

# CVA3

## Notice of supervisor's progress report in voluntary arrangement



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 7 2 9 9 4 8 5

Company name in full Key Letts Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Supervisor's name

Full forename(s) Stephen

Surname Penn

### 3 Supervisor's address

Building name/number Unit 2

Street Railway Court

Post town Ten Pound Walk

County/Region Doncaster

Postcode D N 4 5 F B

Country

### 4 Supervisor's name <sup>①</sup>

Full forename(s)

Surname

#### ① Other supervisor

Use this section to tell us about  
another supervisor.

### 5 Supervisor's address <sup>②</sup>

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

<b>6</b>	<b>Date of voluntary arrangement</b>																
Date	d	0	d	3	m	0	m	3	y	2	y	0	y	2	y	0	
<b>7</b>	<b>Period of progress report</b>																
Date from	d	0	d	3	m	0	m	3	y	2	y	0	y	2	y	0	
Date to	d	0	d	2	m	0	m	3	y	2	y	0	y	2	y	1	
<b>8</b>	<b>Progress report</b>																
<input checked="" type="checkbox"/> I attach a copy of the progress report																	
<b>9</b>	<b>Sign and date</b>																
Supervisor's signature	Signature																
																	
																	
																	
Signature date	d	1	d	6	m	0	m	3	y	2	y	0	y	2	y	1	

# 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	Melanie Costello
Company name	Absolute Recovery Limited
Address	Unit 2 Railway Court
Post town	Ten Pound Walk
County/Region	Doncaster
Postcode	D N 4 5 F B
Country	
DX	info@absrecovery.co.uk
Telephone	01302 572701



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

# **Supervisor's Annual Progress Report to Creditors**

**Key Letts Limited -  
Company Voluntary Arrangement (CVA)**

**16 March 2021**

**KEY LETTS LIMITED**  
**COMPANY VOLUNTARY ARRANGEMENT (CVA)**

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**KEY LETTS LIMITED**  
**COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**1 Introduction**

- 1.1 You will recall that I was appointed Supervisor of Key Letts Limited (the **Company**)'s CVA, on 3 March 2020. By way of reminder, the CVA provided in the main for contributions as follows

Months	For year £'000	Cumulative £'000
Directors Loan Repayments Months 1-24 @ £5,285 / month	126,840	126,840
Initial Lump Sum Contribution Months 1-36 @ £1,274 / month	14,000	140,840
	45,864	186,704
<b>Total</b>		<b>186,704</b>

- 1.2 This report now provides an update on the progress in the CVA in accordance with R2.41 of the Insolvency (England & Wales) Rules 2016. At Appendix A, I have provided an account of my Receipts and Payments for the year from 3 March 2020 to 2 March 2021 (**the Period**) with a comparison to the Directors' Statement of Affairs values.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://www.absolute-recovery.co.uk/privacypolicy.html>. If you are unable to download this, please contact us and a hard copy will be provided to you.

**2 Progress of the CVA**

***Voluntary Contributions***

- 2.1 I have received total contributions and lump sums into the CVA:

Nature of payment	Amount due (£)	Amount paid (£)	Arrears (£)
Lump Sum Contribution	14,000	14,000	Nil
Monthly Contributions	15,288	14,014	1,274
Directors Loan Repayments	63,420	25,966	37,454
<b>Total</b>	<b>92,708</b>	<b>53,980</b>	<b>38,728</b>

- 2.2 I can advise that the monthly contributions are up to date as March contribution was received after the period.
- 2.3 However, despite verbal request for payments, the Company was unable to make the agreed monthly contributions in regard to the Directors Loan Repayments. The director has advised that whilst he is aware of his obligation in respect of the Arrangement, the Company are experiencing financial difficulty due to the Covid-19 pandemic.
- 2.4 The Supervisor has discussed the options available to the Company, and the decision was made that a variation is to be put forward to possible extend the Arrangement duration while still achieving a 100p/£ dividend to the unsecured creditors. These documents are currently being drafted and creditors will shortly receive correspondence.

***Other Assets***

- 2.5 The only assets included in the CVA are the monthly contributions and repayment of Director Loan.
- 2.6 I have utilised an interest-bearing current account for the purpose of the CVA and to date interest totalling £10.74 has accrued.

**KEY LETTS LIMITED**  
**COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**3 Annual Review of Profitability**

The terms of the CVA and specifically modification 20 to the proposal requires the Company to contribute 50% of any rise in net income after provision for tax. The company is to provide management accounts to facilitate such a review within 1 month of the anniversary of the CVA. No information has been provided as at the date of this report however the timescale afforded to provide it has not yet elapsed.

**4 Creditors**

***Preferential Creditors***

- 4.1 There are no preferential creditors' claims in this arrangement.

***Unsecured Creditors***

- 4.2 I am currently reviewing the claims of the unsecured creditors. To date, I have agreed 2 claims totalling £170,488.22.

**5 Supervisor's Remuneration**

- 5.1 Creditors approved that the basis of the Supervisor's remuneration be based on time spent by him and his staff in dealing with the CVA. The time costs incurred in the Period total £12,924.25 which represents 66.17 hours at an average rate of £195.32 per hour.
- 5.2 Attached at Appendix B is a Time Analysis which provide details of the activity costs incurred by staff grade for the period of this report.
- 5.3 Attached, as Appendix C is additional information in relation to our policy on staffing, the use of sub-contractors and the expenses and disbursements of the CVA.
- 5.4 A copy of the guide to insolvency practitioners' fees in a Voluntary Arrangement is available on request or can be downloaded from <https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/voluntary-arrangement-creditor-fee-guide--6-april-2017.ashx?la=en>.
- 5.5 The Supervisor's time cost estimate included in the original Proposal was £15,000 which was approved by creditors.

