

Rule 1.26A/1 54

The Insolvency Act 1986

Notice to Registrar of Companies of
Supervisor's Progress Report

Pursuant 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

07089235

Name of Company

Absolute Electrical & Mechanical Solutions Ltd

/ We

Gary Birchall
Skull House Lane
Appley Bridge
Wigan
WN6 9DW

Anthony Benjamin Fisher
Skull House Lane
Appley Bridge
Wigan
WN6 9DW

supervisor(s) of a voluntary arrangement taking effect on

02 October 2012

Attach my progress report for the period

02 October 2012

to

01 October 2013

Number of continuation sheets (if any) attached

☐

Signed

A. F.

Date

14 / 10 / 13

Debtfocus
Skull House Lane
Appley Bridge
Wigan
WN6 9DW

Ref J1204/NH

For Official Use

Insolvency

WEDNESDAY



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A29

16/10/2013

#252

COMPANIES HOUSE

**Voluntary Arrangement of
Absolute Electrical & Mechanical Solutions Ltd**

Statement of Affairs	From 02/10/2012 To 01/10/2013
ASSET REALISATIONS	
Debtor Contributions	6,310 00
Bank Interest Gross	0 03
	<u>6,310 03</u>
COST OF REALISATIONS	
Specific Bond	147 00
Nominee Fees	4,500 00
Nominee Disbursements	350 00
	<u>(4,997 00)</u>
	<u>1,313.03</u>
REPRESENTED BY	
Bank 1 Current	1,313 03
	<u>1,313.03</u>

Note



Gary Birchall
Joint Supervisor

Gary James Birchall and Anthony Benjamin Fisher appointed Joint Supervisors on 02 October 2012

**ABSOLUTE ELECTRICAL & MECHANICAL SOLUTIONS LIMITED
COMPANY VOLUNTARY ARRANGEMENT**

Annual Report and account of the Joint Supervisors Pursuant to Rule 1 26A of the Insolvency Rules 1986

Period 02 October 2012 to 01 October 2013

Contents

- Company and Joint Supervisors' details
- Receipts and payments account
- Creditor claims
- Other relevant information
- Conclusion
- Appendices
 - 1 Joint Supervisors' account of receipts and payments for the period from 02 October 2012 to 01 October 2013 with Statement of Affairs comparative
 - 2 Creditor Claims Summary Report
 - 3 Joint Supervisors' time costs and expenses

1. COMPANY AND JOINT SUPERVISORS' DETAILS

Date of Incorporation	27 November 2009
Company Number	07089235
Date of appointment of Joint Supervisor	02 October 2012
Registered Office and Centre of Main Interest	14 Westerdale Drive Banks Southport PR9 8DG
Trading address	14 Westerdale Drive Banks Southport PR9 8DG
Nature of Business	Electrical & Mechanical Contractor

This report is issued under the provisions of Rule 1 26A of the Insolvency Rules 1986

2. RECEIPTS AND PAYMENTS ACCOUNT

Attached at Appendix 1 is my account of receipts and payments from the commencement of the arrangement to the end of the first anniversary

My comments on items appearing in the account are as follows -

Contributions

Under the terms of the proposal the Company was to make monthly contributions of £700 for sixty months.

In June 2013 the Directors of the Company contacted me to advise that due to the recession the company has lost several of its contracts. The directors also advised that the contracts have also changed since the arrangement was accepted in that the company is now required to buy/supply the materials up front which had a direct impact on their working capital. This has had a massive effect on the company cashflow and the directors have been forced to buy the materials using personal funds.

The directors provided me with projections in terms of new contracts and are confident that they can get the company back on track and trading at a profit within the next 6 months.

The directors therefore requested that creditors allow a 6 months payment break on the arrangement and that the term of the arrangement be extended by 9 months in order to facilitate repayment of the accrued arrears.

I have advised the directors of the company that if the company is unable to resume monthly contributions of at least £700 upon cessation of the payment break, I will immediately fail the arrangement as per creditors' previous instruction.

A meeting of Creditors was held on 12th August 2013 and I can confirm that creditors rejected this request and instructed the Supervisor to commence Winding Up proceedings. A copy of the Variance Report is enclosed for your information.

However, I can confirm that since the variance proposal was circulated to creditors, the company made a payment that brought the arrears back within the default period and as such the arrangement was to continue as per the original terms.

These contributions are at the anniversary date £2,090 in arrears and accordingly in default of the terms agreed with creditors. However the Company has since made a payment of £700 to bring the arrears back within the default period.

