

CVA3

Notice of supervisor's progress report in voluntary arrangement



Companies House

SATURDAY



A8IDRDR7

A23

16/11/2019

#5

COMPANIES HOUSE

1 Company details

Company number 0 7 0 8 6 9 1 8

Company name in full GPH Logistics Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Supervisor's name

Full forename(s) Andreas

Surname Arakapiotis

3 Supervisor's address

Building name/number Mountview Court

Street 1148 High Road

Post town Whetstone

County/Region London

Postcode N 2 0 0 R A

Country

4 Supervisor's name ^①

Full forename(s)

Surname

① Other supervisor

Use this section to tell us about
another supervisor.

5 Supervisor's address ^②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other supervisor

Use this section to tell us about
another supervisor.

CVA3

Notice of supervisor's progress report in voluntary arrangement

6 Date of voluntary arrangement

Date

d	1	d	9	m	0	m	9	y	2	y	0	y	1	y	8
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

7 Period of progress report

Date from

d	1	d	9	m	0	m	9	y	2	y	0	y	1	y	8
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Date to

d	1	d	8	m	0	m	9	y	2	y	0	y	1	y	9
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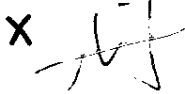
8 Progress report

☒ I attach a copy of the progress report

9 Sign and date

Supervisor's signature

Signature

X 

X

Signature date

d	1	d	5	m	1	m	1	y	2	y	0	y	1	y	9
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CVA3

Notice of supervisor's progress report in voluntary arrangement



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Kevin Donnelly**

Company name **Kallis & Company**

Address **Mountview Court**

1148 High Road

Post town **Whetstone**

County/Region **London**

Postcode **N 2 0 0 R A**

Country

DX

Telephone **020 8446 6699**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

IN THE HIGH COURT

NO 006892 OF 2018

IN THE MATTER OF THE INSOLVENCY ACT 1986

GPH Logistics Limited ("the Company")
Company Number 07086918
COMPANY VOLUNTARY ARRANGEMENT (CVA)

**SUPERVISOR'S REPORT TO CREDITORS AND MEMBERS ON THE PROGRESS
OF THE VOLUNTARY ARRANGEMENT UNDER RULE 2.41 OF THE
INSOLVENCY (ENGLAND AND WALES) RULES 1986**

1. Introduction

The Voluntary Arrangement was approved on 19 September 2018 and I was appointed Supervisor.

2. Comments on receipts and payments

Attached is my receipts and payments account for the 12 months ended 18 September 2019.

The balance of funds is held in an interest-bearing estate bank account.

2.1. Petitioning Funds

This represents monies advanced by the Company as part of the modified proposal towards the costs of the petitioning of the compulsory winding up of the Company, if it were required.

2.2. Company's Contributions

Under the terms of the Arrangement as modified the Company is scheduled to make 60 consecutive monthly contributions of £1,100, rising as reviews allow.

As you will note from the attached R&P account, the Company missed four contributions in the reporting period. Furthermore, no other payments have been made since the end of the reporting period. The Company is now behind by £5,500.

2.3. Other receipts

Bank interest - I can confirm to the date of the report interest of £5.39 has been paid.

Funds held in Client Account – This represents money advanced by the Company towards Kallis & Company's nominee fee of £5,000 plus VAT.

The Company has not confirmed if it has received any windfalls in the period covered by the report.

3. Creditor claims

	As per Proposal	Lodged to Date
	£	£
Unsecured	162,909.73	132,107.33

There is one creditor claim outstanding with a statement of affairs balance totalling £50,357.00.

It is anticipated that total creditor claims will be in line with the amount disclosed by the Company in the Statement of Affairs.

4. Office holder's remuneration

Under the terms of the proposal as modified my remuneration as Nominee has been set as a fixed fee of £5,000.

I have drawn Nominee's fees of £5,000.

Under the terms of the proposal my remuneration as Supervisor is to be calculated on a time cost basis with the total fee being capped by creditors at £13,000.00.

My total time costs to date amount to £4,945.00, representing 29.80 hours work at a blended charge out rate of £165.94 per hour.

A detailed schedule of my time costs incurred to date is attached as Appendix 2.

I have drawn Supervisor's remuneration of £4,000 in the period covered by this report.

