

CVA4

Notice of termination or full implementation of voluntary arrangement



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 0 5 5 3 0 1 4

Company name in full Poundstretcher Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Supervisor's name

Full forename(s) William James

Surname Wright

3 Supervisor's address

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

4 Supervisor's name ^①

Full forename(s) Blair Carnegie

Surname Nimmo

① Other supervisor

Use this section to tell us about
another supervisor.

5 Supervisor's address ^②

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

② Other supervisor

Use this section to tell us about
another supervisor.

CVA4

Notice of termination or full implementation of voluntary arrangement

6 Date voluntary arrangement fully implemented or terminated

Date

d	d	m	m	y	y	y	y
2	8	1	0	2	0	2	2

7 Attachments

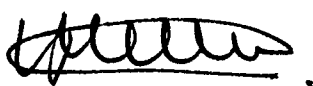
- ☒ I have attached a copy of the notice to creditors
- ☒ I have attached the supervisor's report

8 Sign and date

Supervisor's signature

Supervisor's signature

X



X

Signature date

d		m	m	y	y	y	y
3	1	1	0	2	0	2	2

CVA4

Notice of termination or full implementation of 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 Rach Narraway

Company name Interpath Ltd

Address 5th Floor, 130 St Vincent Street

Glasgow

Post town G2 5HF

County/Region

Postcode

Country

DX

Telephone

Tel +44 (0) 203 989 2800



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

Private & Confidential.

Our ref 6.1N

Contact poundstretchercva@interpathadvisory.com

28 October 2022

Dear Sir/Madam

Poundstretcher Limited – under a Voluntary Arrangement (the ‘Company’)
High Court of Justice, The Business and Property Courts in Birmingham
No. 000353 of 2020
Registered Number – 00553014
Joint Supervisors – Will Wright and Blair Nimmo
Voluntary Arrangement commencement date - 3 July 2020
Notice of Implementation of Arrangement


Pursuant to Rule 2.44 of the Insolvency (England and Wales) Rules 2016, notice is hereby given to creditors bound by the above Arrangement and to all members that the Arrangement has been fully implemented and is complete.

A copy of the Joint Supervisors’ final report on the above Voluntary Arrangement is now available to view and download at www.ia-insolv.com/case+INTERPATH+PK601A5153.html. If you require a copy of the report, please e-mail at poundstretchercva@interpathadvisory.com or in writing at the above address.

This notice formalises our release from the office of Supervisors as our duties under the arrangement are complete. The Company’s obligations and duties under the arrangement are also at an end.

Yours faithfully

For Poundstretcher Limited – under a Voluntary Arrangement



Will Wright
Joint Supervisor

The Joint Supervisors contract without personal liability

William James Wright is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales.

Blair Carnegie Nimmo is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

Supervisors' Final Report

3 July to 28
October 2022

Poundstretcher Limited

Glossary

Allowed CVA claim

In relation to a CVA, the CVA Claim or that part of the CVA Claim that is admitted by the Supervisors or has been determined in a final and binding matter.

The Arrangement

Company's Voluntary Arrangement

Claims Date

31 December 2020

The Company

Poundstretcher Limited

CVA

Company Voluntary Arrangement

Compromised Creditors Payment Fund

Fund established by the Company pursuant to Clause 24 of the CVA Proposals and administered by the Supervisors for the benefit of the Compromised Creditors Payment Fund Creditors

Compromised Creditors Payment Fund Creditors

Defined within the CVA Proposals as:

1. The Category B Landlords (in respect of Dilapidations only);
2. the Category C Landlords
3. the Redundant Employees
4. the Rating Authorities
5. the Guarantee Creditors; and
6. the Non-Critical Creditors

Directors

Nadir Lalani, Gerard Martin Loughran, Xing Yu Pan, Hemant Patel, Abdul Aziz Tayub and Shehzad Aziz Tayub being the directors of the Company as at the date of issuance of the report.