PAYMENTS

The Joint Supervisor has discharged the following Category 1 disbursements to date

<u>Description</u>	£
Specific Bond	147
Nominee Disbursements	350
TOTAL	<u>497</u>

All other payments have been made in accordance with the rules and regulations generally as to the payment of costs and expenses in the Arrangement and are detailed within Appendix 1

There have been no payments other than Joint Nominees Fees as detailed in Paragraph 4 below

3. CREDITOR CLAIMS

Unsecured Creditor Claims

To date I have received claims of £40,581 37 which will be reviewed prior to payment of a dividend

The Supervisor is required to retain sufficient funds to be able to petition for Winding Up Proceedings should the Company default under the terms of the Arrangement, and is therefore not in a position to declare an interim dividend to proving creditors at this stage. I anticipate the first dividend to be paid with the filing of my second Annual Report.

4. OTHER RELEVANT INFORMATION

Nominees' fee

As detailed in the proposal and as was agreed with creditors on 02 October 2012, the Nominees' fee agreed totals £4,500 of which £4,500 has been drawn to date

Joint Supervisors' remuneration

As detailed in the proposal and as was agreed with creditors on 02 October 2012 the Joint Supervisors' remuneration was agreed on a time cost basis

Total time spent to 01 October 2013 on this assignment amounts to 39 23 hours at an average composite rate of £152 63 per hour resulting in total time costs to date of £5,987
No Supervisor fees have yet been drawn.

To assist creditors in determining this matter, the following further information as regards time costs and expenses is set out at Appendix 2

- Debtfocus Business Recovery & Insolvency Limited policy for re-charging expenses and charge out rates
- Narrative summary of time costs incurred and summary by staff grade and work activity
- A creditors guide to Joint Supervisor's fees

5. CONCLUSION

My next report will follow the second anniversary of the Arrangement



Anthony Fisher
Joint Supervisor

Dated 14 October 2013

**Absolute Electrical & Mechanical Solutions Ltd
(Under Voluntary Arrangements)
In The Preston County Court**

**Report on the application from the Directors of Absolute Electrical &
Mechanical Solutions Ltd to vary the terms of the Proposal**

I, Anthony Fisher, Joint Supervisor, of Debtfocus Business Recovery & Insolvency Ltd, Skull House Lane, Appley Bridge, Wigan, WN6 9DW make the following report on the adjourned meeting of Creditors held on 12 August 2013 at 10.30am

The company made an application to Creditors on 25 June 2013 to vary the terms of the Proposal as permitted by modification 11 of the Chairman's report and 7.2 of the Standard Terms and Conditions attached to the company's Proposal

The following resolutions were put to Creditors

- 1) To allow a 6 month payment break on the arrangement with a 9 month extension in order to facilitate repayment of the accrued arrears

OR

- 2) Issue a Certificate of Termination

OR

- 3) Issue Winding up proceedings (creditor funding required)

No Creditors were present in person Anthony Fisher and Wayne Mackenzie of DebtFocus were present at the meeting and received the following votes via proxy

The following votes in favour of resolutions 1 were received

Creditor	Amount of Claim (£)
Wolseley UK Ltd	16,507 48
Yellow Pages	1,543 88
Warrington Electrical Supplies	2,000
TOTAL	18,507.48

The following vote against resolutions 1 was received

Creditor	Amount of Claim (£)
HMR&C	58,601 30
TOTAL	58,601.30

Summary of voting for resolution 1

	<u>£</u>	<u>%</u>
In Favour	18,507 48	24
Against	58,601 30	76
Total	77,108 78	100

The following vote in favour of resolutions 2 and 3 was received

Creditor	Amount of Claim (£)
HMR&C	58,601.30
TOTAL	58,601.30

The following votes against resolution 2 and 3 were received

Creditor	Amount of Claim (£)
Wolseley UK Ltd	16,507.48
Yellow Pages	1,543.88
Warrington Electrical Supplies	2,000
TOTAL	20,051.36

Summary of voting for resolution 2 and 3

	£	%
In Favour	58,601.30	76
Against	18,507.48	24
Total	77,108.78	100

A vote was received from Celebration Electrical however this was invalid as the voting instructions were not clear.

A vote was received from Edmundsons Electrical Ltd however this was also invalid as no proof of debt has been received

A vote was received from Yellow Pages however this was also invalid as no proxy holder was stated

Paragraph 16.20 of the Proposal requires a majority in excess of 75% in value of voting creditors to approve any resolutions

Accordingly, I can confirm that the requisite majority of Creditors voting have rejected the Variation and instructed the Supervisor to commence Winding up proceedings

However, I can confirm that since the variance proposal was circulated to creditors, the company has made a payment that has brought the arrears back within the default period on the arrangement as agreed with creditors and as such, the arrangement is to continue as per the original terms.