During the course of the Arrangement I have taken the necessary steps to discharge my duties as Supervisor in accordance with the terms of the Arrangement. A description of the routine work undertaken since my appointment as Supervisor is as follows:

1. Administration and Planning

- Statutory notifications.
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on the case management system.
- Case bordereau.
- Case planning and administration.
- Preparing reports to members and creditors.
- Convening decision procedures of creditors.
- Monitoring compliance with the terms of the Arrangement

2. Cashiering

- Maintaining and managing the Supervisor's cashbook and bank account.
- Ensuring statutory lodgements are met.

3. Creditors

- Dealing with creditor correspondence and telephone conversations.
- Maintaining creditor information on the case management system.

4. Realisation of Assets

- Corresponding with directors and collecting payments.
- Reviewing the Company's trading and statutory accounts.
- Liaising with the Directors regarding the Company's monthly contributions.

Information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/helpsheets>. A copy of 'A Creditors' Guide to Voluntary Arrangement Fees' also published by R3, together with an explanatory note which shows Kallis & Company's fee policy are available at the link www.kallis.co.uk/downloads by clicking on 'A creditors

guide to fees'. Please note that there are different versions of the Guidance Notes and in this case, you should refer to the April 2017 version 4. A hard copy of both documents can be obtained on request.

5. Office holder's expenses

I have incurred expenses to 18 September 2019 of £332.23.

I have drawn £50.00 to 18 September 2019

I have incurred the following expenses in the period since my appointment as Supervisor:

Type of expense	Amount accrued in the reporting period £
Specific Bond	276.00
E-Filing Submissions	50.00
Postage	6.23

I have not incurred any category 2 disbursements in the period since my appointment as Supervisor.

6. Progress and prospects for the full implementation of the Arrangement

6.1 Missed Payments

The modified terms of the proposal require the Company to make no fewer than 60 monthly contributions of £1,100 and should the Company fall behind with payments of over 60 days, this would constitute failure of the arrangement and I shall petition for the compulsory winding up of the Company.

The director and the Company's accountant explained that the reason for the payments having fallen behind is due to a large customer not paying their invoice on time.

The Company have missed four contribution payments during the reporting year and as a result the Company has accrued arrears of £4,400.

The terms of the proposal require the Company should make no fewer than 60 monthly contributions of £1,100 and that the Company cannot fall behind in payments over 60 days and if the Company falls behind, I have to commence with the termination of the CVA.

Despite assurances that payment would be made to bring all arrears up to date, and that the financial documents would be provided to allow me to review the Company's contributions, nothing has been received to date. I, therefore, have no other choice but to now take steps to petition for the compulsory winding up of the Company.

6.2 Trading Review

In addition, the modified terms of the proposal require me to conduct a contribution review annually but, despite continuous requests, the Company has failed to provide the necessary documentation to enable me to do this.

Despite repeated requests, the Company failed to provide the necessary information or co-operate with me in a timely manner.

I was eventually provided with bank statements for the past 12 months. However, the failure to pay contributions has been attributed to the cashflow problems as a result of the Company's aged debtors.

6.3 Dividend

Under the terms of the arrangement, I am to pay a first dividend 3 months after the first anniversary and annually thereafter. However, at the date of the report, I did not hold enough funds to pay the first

dividend. This is due to the Company falling behind with their contributions. Moreover, as aforementioned, the Company is in breach of terms of the proposal as modified by the creditors. This has resulted in me having to now petition for the Company to be wound up.

Therefore, there will be no dividend made to creditors.

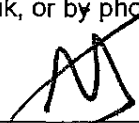
7. Matters outstanding

I am now taking steps to petition for the compulsory winding up of the Company in accordance with the proposal.

To comply with the Provision of Services Regulations, some general information about Kallis & Company, can be found www.kallis.co.uk/legal.

Kallis & Company uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Kallis & Company uses your personal information on our website at www.legal.com.


If creditors or members have any queries regarding the conduct of the Voluntary Arrangement, or if they want hard copies of any of the documents made available on-line, they should contact me at Kallis & Company, Mountview Court, 1148 High Road, Whetstone, London, N20 0RA or by email at Kevin@kallis.co.uk, or by phone on 020 8446 6699.