Effective Date

3 July 2020 being the date the Proposals were approved by the Creditors via the Decision Procedure.

Prior Periods

CVA reporting periods 03/07/2020 to 02/07/2021 and 03/07/2021 to 02/07/2022

Proposals, CVA Proposal

Proposals of the Directors of the CVA
(Comprising the terms of the CVA) of the
Company

Statement of Affairs

Summary of the Directors' statement of affairs in
respect of the Company

**The Joint Supervisors/ Supervisors/
We/ours/us**

Will Wright of Interpath Advisory, 9th Floor, 10
Fleet Place, London EC4M 7RB and Blair Nimmo
of Interpath Advisory, 31 Charlotte Square 2nd &
3rd Floor, Edinburgh EH2 4ET

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In the High Court of Justice

Case No. 000353 of 2020

Chancery Division

High Court of Justice, The Business and
Property Courts in Birmingham

In the matter of Poundstretcher Limited (the
'Company')

and in the matter of the Insolvency Act 1986

We attach as Appendix 1 a copy of the Supervisors' final summary of receipts and payments in the above Voluntary Arrangement for the period 3 July 2022 to 28 October 2022 (the 'Reporting Period') and we report as follows:

1 Receipts

1.1 CVA Contributions

All contributions into the CCPF were received in the Prior Periods as detailed in our second progress report.

After the payment of all dividends payable under the terms of the CVA, the details of which are set out below, surplus contributions (taking into account interest earned on funds held in the CCPF) totalling £7,189 were returned to the Company.

2 Payments

2.1 Unclaimed Dividends

A substantial number of dividend cheques were cancelled and reissued in the Reporting Period at the request of creditors.

Under the terms of the CVA Proposal (Clause 26), creditors who failed to bank their dividend cheques within three months of issue were deemed to have waived their dividend rights. Waived dividend payments totalling £742,186 have been returned to the Company.

3 Progress of the Arrangement

3.1 Compromised Creditors' Payment Fund

As stated in our previous report, preferential claims in respect of certain employee claims totalling £15,993 have been settled in full.

Total non-preferential unsecured claims lodged by creditors on or before the Claims Date totalling £78,795,386 were admitted by the Supervisors. A fixed dividend of 12 pence in the £ was declared on these claims on 6th July 2022. Additional fixed dividend of 2 pence in the £ was paid to Guarantee Holding Creditors in accordance with Clause 18 of the Voluntary Arrangement.

3.2 Profit share Fund

As previously advised, in accordance with Clause 25 of the CVA Proposal, the Company is obliged to pay 10% of the amount by which any Profits Before Tax exceed £10 million in the period between 1 April 2022 and 31 March 2023. Creditors whose claims are agreed are also entitled to a pro-rata share of the Profit Share Fund. The Profit Share Fund will be administrated by the Company. The Supervisors will send a schedule of eligible claims to the Company prior to vacating office.

4 Supervisors' Remuneration

Nominees' fees totalling £284,309 were settled prior to the Supervisors' appointment as disclosed in the Proposal.

In accordance with the terms of the proposal the Joint Supervisors' remuneration is fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Arrangement.

Attached at Appendix 2 is a detailed analysis of time spent and charge out rates for each grade of staff for the various areas of work carried out in since the period covered by our previous report dated 2 July 2022 (as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No.9) together with details of expenses incurred to date.

The analysis at Appendix 2 shows that the Joint Supervisors incurred time costs for the period 3 July 2022 to 19 October 2022 (the latest practical date prior to issuing this report) of £122,778, representing 314 hours at an average rate of £391 per hour. This includes tax, VAT and pensions advice from Interpath Advisory in-house specialists. Expenses of £3,215 were also incurred in the same period, shown at Appendix 3.

Total time costs incurred by the Supervisors for the duration of the CVA amount to £740,808 representing 2,020 hours at an average rate of £367 per hour.

