

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

1 Company details

Company number 0 7 5 9 4 6 9 9

Company name in full Day Associates Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Supervisor's name

Full forename(s) Nicola Jayne

Surname Fisher

3 Supervisor's address

Building name/number Satago Cottage

Street 360a Brighton Road

Post town Croydon

County/Region

Postcode C R 2 6 A L

Country

4 Supervisor's name^①

Full forename(s) Christopher

Surname Herron

① Other supervisor
Use this section to tell us about
another supervisor.

5 Supervisor's address^②

Building name/number Satago Cottage

Street 360a Brighton Road

Post town Croydon

County/Region


Postcode C R 2 6 A L

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	5	m	0	m	7	y	2	y	0	y	2	y	0
7	Period of progress report															
Date from	d	1	d	5	m	0	m	7	y	2	y	0	y	2	y	0
Date to	d	1	d	4	m	0	m	7	y	2	y	0	y	2	y	1
8	Progress report															
<input checked="" type="checkbox"/> I attach a copy of the progress report																
9	Sign and date															
Supervisor's signature	Signature X  X															
Signature date	d	2	d	6	m	0	m	8	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 Tina King

Company name Herron Fisher

Address Satago Cottage
360a Brighton Road

Post town Croydon

County/Region

Postcode C R 2 6 A L

Country

DX

Telephone 020 8688 2100



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

**Voluntary Arrangement of
Day Associates Limited Trading As: Warren Day
Joint Supervisors' Summary of Receipts & Payments**

Statement of Affairs £		From 15/07/2020 To 14/07/2021 £	From 15/07/2020 To 14/07/2021 £
(10,000.00)	SECURED CREDITORS		
	Chargeholder (1)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	3.98	3.98
	Debtor Contributions	11,000.00	11,000.00
		11,003.98	11,003.98
(2,400.00)	PREFERENTIAL CREDITORS		
	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(220,000.00)	Banks/Institutions	NIL	NIL
(2,700.00)	Employees	NIL	NIL
(30,000.00)	HM Revenue and Customs	NIL	NIL
(11,000.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
(276,100.00)		11,003.98	11,003.98
	REPRESENTED BY		
	Bank 1 Current		11,003.98
			11,003.98



Christopher Herron
Joint Supervisor

**THE INSOLVENCY ACT 1986
IN THE BRIGHTON COUNTY COURT
NO OF 2020**

**DAY ASSOCIATES LIMITED
COMPANY VOLUNTARY ARRANGEMENT (CVA)
Company Number 07594699**

**SUPERVISORS' 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 CVA was approved on 15 July 2020 and I was appointed Joint Supervisor along with Nicky Fisher.

2. Comments on receipts and payments

Attached at Appendix 1 is my receipts and payments account for the 12 months ended 14 July 2021. I have reconciled the account against the financial records that I am required to maintain.

The estate funds are held in an interest bearing estate account and over the period of the Arrangement a total of £3.98 has been received in interest.

a) Voluntary contributions

Under the terms of the Arrangement the Company is scheduled to make 36 consecutive monthly contributions as follows, and are to rise as yearly reviews allow:

£1,000 per month for the first 6 months
£2,000 per month for the next 6 months
£3,000 per month for the next 12 months
£4,000 per month for the next 12 months

Several payments have been missed during the year. The Company has at present accrued arrears of £9,000. This is not the first time arrears have accrued and during the year it has been necessary to send the company three Notices of Breach in this respect.

In June 2021, due to difficulties being incurred, Denis Day, director of the Company, requested a meeting with regard to the position of the CVA and options for the way forward. Mr Day was keen for a variation to be made to the CVA and he was therefore asked to provide his proposals to vary the present Arrangement; these were to be submitted by 16 June. On 22 June an email was received from Mr Day containing vague suggestions as to variations. The suggestions put forward were not considered viable and further information and explanations were requested from him, but to date nothing further has been heard or received from Mr Day.