**6 Supervisor's Expenses and Disbursements**

- 6.1 The following expenses and disbursements have been incurred since my appointment as Supervisor:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Category 1 disbursements				
Specific penalty bond	Nil	Nil	1,064	1,064
Category 2 disbursements				
None	Nil	Nil	Nil	Nil

**KEY LETTS LIMITED**  
**COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**7 Distributions**

- 7.1 It was envisaged that a first dividend would be declared and paid to unsecured creditors around the first anniversary of the CVA.
- 7.2 At present, I have funds of £45,020.74 in hand. There are currently unpaid expenses of the CVA to settle being the balance of the Supervisor Fee and in addition, I am required to retain funds for winding-up purposes (approximately £4,000) in the event that at a future date the CVA is deemed to have failed.
- 7.3 Taking all of these matters into account, the net result is that currently there are monies available for a dividend distribution to unsecured creditors.
- 7.4 It is advised that a first dividend will be paid to the unsecured creditors of the Arrangement within two months of this report, being **Wednesday 17 May 2021**.

**8 Estimated Outcome**

- 8.1 The CVA estimates a total dividend to unsecured creditors of 100 pence in the pound (p/£) over 3 years.
- 8.2 It is my intention to pay a first dividend to creditors within two months of this report being 17 May 2021 and enclose for your attention a Statement of Claims.

Should you require further information at any time, please do not hesitate to contact Melanie Costello of this office.

Yours faithfully



**Stephen Penn**  
Supervisor



**KEY LETTS LIMITED  
COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**Appendix A**

**Receipts and Payments Account for the Period from 3 March 2020 to 2 March 2021**

**Key Letts Limited**  
**(Under a Voluntary Arrangement)**  
**Supervisor's Summary of Receipts and Payments**  
**To 02 March 2021**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>Total (£)</b>
Overdrawn Directors Loan		25,996.00
Voluntary contributions		14,014.00
Lump Sum		14,000.00
Bank Interest Gross		10.74
Nominees Fee		1,000.00
		<hr/>
		55,020.74
		<hr/>
<b>PAYMENTS</b>		
Nominees Fee		10,000.00
		<hr/>
		10,000.00
		<hr/>
Net Receipts/(Payments)		45,020.74
		<hr/>
 <b>MADE UP AS FOLLOWS</b>		
Bank 1 Current		45,020.74
		<hr/>
		45,020.74
		<hr/>

**KEY LETTS LIMITED  
COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**Appendix B**

**Time Analysis for the Period from 3 March 2020 to 2 March 2021**

# Time Entry - SIP9 Time & Cost Summary

KEY0838 - Key Lets Limited  
Project Code: POST  
To: 02/03/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.00	10.77	51.50	0.00	62.27	11,966.75	192.18
Case Specific Matters	0.00	1.70	0.00	0.00	1.70	442.50	260.29
Creditors	0.00	0.80	1.40	0.00	2.20	515.00	234.09
Investigations	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
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>0.00</b>	<b>13.27</b>	<b>52.90</b>	<b>0.00</b>	<b>66.17</b>	<b>12,924.25</b>	<b>195.32</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

**KEY LETTS LIMITED**  
**COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**Appendix C**

**Additional Information in Relation to Supervisor's Fees**

**1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We have not utilised the services of any subcontractors in this case.

**2 Professional Advisors**

- 2.1 We have not utilised the services of any advisors in this case.

**3 Supervisor's Disbursements**

- 3.1 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case
- 3.2 Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Absolute Recovery Limited for the provision of services which include an element of recharged overhead, for example, room hire or document storage.
- 3.3 Details of the Supervisor's disbursements and expenses incurred to date can be found in the body of the report.

**4 Charge-Out Rates**

- 1.1 A schedule of Absolute Recovery Limited's current charge-out rates was issued to creditors at the time the basis of the Supervisor's remuneration was approved. Below are details of this firm's charge out rates which have been applied with effect from 3 November 2016. Please note this firm records its time in minimum units of 6 minutes.

Description	(Per hour) £
Partner	350
Manager/Senior Manger	225 - 275
Other Senior Professional	175-225
Administrator/Cashier	150-175
Junior Administrator	100
Assistants & Support Staff	100

**KEY LETTS LIMITED  
COMPANY VOLUNTARY ARRANGEMENT (CVA)**

**Appendix D**

**Estimated Outcome Statement as at 2 March 2021**

**Absolute Recovery Limited**  
**Key Letts Limited**  
**Creditor Claims Summary Report**

Key	Name	Rep. By	S of A £	Claim £	Agreed Claim £
CH00	HM Revenue & Customs		159,112.51	169,908.22	169,908.22 (U)
CP00	Poseidon Heating Engineers Ltd		0.00	580.00	580.00 (U)
CT00	The 50Plus		1,033.16	0.00	Agreed Nil Claim
RM00	Denis Miguel		0.00	0.00	0.00
RT00	Elizabeth Margaret Terry		0.00	0.00	0.00
<b>5 Entries Totalling</b>			<b>160,145.67</b>	<b>170,488.22</b>	<b>170,488.22</b>

U - Unsecured