Andreas Arakapiotis
Supervisor

25 October 2019

**Voluntary Arrangement of
GPH Logistics Limited
To 18/09/2019**

S of A £		£	£
	SECURED ASSETS		
1,000.00	Plant & Machinery	NIL	
64,110.00	Book Debts	NIL	
			NIL
(50,357.00)	SECURED CREDITORS		
	Ultimate Invoice Finance Limited	NIL	
			NIL
	ASSET REALISATIONS		
	Petitioning Funds	900.00	
	Company's Contribution	8,800.00	
	Bank Interest Gross	5.39	
	Funds held in Client Account	2,500.00	
			12,205.39
	COST OF REALISATIONS		
	Nominee's Fees	5,000.00	
	Supervisor's Fees	4,000.00	
	E-Filing Submissions	50.00	
			(9,050.00)
(15,145.56)	PREFERENTIAL CREDITORS		
	Employee Arrears/Hol Pay	NIL	
			NIL
(51,100.73)	UNSECURED CREDITORS		
(10,938.60)	Trade & Expense Creditors	NIL	
(61,452.00)	Employees	NIL	
	HM Revenue & Customs (PAYE & VA	NIL	
			NIL
(100.00)	DISTRIBUTIONS		
	Ordinary Shareholders	NIL	
			NIL
(123,983.89)			3,155.39
	REPRESENTED BY		
	Bank 1 Current Interest Bearing		3,155.39
			3,155.39
			 Andreas Arakapiotis Supervisor

Analysis of Office Holder's time costs for the period 19/09/2018 To 18/09/2019

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								
AD1.1 - Case planning and review	5.00	0.00	4.70	0.00	9.00	18.70	3,432.50	183.56
AD1.2 - Ongoing administration matters	0.00	0.00	0.60	0.00	0.50	1.10	185.00	168.18
AD1.3 - Statutory notices & reporting	1.00	0.00	3.60	0.00	3.80	8.40	1,485.00	176.79
Financials	4.00	0.00	0.50	0.00	4.70	9.20	1,762.50	191.58
AD2.1 - Banking and reconciliations	0.00	0.00	0.00	0.20	7.80	8.00	805.00	100.63
AD2.2 - Expense reviews and payments	0.00	0.00	0.00	0.20	1.90	2.10	215.00	102.38
Realisation of Assets	0.00	0.00	1.00	0.00	5.90	5.90	590.00	100.00
AD3.4 - Identifying assets and recovery	0.00	0.00	1.00	0.00	0.00	1.00	225.00	225.00
Creditors	0.50	0.00	1.40	0.00	0.20	2.10	482.50	229.76
AD5.1 - Communication with creditors	0.00	0.00	1.20	0.00	0.20	1.40	290.00	207.14
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	0.50	0.00	0.20	0.00	0.00	0.70	192.50	275.00
Total Hours	5.50	0.00	7.10	0.20	17.00	29.80		165.94
Total Fees (GBP)	1,622.50	0.00	1,597.50	25.00	1,700.00		4,945.00	

PRACTICE FEE RECOVERY POLICY FOR KALLIS & COMPANY

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/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 information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/helpsheets/>. Details about how an office holder's fees may be 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 <http://www.kallis.co.uk/downloads>. Alternatively a hard copy may be requested from Kallis & Company, Mountview Court, 1148 High Road, London N20 0RA. Please note, that we have provided further details in this policy document.

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. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the 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.

Grade of staff	Current charge-out rate per hour, effective from 01/10/2019	Previous charge-out rate per hour, effective from 01/10/2017	Previous charge-out rate per hour, effective from 01/10/2015
Senior Partner / appointment taker	£420		
Partner / appointment taker	£320-340	£295-375	£340-375
Senior Manager	£295	£285	£285
Manager	£240	£225	£225
Senior/Case Administrator	£110-150	£125-175	£150-175
Support Staff	£100-110	£85-100	£85-100

Under some 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

When charging fees on a time costs basis 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.

Chargeout Rates

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

These charge-out rates charged are reviewed on periodic basis 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. The work is generally recorded under the following categories:

Administration and Planning; Financials; Investigations; Realisation of Assets; Creditors; Trading; Case specific matters.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we continue to seek time costs for the majority of our cases.

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, 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.

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 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	www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances
Storage	£15 per box per annum
Destruction Costs	£5.50 per box