

Notice to Registrar of Companies of  
Supervisor's Progress ReportPursuant 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

To the Registrar of Companies

Company number

OC323544

Name of company

(a) Insert full name of  
company

(a) PCD Products LLP

Limited

(b) Insert full name and  
addressI/We (b) Mark Wilson  
1st Floor  
46 Clarendon Road  
Watford  
WD17 1JJMatthew Richard Meadley Wild  
3rd Floor  
One London Square  
Cross Lanes  
Guildford GU1 1UN

supervisor of a voluntary arrangement taking effect on

(c) Insert date

(c) 24/11/2009

Attach my progress report for the period

from

(c) 24 November 2011

to

(c) 23 November 2012

Number of continuation sheets (if any) attached

Signed



Date 18 December 2012

Presenter's name, address  
and referenceMark John Wilson  
Baker Tilly  
1st Floor  
46 Clarendon Road  
Watford  
Herts  
WD17 1JJ

For Official Use

A50 20/12/2012 #160  
COMPANIES HOUSE

THURSDAY

Our ref MJW/TJH/ERB/TPCDPRO/27/PVAS0670  
Your ref



**BAKER TILLY**

1st Floor  
46 Clarendon Road  
Watford  
WD17 1JJ

T +44 (0)1923 816400  
F +44 (0)1923 253402

www.bakertilly.co.uk

**TO ALL KNOWN CREDITORS**

rwatford@bakertilly.co.uk  
Direct line 01923 657795

**18 December 2012**

Dear Sirs

**PCD Products LLP In Partnership Voluntary Arrangement  
In the St Albans County Court No 1126 of 2009**

I refer to the appointment of Matthew Richard Meadley Wild and I as Joint Supervisors of the above named voluntary arrangement on 24 November 2009. I am writing as Joint Supervisor of the Partnership Voluntary Arrangement ("PVA") in accordance with Rule 1.26 of the Insolvency Rules 1986 (as amended) to provide my report on the third year of the Arrangement.

A copy of the report has been filed in court and sent to the Company, and the Registrar of Companies.

Attached to this report are the following Appendices

- Appendix A. Receipts and payments account
- Appendix B. Time cost analysis
- Appendix C. Charge out and disbursement rates and Category 2 disbursements schedule
- Appendix D. A copy of Baker Tilly Restructuring and Recovery LLP charging, expenses and disbursements policy statement
- Appendix E. Profit vs cashflow forecast schedule
- Appendix F. Estimated Outcome Statement
- Appendix G. Proof of debt form.

This report should be read in conjunction with my previous reports, the last of which was dated 15 December 2011. Copies are available from me upon request.



## **Introduction**

### **Summary of Proposal/Modifications**

- The Arrangement is to last 5 years or until creditors have been paid 100p in £, whichever is sooner.
- The Partnership will make contribution from profits for each of the five years of PVA to the Supervisor. Two thirds of the profit is to be paid into the PVA with one third retained by the business. Any additional profit contributions over the fixed contributions mentioned below are to be paid to the Supervisor within 6 months of the year end
- The Partnership will make fixed contributions of £3,500 per calendar month to the Supervisor plus an annual contribution for the additional profit payment.
- The Supervisor is to receive and hold the monthly contributions, agree creditors' claims and pay dividends to creditors out of the funds coming into his possession.
- All other assets of the Partnership are excluded from the PVA.
- The Proposal is in full and final settlement of all claims by creditors against the Partnership. The PVA will last 5 years plus any additional time as required for the provision of financial information and the final profit contribution.
- The estimated dividend to unsecured creditors was approximately 51.7 pence in the pound after costs and expenses of the PVA

### **Trading for the last 12 months**

Attached at Appendix E is the comparison between the forecast profit and the actual profit achieved during the third year of the PVA.

We have met with the Designated Members to discuss both the performance in the last 12 months and also the forecast for the remaining 2 years on the PVA

As can be seen, the Partnership has struggled this year to meet the forecast levels of profit and has just broken even. This has been in part caused by the loss of one of their major customers. In addition, other large customers are placing smaller orders with PCD than they have in previous years. This has reduced turnover during the last 12 months

However, the Designated Members have also managed to generate £300,000 of business during this period from new customers. They have also increased the number of customers from 54 in the previous year to 62 in the past 12 months

In addition to the issues detailed above, there has been an increase in PCD's costs which they have found difficult to pass on to their customers. This has squeezed profit margins and has had a negative impact on profitability



However, the Partnership has continued throughout this period to pay the monthly contributions into the PVA. They remain focused on finding new customers and also some of their larger customers, who have reduced orders historically, have now started to return to ordering at previous levels.