The proposal estimated that the total fees to be paid to the Supervisors would be £250,000 plus outlays and VAT thereon. The estimate was exceeded due the significantly greater than anticipated volume of employee, creditor and landlord correspondence received since the approval of the Voluntary Arrangement.

Fees totalling £500,000 have been invoiced and paid directly by the Company together with disbursements totalling £3,215.

Please note that all staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. However, the cost of staff employed in central administration

functions is not charged directly to this assignment but is reflected in the general level of charge out rates.

A creditors' guide to fees can be found at:

<https://www.r3.org.uk/media/documents/publications/professional/Voluntary%20Arrangement%20Creditor%20Fee%20Guide%20April%202017.pdf>

However, if you are unable to access this guide and would like a copy then please contact email poundstretcheruva@interpathadvisory.com

5 Notice of Completion of the CVA

Following the above distributions to Preferential and Compromised Creditors, the terms of the CVA have been fully implemented.

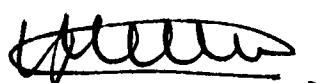
Notice is therefore given pursuant to Rule 2.44 of the Rules (as amended) to all creditors bound by the CVA and to members that the CVA has fully implemented and is complete with effect from the date of this report, being 28 October 2022.

This notice formalises our release from office as Joint Supervisors as our duties under the CVA are complete.

Notwithstanding the sending of the Notice of Completion, the CVA terms state that the compromises and releases effected by the CVA shall remain in full force and effect and the CVA shall continue to apply to the extent necessary to give full meaning and effect to its provision.

If you gave any further queries in relation to the above, please direct them to poundstretcheruva@interpathadvisory.com.

Signed



Dated

28 October 2022

William James Wright

Joint Supervisor

Appendix 1

Joint Supervisors' receipts and payments account for the period from 3 July 2022 to 28 October 2022

Poundstretcher Limited - under a Voluntary Arrangement		
Abstract of receipts & payments		
Statement of affairs (£)	From 03/07/2022 To 28/10/2022 (£)	From 03/07/2020 To 28/10/2022 (£)
ASSET REALISATIONS		
CVA contribution	(7,189.18)	9,802,778.82
	(7,189.18)	9,802,778.82
OTHER REALISATIONS		
Bank interest, gross	NIL	17,878.63
	NIL	17,878.63
	(7,189.18)	9,820,657.64
COST OF REALISATIONS		
Bank charges	(30.00)	(30.00)
	(30.00)	(30.00)
PREFERENTIAL CREDITORS		
Employees' holiday pay	(15,993.13)	(15,993.13)
	(15,993.13)	(15,993.13)
UNSECURED CREDITORS		
Trade & expense	(9,750,493.60)	(9,750,493.60)
Employees	(54,140.72)	(54,140.72)
	(9,804,634.32)	(9,804,634.32)
	(9,820,657.45)	(9,820,657.45)
		Nil
REPRESENTED BY		
Floating charge current		Nil

Appendix 2 Joint Supervisors' time cost analysis for the period from 3 July 2022 to 19 October 2022

SIP 9 – Time costs analysis (03/07/2022 to 19/10/2022)						
	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total	
Cashiering						
General (Cashiering)	0.25		32.15		32.40	9,262.50
Reconciliations (& IPS accounting reviews)		0.20	0.40		0.60	216.00
General						
Fees and WIP	0.30	3.10			3.40	2,027.50
Statutory and compliance						
Checklist & reviews		0.30	0.90		1.20	487.50
Closure and related formalities		1.70	18.80		20.50	7,489.00
Statutory receipts and payments accounts	1.00				1.00	725.00
Strategy documents		0.60			0.60	354.00
Tax						
Post appointment VAT		0.20			0.20	99.00
Creditors						
Creditors and claims						
Agreement of claims		1.20	2.80		4.00	1,617.00
Agreement of preferential claims		0.40			0.40	236.00
Agreement of unsecured claims		0.60	14.10		14.70	5,148.50
General correspondence		9.90	97.40		107.30	29,774.00
Payment of dividends	4.05	68.20	35.20		107.45	55,031.25
Statutory reports		6.60	3.30		9.90	5,032.50
Employees						
Agreeing employee claims		2.00	1.05		3.05	1,447.25
Correspondence	0.20	0.80	1.65		2.65	1,186.25
DTI redundancy payments service		1.40			1.40	826.00
Investigation						
Directors						
Correspondence with		3.00			3.00	1,770.00