I am aware of clause 35 of the proposal and the content therein regarding a variation being proposed within 12 months of commencement the Arrangement. I would advise that discussions were purely to assess the situation and to consider future possibilities; no variation has been prepared or put forward to creditors within the 12 month period.

It was necessary to send a fourth Notice of Breach to the Company on 19 August 2021, once again in respect of missed payments, for failing, despite numerous requests, to submit outstanding VAT and CT returns to HMRC which in turn is delaying HMRC in being able to submit their final claim in the CVA and for failing to provide to the Joint Supervisors with further information and explanations in regard to a possible variation to the CVA as requested by Mr Day.

The terms of the proposal require me to conduct a trading review annually. The required information has been requested from the director of the Company which I am waiting to receive. The outcome of the review will be reported in my next annual progress report.

b) Other receipts

There are no other assets to be realised.

I am not aware that the Company has received any windfalls in the period covered by this report.

3. Creditor claims

	As per proposals £	Claims Lodged to date £
Unsecured Creditors	11,000	11,540
Banks	30,000	0
HM Revenue and Customs	30,000	0
Employees	5,100	0
Loans	240,000	253,868

There are 4 creditor claims outstanding with a statement of affairs balance totalling £65,100. Arkk Consulting Ltd were not detailed in the statement of affairs but have submitted a claim in the sum of £540.

HM Revenue & Customs have not submitted their final claim in the Arrangement and are unable to do so until the Company submits the required VAT and CT returns which remain outstanding for periods prior to the CVA coming into force.

To date no dividend distributions have been made to creditors.

It is hoped that a distribution to creditors will be made in due course although, on present information, I am unable to advise how much or when this may be. It is dependent upon all matters included in the present Notice of Breach being rectified and success of the CVA going forward.

4. Office holders' remuneration

Under the terms of the proposal my remuneration as Joint Nominee was agreed at a fixed fee of £5,000. £2,000 of this fee was paid up front. The remaining £3,000 has not yet been drawn.

Under the terms of the proposal my remuneration as Joint Supervisor is to be calculated on a time cost basis.

My time costs to 14 July 2021 amount to £5,821.50, representing 21.2 hours work at a blended charge out rate of £274.60 per hour. A detailed schedule of the time costs incurred to date is attached at Appendix 2.

To date I have not drawn any Supervisors' remuneration.

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 the commencement of the Voluntary Arrangement 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.
- Review and storage.
- Case bordereau.
- Case planning and administration.
- Preparing reports to members and creditors.
- Convening decision procedures of creditors.
- Preparing Notices of Breaches to the Company/director.
- Discussions with director regarding a variation.
- Monitoring compliance with the terms of the Arrangement

2. Cashiering

- Maintaining and managing the Supervisors' cashbook and bank account.
- Ensuring statutory lodgements and tax lodgement obligations are met.

3. Creditors

- Dealing with creditor correspondence and telephone conversations.
- Maintaining creditor information on the case management system.
- Reviewing and adjudicating on proofs of debt received from creditors.

4. Realisation of Assets

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

This work was necessary to administer the Voluntary Arrangement. Some of the work was required by statute and regulatory guidance, but it contributed to the payment of the agreed dividends to creditors and the conclusion of this Arrangement. I think that this shows that the fee paid to the Supervisors is a fair and reasonable reflection of the work carried out.

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/>. A copy of 'A Creditors' Guide to Voluntary Arrangement Fees' also published by R3, together with an explanatory note which shows Herron Fisher's fee policy are available at the link www.herronfisher.co.uk. Please note that there are different versions of the Guidance Notes and you should refer to the April 2021 version. A hard copy of both documents can be obtained on request.

In common with all professional firms, charge out rates increase from time to time over the period of the arrangement. As a consequence, there have been changes in the rates charged since appointment. The following table shows the rates used since my last report and are detailed on my practice fee recovery sheet which is available at www.herronfisher.co.uk/legal-notice.