The Designated Members hope that they will be able to grow the business between 5% and 7.5% over the next 12 months which should not only enable them to continue making the minimum payments to the PVA, but also allow them to make an additional profit contribution at the end of Years 4 and 5.

### **Receipts and Payments**

A copy of my receipts and payments account drawn up to the anniversary of the approval of the PVA, showing funds in hand of £10,328.01 is attached at Appendix A.

There has only been one subsequent transaction of £1,963.50 since in respect of fees paid to my firm.

### **VAT Basis**

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue & Customs shown separately.

### **Distribution to creditors**

#### **Secured**

As previously advised, there are no secured creditor claims.

#### **Preferential creditors**

As previously advised, there are no preferential creditors.

#### **Unsecured Creditors**

As at the date of my last report claims totalling £528,400.10 had been received from unsecured creditors, since the last report a further £4,296.55 has been received bringing the total to £532,696.55.

50 unsecured creditors' claims were received and approved totalling £532,696.55 and to date two distributions have been made in accordance with the proposal as follows,

Date	Rate p/£	Total paid £
13/10/2011	10.42	55,024.29
19/09/2012	4.65	25,000.00
<b>TOTAL</b>	<b>15.07</b>	<b>80,024.29</b>

I anticipate being able to pay the third dividend in September/October 2013 and thereafter every 12 months.



### **Estimated outcome for non-preferential creditors**

As stated earlier in the report, the Partnership has failed to generate sufficient profits to allow an additional profit contribution into the PVA. However, it continues to make the minimum contributions in line with the PVA.

I attach at Appendix F a revised Estimated Outcome Statement to reflect the reductions in the overall profit contributions so far in the PVA. In addition, we have taken what we hope will be a prudent view of future profit contributions going forward.

As you will see, the anticipated dividend for the unsecured creditors over the term of the PVA is now 0.46p in the £.

I enclose with the report, at Appendix G, a proof of debt form for all creditors who have yet to submit their claims in the PVA. Please note that these creditors have been excluded from the previous dividend payments, any catch up dividends will be paid with the next dividend payment.

### **Matters preventing conclusion of the arrangement**

The principal outstanding matters in the arrangement are.

- The collection of a further 24 months' contributions due from the Partnership. The amount of fixed contributions remaining to be paid under the terms of the Proposal is £84,000. All contributions due have been paid to date,
- Receipt of any outstanding unsecured claims and agreement of those claims,
- Payment of the dividend to unsecured creditors.

### **Other matters**

Under the terms of the PVA, the designated members continue to remain solely responsible for the Partnership's affairs and all compliance matters.

Since my last report, I have been provided with a copy of the audited accounts for the year ended 31 March 2012 and a copy of the Partnership's tax return for that period. These were filed within time limits.

Throughout the previous 12 months the Partnership has continued to co-operate fully with me.



### **Costs and disbursements**

Creditors should note that a Creditors Guide to Fees Charged by Supervisors in Voluntary Arrangements, a guide in relation to the remuneration of a Supervisor, can be accessed at the website of the Association of Business Recovery Professionals at [www.r3.org.uk/publications/statements](http://www.r3.org.uk/publications/statements) of insolvency practice (Statement of Insolvency Practice 9 – Remuneration of Insolvency Office Holders [England & Wales]). Alternatively, I can provide you with a copy on written request to my office

### **Joint Nominee's fees**

The basis of the Joint Nominee's fees was dealt with in the Proposal at paragraph 77.7

The Joint Nominee's fees related to assisting the debtor in the preparation of the Proposal, reporting to court on the Proposal and in calling and chairing the meeting of creditors.

The Partnership paid £20,000 on account of my fees as Joint Nominee prior to the approval of the PVA, these fees were paid in full. A further £3,000 plus VAT was also incurred in respect of the meeting being adjourned together with additional time costs of £3,000 as set out in paragraph 17.9 of the proposal. These monies were paid from the arrangement following the adjourned meetings.

Our disbursements as Joint Nominee were dealt with at paragraph 17.12 to the Proposal and amounted to £11.04 in respect of searches obtained. These have been reimbursed out of PVA funds. No Category 2 disbursements were incurred by us as Joint Nominees.