SIP 9 – Time costs analysis (03/07/2022 to 19/10/2022)

	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total		
directors							
Investigations							
Mail redirection			0.20		0.20	49.00	245.00
Total in period	5.80	100.20	207.95	0.00	313.95	122,778.25	391.08

Brought forward time (appointment date to SIP 9 period start date)	1,705.70	618,029.65
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	313.95	122,778.25
Carry forward time (appointment date to SIP 9 period end date)	2,019.65	740,807.90

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this engagement. Time is charged by reference to actual work carried out on the Arrangement.

Charge-out rates (£) for: Restructuring	
Grade	From 28 May 2022 £/hr
Partner	725
Director	675
Senior Manager	590
Manager	495
Senior Administrator	345
Administrator	245
Support	155

Narrative of work carried out for the period from 3 July 2022 to 19 October 2022. The key areas of work have been:

Statutory and compliance	posting information on a dedicated web page; preparing statutory receipts and payments accounts; concluding the CVA, notification to creditors, members, the Court and Companies House.
Cashiering	preparing and processing vouchers for the payment of creditors dividends; reconciling CVA bank account to internal systems; ensuring compliance with appropriate risk management procedures in respect of payments and dividend re-issue procedure.
Strategy documents, Checklists and reviews	formulating, monitoring and reviewing the CVA strategy; reviewing matters affecting the outcome of the CVA; allocating and managing staff/ case resourcing and budgeting exercises and reviews; complying with internal filing and information recording practices, including documenting strategy decisions.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; raising bills to the Company in accordance with the basis of which has been approved by them;
Creditors and claims	responding to landlords' queries regarding ongoing payments due under the terms of the CVA; responding to enquiries from creditors regarding the CVA and payments of dividends; seeking and receiving legal advice in relation to creditors claims and payment of dividend purposes; arranging dividend re-issue upon creditor requests; preparation of the final report to creditors.

Appendix 3 Joint Supervisors' expenses for the period from 3 July 2022 to 19 October 2022

We have incurred the following disbursements (excluding VAT) for the period since our second annual report to 19th October 2022.

Mailings to creditors	755.58	NIL	NIL	NIL	755.58
Payment of dividends to non-critical and landlord	469.68	NIL	NIL	NIL	469.68
Payment of dividend to employees	123.29	NIL	NIL	NIL	123.29
Notice of Supervisors' statutory reports	1,866.26	NIL	NIL	NIL	1,866.26
Total	3,214.81	NIL	NIL	NIL	3,214.81

Interpath Advisory Policy for the recovery of expenses

Where funds permit, the Supervisors will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP9 as follows:

Expenses: These are any payments which are neither an office holders' remuneration nor a distribution to a creditor or member. Expenses also include disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party who is not an associate of the officeholders. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the Supervisors or their staff.

Category 2 expenses: These are costs that are directly referable to the appointment in question but not a payment to an independent third party. These include payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Associates: Are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holders of the firm.

The only Category 2 expenses that Interpath Advisory currently include is mileage. Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45 pence per mile
- Use of company car – 60 pence per mile
- Use of Managing Director's car 60 pence per mile.

For all of the above car types, when carrying passengers an additional 5 pence per mile per passenger will also be charged where appropriate. Any expenses to be paid from the estate are disclosed with the summary of disbursements above.

www.interpathadvisory.com

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