A. Fisher

Anthony Fisher, MIPA, MABRP
Supervisor and Chairman of the Meeting

12 August 2013

Company Number 07089235

List of Proofs
Absolute Electrical & Mechanical Solutions Ltd

I HEREBY CERTIFY that the following is a correct list of all proofs tendered to me in the above matter

Joint Supervisor
03 Oct 2013

Name of claimant		Amount of Proof
CC00	Celebration Electrical	1,944 62
CC01	Creditsafe Business Solutions Limited	630 00
CJ00	Jewsons	17,955 39
CW00	Wolseley UK Ltd	16,507 48
CW01	Warrington Electrical Supplies	2,000 00
CY00	Yell Ltd	1,543 88
Totals		40,581 37

* Denotes different payee name from claimant
~ Denotes Associated Creditor/Excluded Debt

Proof of Debt - General Form

Absolute Electrical & Mechanical Solutions Limited	
Company Voluntary Arrangment - Creditors/Members Meeting - 2nd October 2012	
1	Name of Creditor/Member (if a company please also give registration number)
2	Address of Creditor/Member for correspondence
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date of the bankruptcy order
4	Details of any documents by reference to which the debt can be substantiated (Note there is no need to attach them now but the trustee may call for any document or evidence to substantiate the claim at his discretion as may the official reciever whilst acting as reciever and manager, or the chairman or convenor of any meeting)
5	If amount in 3 above includes outstanding uncapitalised interest please state amount
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7	Particulars of any security held, the value of the security, and the date it was given
8	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates
9	Signature of Creditor or person authorised to act on his behalf
10	Name in BLOCK LETTERS
	Position with or in relation to Creditor
	Address of person signing (if different from 2 above)
Admitted to vote for	
£	Admitted for dividend for
£	£

**ABSOLUTE ELECTRICAL & MECHANICAL SOLUTIONS LIMITED
COMPANY VOLUNTARY ARRANGEMENT**

**JOINT SUPERVISORS' ACCOUNT OF RECEIPTS AND PAYMENTS FOR THE PERIOD
02 OCTOBER 2012 TO 01 OCTOBER 2013 WITH STATEMENT OF AFFAIRS
COMPARITIVE.**

Absolute Electrical & Mechanical Solutions Ltd
(Under a Voluntary Arrangement)

Joint Supervisors' Abstract Of Receipts And Payments
To 02 October 2013
For All Bank Accounts

RECEIPTS	Total (£)
Debtor Contributions	6,310 00
Bank Interest Gross	0 03
	<hr/>
	6,310 03
	<hr/>
PAYMENTS	
Specific Bond	147 00
Nominee Fees	4,500 00
Nominee Disbursements	350 00
	<hr/>
	4,997 00
Balances in Hand	1,313 03
	<hr/>
	6,310 03
	<hr/>

Note - VAT is not recoverable

**ABSOLUTE ELECTRICAL & MECHANICAL SOLUTIONS LIMITED
COMPANY VOLUNTARY ARRANGEMENT**

JOINT SUPERVISOR'S TIME COSTS AND EXPENSES

- a Debtfocus Business Recovery & Insolvency Limited policy for re-charging expenses and charge out rates,
- b Summary of time costs incurred and summary by staff grade and work activity, and

Time Entry - SIP9 Time & Cost Summary

J1204 - Absolute Electrical & Mechanical Solutions Ltd
Project Code POST
From 02/10/2012 To 01/10/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.80	0.00	0.00	1.00	1.80	344.00	191.11
Case Specific Matters	4.10	0.00	0.00	10.10	14.20	2,380.00	168.20
Cashier/ Banking	0.00	0.00	0.00	2.40	2.40	288.00	120.00
Creditors	0.50	0.00	0.00	1.90	2.40	368.00	153.33
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Finalisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pensions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reviews	1.55	1.20	0.00	9.70	12.45	1,814.00	145.70
Statutory	0.60	0.00	0.00	5.38	5.97	813.00	136.07
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	7.55	1.20	0.00	30.47	39.23	5,987.00	152.63
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Debtfocus Business Recovery & Insolvency Ltd

Fee Charging, Expenses and Disbursement Policy Statement

Fee Charging Policy

The current charge out rates for this Firm is as follows -

Grade of Staff	(£ per hour)
Insolvency Practitioner	280
Manager	180
Administrator / Cashier	120

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units)

Time billed is subject to Value Added Tax at the applicable rate

Time spent by partners and insolvency staff in relation to the insolvency estate is charged to the estate

Expenses and Disbursement Policy

Direct Expenses (Category 1 Disbursements)

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums and properly reimbursed expenses.

Indirect Expenses (Category 2 Disbursements)

Category 2 disbursements cannot, or cannot easily be directly identified as relating to the administration of the case, usually because there is an element of shared or allocated cost. These include stationery / photocopying, postage and travel.

Mileage is recovered at 40p per mile.

A creditors' guide to Joint Supervisors fees is attached. A full copy of this guide can be downloaded from the following site -

www.r3.org.uk/media/documents/technical_library/SIPS/SIP_9_EW_Nov_2011.pdf