### **Joint Supervisors' costs**

The basis of the Joint Supervisors' remuneration was dealt with in the Proposal at paragraphs 17.8 to 17.11 inclusive.

Our aggregate time costs to date for acting as Joint Supervisors' are evaluated at £62,280.50 representing 353.50 hours.

We have assisted the partnership in the following areas:

- Assisting the Partnership in seeking a viable alternative for invoice discounting in order to save costs
- Monitoring and discussing the trading performance of the Partnership

These are in addition to the work that was anticipated when the estimate for the Supervisors' fees was calculated. However they have contributed to the ongoing success of the PVA.

**PCD Products LLP In Partnership Voluntary Arrangement  
contd.**

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Joint Supervisors' fees of £60,317 00 plus VAT were drawn up to the date of the anniversary; and £1,963 50 of fees has subsequently been drawn

The Joint Supervisors' estimated total costs for the duration of the PVA remain at the revised estimate given in my previous report of £80,000

We have also incurred disbursements, in accordance with Paragraph 17 12 of the Proposal, of £954 18 (including Category 2 disbursements of £426 18) which have been drawn from PVA funds. A detailed analysis is provided at Appendix C

A tabulation of the total time spent analysed by grade of staff and by activity, together with details of current charging rates, is attached at Appendix B, which follows the format notified in the best practice guidelines. The notes accompanying the Appendix comprise an integral part of that table and should be read in conjunction with it

If you have any queries please contact Liz Burt of my office.

Yours faithfully

**M J Wilson**  
**Baker Tilly Restructuring and Recovery LLP**  
**Joint Supervisor**

Encls

Mark John Wilson and Matthew Richard Meadley Wild are licensed to act as Insolvency Practitioners  
in the UK by the Institute of Chartered Accountants in England and Wales

**PCD Products LLP In Partnership Voluntary Arrangement**

**Appendix A**

Abstract of Receipts & Payments Accounts From 24/11/2011 To 23/11/2012

SOA Value £		24/11/2011 to 23/11/2012 £		Total to 23/11/2012 £
POST APPOINTMENT TRADING				
	Trading Surplus	0 00		0 27
			0 00	0 27
ASSET REALISATIONS				
0 00	Bank Interest Gross	52 20		134 52
411,000 00	Partnership Contributions	42,000 00		157,500 00
			42,052 20	157,634 52
COST OF REALISATIONS				
0 00	Bank Charges	(0 27)		(0 27)
0 00	Mileage	(5 10)		(5 10)
0 00	Nominees Costs	0 00		(11 04)
0 00	Nominees Fees	0 00		(6,000 00)
0 00	Supervisors Disbursements	0 00		(949 08)
0 00	Supervisors Fees	(17,126 50)		(60,317 00)
			(17,131 87)	(67,282 49)
UNSECURED CREDITORS				
0 00	HM Revenue and Customs	(1,110 05)		(3,596 02)
(535,561 26)	Unsecured Creditors	(23,889 95)		(76,428 27)
			(25,000 00)	(80,024 29)
(124,561 26)			(79 67)	10,328 01
REPRESENTED BY				
	Bank - (RBS)			10,408 13
	Unclaimed Dividends			(80 12)
				10,328 01
				10,328 01