Grade of staff	Current charge-out rate per hour, effective from 01/04/21 £	Previous charge-out rate per hour, effective from 01/04/20 £
Partner – appointment taker	375	365
Manager	280	245-275
Case Administrator	160-250	160-240

These charge-out rates are reviewed on 1 April each year and are adjusted to take account of inflation and the firm's overheads.

5. Office holders' expenses

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

Since the commencement of the Arrangement, I have incurred expenses to 14 July 2021 of £400 as detailed below, none of which has been drawn.

Type of expense	Amount incurred/accrued in the reporting period £	Amount still to be paid £
Category 1		
Bond Premium	400	400

No category 2 expenses will be charged to the arrangement.

No agents or professional advisors have been used in the reporting period.

I do not anticipate that the expenses I will incur in this matter will exceed the total expenses estimated in the proposal.

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

The Company has missed several contribution payments during the course of the last 12 months and the reasons for this have not been provided. As previously advised, four Notices of Breach have been issued in this respect, three in the reporting period. Whilst some payments were brought up to date there still remain at this present time arrears of £9,000.

A fourth Notice of Breach was issued on 19 August 2021 as explained above. The breaches are to be rectified by no later than 19 September 2021, failing which a virtual meeting of creditors will be convened to resolve whether to:

- (i) Issue a certificate ("Certificate of termination") terminating the Arrangement by reason of the Company's breach
- (ii) Present a winding up petition for the Company's liquidation (should sufficient funds be available)
- (iii) Vary the terms of the Arrangement
- (iv) Take no action pending further payments

At this stage it is not known what dividend distributions will be made to creditors or indeed if the Arrangement will be fully implemented.

7. Matters outstanding

- a) Outcome of the Notice of Breach.
- b) Agreement of claims. Any creditor who has not yet submitted a claim should now do so as soon as possible.

The Arrangement proposal estimated a dividend of 28p in the £ to be paid to the unsecured creditors. The Arrangement is presently not on track to meet that level.

To comply with the Provision of Services Regulations, some general information about Herron Fisher can be found at www.herronfisher.co.uk.

Herron Fisher 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 Herron Fisher uses your personal information on our website at www.herronfisher.co.uk.

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 Tina King by email at tina.king@herronfisher.co.uk.



CHRIS HERRON
Joint Supervisor

26 August 2021

Appendix 1

**Day Associates Limited Trading As: Warren Day
(Under a Voluntary Arrangement)
JOINT SUPERVISORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 15/07/2020 To 14/07/2021 £	From 15/07/2020 To 14/07/2021 £
RECEIPTS			
Debtor Contributions		11,000.00	11,000.00
Bank Interest Gross		3.98	3.98
		<u>11,003.98</u>	<u>11,003.98</u>
PAYMENTS			
Chargeholder (1)	(10,000.00)	0.00	0.00
Employee Arrears/Hol Pay	(2,400.00)	0.00	0.00
Trade & Expense Creditors	(11,000.00)	0.00	0.00
Employees	(2,700.00)	0.00	0.00
Banks/Institutions	(220,000.00)	0.00	0.00
HM Revenue and Customs	(30,000.00)	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
Net Receipts/(Payments)		<u>11,003.98</u>	<u>11,003.98</u>
MADE UP AS FOLLOWS			
Bank 1 Current		11,003.98	11,003.98
		<u>11,003.98</u>	<u>11,003.98</u>

SIP 9 - Time & Cost Summary

Filters: Code: DAY1292, Project Filter: POST, Transaction Date Filter: 15/07/20..14/07/21

Period: 15/07/20..14/07/21

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	4.50	0.00	13.70	0.00	18.20	4,898.50	269.15
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	1.60	0.00	0.00	0.00	1.60	588.00	367.50
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.10	0.00	1.30	0.00	1.40	335.00	239.29
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	6.20	0.00	15.00	0.00	21.20	5,821.50	274.60
Total Fees Claimed						0.00	