornton UK LLP - 15 May 2012 to 20 January 2013

RECEIPTS	Total (£)
Funds Recovered from Former Officer Holder	3,269 52
Debtor Contributions	3,150 00
Bank Interest	4 73
	6,424 25
PAYMENTS	
	0 00
Balances in Hand	6,424 25

SIP 9 - Time & Cost Summary

Period 21/01/08 23/11/11

NOTE - THE SIP9 SUMMARY IS FILTERED BY TIME WHICH HAS A SIP9 COLUMN AND A PROJECT CODE OF 'POST' OR IF EMPTY

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	7 80	6 20	3 00	36 10	53 10	10,200 00	192 09
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	3 50	0 00	0 00	9 20	12 70	2,486 00	195 75
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	1 70	0 00	4 50	7 60	13 80	2 930 00	212 32
Total Hours	13 00	6 20	7 50	52 90	79 60	15,616 00	196 18
Total Fees Claimed						0 00	

D Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

The statutory provisions relating to remuneration are set out in Rule 1.28 of the Insolvency Rules 1986. Further information regarding the fees of supervisors can be found at www.insolvency-practitioners.org.uk (navigate via "Regulation and Guidance" to "Creditors Guides to Fees"). Alternatively I will supply this information by post on request.

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the schedule below. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

My firm's rates which are applicable during the period covered by this report are as follows:

Grade	From 1 July 2012 £ per hour	From 15 May 2012 £ per hour
Partner	465-580	445-560
Director	440-480	425-460
Senior Manager	400-440	385-425
Manager	270-375	260-425
Other senior professional	220-285	210-275
Administrator	150-210	145-205

Time and charge-out summaries

A summary of time costs incurred by me and my staff is enclosed at Appendix E.

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with Inland Revenue limits or AA recommended rates. VAT is added to disbursement charges as necessary.

Category 1 disbursements

The only expense that has been incurred by me is that of the insolvency bond, which totals £10. No funds have yet been drawn in respect of this cost.

Category 2 disbursements

There were no Category 2 disbursements incurred or paid during the period covered by this report.

Supporting documentation

The following documentation is included within this report as required by SIP 9:

- a receipts and payments account for the period from 21 January 2008 to 20 January 2013 and to date
- a schedule of my charge-out rates which have applied during the reporting period
- the relevant resolutions which approved the basis of the previous supervisor's fees as set out in paragraph 5.1 of the modified proposals

E SIP 9 information

Time costs for the period from 15 May 2012 to 20 January 2013

Standard	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	50	255 00	510 00	17 70	5,800 00	327 68	4 32	1,040 60	240 88	23 26	4,285 75	184 25	45 78	11,381 35	248 61
Creditors										30	55 50	185 00	30	55 50	185 00
Hiatus period													00	00	
Investigations				80	248 00	310 00							80	248 00	310 00
Realisation of Assets				30	93 00	310 00				3 60	666 00	185 00	3 90	759 00	194 62
Trading													00	00	
Total	50	255 00	510 00	18 80	6,141 00	326 65	4 32	1,040 60	240 88	27 16	5,007 25	184 36	50 78	12,443 85	245 05

Total fees billed to date (Time) £nil

F Resolution by correspondence

ALERT PROFESSIONAL LGV TRAINING LIMITED - IN COMPANY VOLUNTARY ARRANGEMENT (the Company)(VA)

Grant Thornton UK LLP
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Our Ref: KJH/JYC/LJS/A79017

I/We

(insert name of creditor)

an unsecured creditor of the above Company hereby

1 Consent / Do Not Consent *

to the continuation of the VA following the breach of modification 1 to the proposals

2 Consent / Do Not Consent *

to the extension of the VA after the maximum five years prescribed in section 610(a) of the
proposals until such time as all investigation matters and bond claims are completed

*delete as appropriate

Signed

Date

NAME in block capitals

For

(insert name of creditor)

THC

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21/03/2013
COMPANIES HOUSE

#192