## PCD Products LLP - Partnership Voluntary Arrangement

## Appendix B

## Time Cost Summary to 23 November 2012

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
<b>Administration and Planning</b>						
Appointment	0 0	2 5	6 7	0 0	9 2	£1 346 50
Case Management	1 0	8 9	23 3	4 1	42 3	£6 688 00
Committee	0 0	0 0	1 0	0 0	1 0	£135 00
Director(s)/debtor/bankrupt	0 0	10 8	0 6	3 1	14 5	£2 935 00
Pension Scheme	0 1	0 0	0 3	0 0	0 4	£72 00
Post-appointment taxation	0 5	1 2	6 4	0 0	8 1	£1 395 50
Receipts and Payments	0 3	0 1	30 3	10 2	40 9	£5,529 50
Shareholders/Director/Debtor/ Bkpt	0 9	66 1	19 1	5 4	91 5	£17 969 50
<b>Totals</b>	<b>2 8</b>	<b>89 6</b>	<b>92 7</b>	<b>22 8</b>	<b>207 9</b>	<b>£36,071 00</b>
<b>Realisation of Assets</b>						
Assets - general/other	0 0	0 0	5 0	1 0	6 0	£810 00
HP/Leasing creditors	0 0	0 0	0 5	0 0	0 5	£70 00
<b>Totals</b>	<b>0 0</b>	<b>0 0</b>	<b>5 5</b>	<b>1 0</b>	<b>6 5</b>	<b>£880 00</b>
<b>Trading</b>						
Trading	5 3	0 0	12 9	0 0	18 2	£4 031 50
<b>Totals</b>	<b>5 3</b>	<b>0 0</b>	<b>12 9</b>	<b>0 0</b>	<b>18 2</b>	<b>£4,031 50</b>
<b>Creditors</b>						
1st creditors/shareholders meetings and reports	0 0	17 0	0 0	0 0	17 0	£3,387 50
Employees	0 0	0 0	0 5	0 0	0 5	£75 00
Other Creditor Meetings and Reports	2 1	7 5	18 4	3 2	31 2	£5 339 00
Secured Creditors	0 0	0 0	0 4	0 0	0 4	£49 00
Unsecured Creditors	1 9	16 7	46 2	2 1	66 9	£11,402 50
<b>Totals</b>	<b>4 0</b>	<b>41 2</b>	<b>65 5</b>	<b>5 3</b>	<b>116 0</b>	<b>£20,253 00</b>
<b>Case Specific Matters - Legal Matters</b>						
Legal Matters	0 0	0 0	0 4	0 0	0 4	£60 00
<b>Totals</b>	<b>0 0</b>	<b>0 0</b>	<b>0 4</b>	<b>0 0</b>	<b>0 4</b>	<b>£60 00</b>
<b>TOTAL HOURS</b>	<b>12 1</b>	<b>130 8</b>	<b>177 0</b>	<b>29 1</b>	<b>349 0</b>	<b>£61,295 50</b>
<b>TOTAL TIME COST</b>	<b>£4,863 50</b>	<b>£28,071 00</b>	<b>£25,952 50</b>	<b>£2,408 50</b>		<b>£61,295 50</b>

## **NOTES TO APPENDIX B**

### **JOINT SUPERVISORS' TIME COST ANALYSIS**

**a) Administration and Planning**

This includes dealing with the commencement of the case administration, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to handling receipts and payments, VAT and Income tax issues, pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, and statutory reports.

**b) Investigations**

Where appropriate this will include such matters as investigation of pre-appointment transactions in accordance with the relevant Statement of Insolvency Practice (SIP 2), and the investigation of any potential antecedent transactions such as transactions at under value and preferences which may result in legal action resulting in a recoverable asset.

**c) Realisation of Assets**

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

**d) Trading**

Where the business of the company has been traded (by the supervisor(s)) following the appointment our staff will have had to set up accounts with suppliers in order to trade on an ongoing basis. Payments to suppliers and general correspondence with these have been undertaken. Where trading has ceased, accounts will have been closed and final bills paid. Other matters will also have been dealt with in accordance with the usual trading obligations such as dealing with employees and payroll.

**e) Creditors**

Queries from and correspondence with creditors and employees have been necessary aspects of the case administration process. Reports to creditors are also an important part of ongoing matters relating to this aspect of the case.

**f) Case Specific Matters**

Any case specific matters will generally be set out in the body of the report but will commonly include meetings, correspondence and telephone calls relating to specific issues in the case which do not fall into any of the categories set out above and are specific to the case in question. This may include work done in relation to litigation, general advice or other major issues.

**BAKER TILLY RESTRUCTURING AND RECOVERY LLP**  
**JOINT SUPERVISORS' CHARGE OUT AND DISBURSEMENT RATES**

<b>HOURLY CHARGE OUT RATES</b>		
	<b>Rate at commencement £</b>	<b>Current rate £</b>
Partner	395	405
Associate Director	-	295
Manager	175 – 275	240
Administrator	105 – 150	130-185
Support staff	80	85

<b>“CATEGORY 2” DISBURSEMENT RATES (TABLE A)</b>	
<i>For use in respect of cases where the appointment is on or after 1 April 2011</i>	
<b>Travel &amp; Subsistence</b>	
Motor travel	42 5p per mile (from 1 April 2011)
Subsistence	£23
<b>Circulars to Members / Creditors</b>	
Labels	£ 0.01 each
Headed paper	£ 0.07 per sheet
Continuation paper	£ 0 07 per sheet
Plain paper	£ 0 05 per sheet
Large envelopes	£ 0.11 each
Medium envelopes	£ 0.10 each
Small envelopes	£ 0.08 each
Photocopying charge	0 59 pence per sheet
<b>Stationery</b>	
Lever arch files	£ 0 75 per file
Cashiering files	£ 0.75 per file
Chequebook boxes	N/A
A-Z dividers	£ 1 75 per set
1-31 dividers	£ 2 88 per set
Coloured dividers (5 part)	£ 0.09 per set
Coloured dividers (10 part)	£ 0.19 per set
Multi-punch pockets	£ 0 03 per pocket
Storage boxes	£ 2 34 per box
<b>Sundry</b>	
Faxes	Not to Charge
Internal room hire (for meetings)	£100

<b>"CATEGORY 2" DISBURSEMENT RATES (TABLE B)</b>	
<i>For use in respect of cases where the appointment date is on or before 31 March 2011</i>	
Fax	N/A
Photocopying	0 59
Internal room hire	£100
Subsistence	£23 per night
Travel (car)	38p per mile (up to and including 31 March 2010) 40p per mile (from 1 April 2010) 42 5 per mile (from 1 April 2011)
Stationery	

**BAKER TILLY RESTRUCTURING AND RECOVERY LLP  
JOINT SUPERVISORS' CATEGORY 2 DISBURSEMENTS**

<b>Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest</b>		
<b>Recipient, Type and Purpose</b>	<b>Paid</b>	<b>Unpaid</b>
	<b>£</b>	<b>£</b>
Photocopying	270 05	
Meeting room hire	130 43	
Travel	25 70	
<b>Total</b>	426 18	

**BAKER TILLY RESTRUCTURING AND RECOVERY LLP**

**CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT**

**Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for Baker Tilly Restructuring and Recovery LLP Watford are attached
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically.

**Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to creditors, but do not require creditors approval prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest in, require the approval of creditors prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements
- A resolution to consider approving "Category 2" disbursements at the rates prevailing at the time the cost is incurred to Baker Tilly Restructuring and Recovery LLP Watford will be proposed to creditors in general meeting
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of creditors
- Where applicable, expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate

## Profit v Cashflow Forecast Schedule

YEAR 3

Month	Operating Profit (£)		Difference
	Budgeted	Actual	
Nov-11	£10,196	-£53	£10,249
Dec-11	-£9,392	-£15,373	£5,981
Jan-12	£5,670	£1,385	£4,285
Feb-12	£13,455	-£66	£13,521
Mar-12	£23,284	£894	£22,390
Apr-12	£15,025	£3,576	£11,449
May-12	£15,026	£8,890	£6,136
Jun-12	£13,466	-£892	£14,358
Jul-12	£15,026	£260	£14,766
Aug-12	£9,899	£1,075	£8,824
Sep-12	£15,026	-£2,140	£17,166
Oct-12	£16,391	£2,724	£13,667

Totals	£143,072	£280	-£142,792
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## PCD Products LLP in Partnership Voluntary Arrangement

## Estimated Outcome Statement

	As at 30-11-2012	Future Payments	Total
<b>Assets</b>			
Voluntary Contributions	157,500	174,000	331,500
Bank Interest	135	20	<u>155</u>
<b>Total Assets</b>			<b>331,655</b>
<b>Costs</b>			
Nominees Fees	6,000	-	6,000
Supervisor's remuneration	60,317	19,683	80,000
Supervisor's disbursements	965	2,035	<u>3,000</u>
			<b>89,000</b>
Available to Unsecured Creditors			<u><u>242,655</u></u>
<b>Unsecured Creditors</b>			<b>530,918</b>
Anticipated Dividend for Unsecured Creditors			<b>0.46 p-in-the-£</b>

## Proof of Debt – General Form

PCD Products LLP In Partnership Voluntary Arrangement	
Date of Winding-Up Order/Resolution for voluntary winding-up 24 November 2009	
1	Name of creditor (If a company please also give company registration number)
2	Address of creditor for correspondence
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation
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 liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)
5	If amount in 3 above includes outstanding uncapitalised interest please state amount <span style="float: right;">£</span>
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  _____
	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
£	£
Date	Date
Liquidator	Liquidator