

# 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](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 2 7 2 8 6 4 0

Company name in full Simplantex Healthcare Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Supervisor's name

Full forename(s) Maxine

Surname Reid-Roberts

### 3 Supervisor's address

Building name/number 3rd Floor

Street 37 Frederick Place

Post town Brighton

County/Region Sussex

Postcode B N 1 4 E A

Country

### 4 Supervisor's name <sup>①</sup>

Full forename(s) Sean

Surname Bucknall

#### ① Other supervisor

Use this section to tell us about  
another supervisor.

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

Building name/number 3rd Floor

Street 37 Frederick Place

Post town Brighton

County/Region Sussex

Postcode B N 1 4 E A

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
0	6	1	0	2	0	2	1

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

# 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 Edward Allingham

Company name Quantuma Advisory Limited

Address 3rd Floor

37 Frederick Place

Post town Brighton

County/Region Sussex

Postcode B N 1 4 E A

Country

DX

Telephone 01273 322400



### 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)

## NOTICE OF TERMINATION

Company Name:     Simplantex Healthcare Limited (Company Voluntary Arrangement)  
                          **("the Company")**

Company Number:   02728640


In the County Court at Brighton 2018-59

This Notice is given under Rule 2.44 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Supervisor of the Company's CVA, Maxine Reid-Roberts, of Quantuma Advisory Limited, 3rd Floor, 37 Frederick Place, Brighton, Sussex, BN1 4EA (telephone number 01273 322400), who was appointed by the members and creditors.

I, Maxine Reid-Roberts, the Joint Supervisor of the CVA of the Company which took effect on 23 August 2018, hereby give notice that the CVA has been terminated.

Accompanying this notice is my final report, which includes a summary of all receipts and payments in relation to the CVA and the reasons why the CVA has terminated.

Creditors are no longer bound by the terms of the CVA and may pursue the Company as they see fit.

Signed  .  
Maxine Reid  
Joint Supervisor

Date    6 October 2021

SIMPLANTEX HEALTHCARE LIMITED  
UNDER A VOLUNTARY ARRANGEMENT

**(‘the Company’)**

In The County Court at Brighton No 2018-59 of 2018

**THE JOINT SUPERVISORS’ FINAL REPORT**

This report has been prepared for the sole purpose of updating the members and creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by members and creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Maxine Reid-Roberts and Sean Bucknall of Quantuma Advisory Limited, 3rd Floor, 37 Frederick Place, Brighton, Sussex, BN1 4EA were appointed Joint Supervisors of Simplantex Healthcare Limited on 23 August 2018.

Maxine Reid-Roberts is licensed to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales and Sean Bucknall is licensed to act as an Insolvency Practitioner by the Insolvency Practitioners Association

## Contents

1. Executive Summary
2. Receipts and Payments
3. Ethics
4. The Joint Supervisors' Fees and Expenses
5. Creditors' Claims and Dividends
6. Conclusion

## Appendices

- I. Statutory Information
- II. The Joint Supervisors' Receipts and Payments Account
- III. Breakdown of the Joint Supervisors' Time Costs
- IV. Full Details of Work Undertaken

## 1. Executive Summary

This report summarises the progress of the CVA as a whole as well as the progress since the last progress report dated 11 October 2021 ("the Review Period").

A summary of key information in this report is detailed below.

### Contributions and assets

Contribution / asset	Estimated to realise per CVA Proposal	Total realisations
Freehold Property: 145a Ashford Rd	550,000.00	499,000.00
Freehold Property: 110a Longstone Rd	200,000.00	76,000.00
Leasehold Property: 1 <sup>st</sup> Floor, 110a Longstone Rd	Included in above sum	-
Director's Loan Account	80,005.00	-
Furniture & Equipment	5,863.00	400.00
Insurance Refund	-	774.39
IP Design and Rights	10,000.00	-
Plant & Machinery	12,416.00	-
Refund on legal fees Hart Brown LLP	-	40.00
Stock	15,000.00	25,250.00

### Expenses

Expense	Estimated per CVA Proposal	Total expense incurred	Total payments made
Insurance	-	1,553.03	1,553.03
Electricity and Gas	-	1,358.29	1,358.29
Accountants' fees	-	6,075.00	6,075.00
Administrative Expenses	-	1,200.00	1,200.00
Agents Fee: SHW	-	750.00	750.00
Agents Fees: Hunt Commercial	18,750.00	9,025.00	9,025.00
Agents/Valuers fees: SIA	8,000.00	6,352.00	6,352.00
EPC	-	250.00	250.00
Joint Supervisors Expenses	165.00	146.52	146.52
Joint Supervisors Fees	20,000.00	89,093.00	77,646.50
Legal fees: Cripps	-	900.00	900.00
Legal fees: Hart Brown	2,500.00	8,670.00	8,670.00
MVS Waste Clearance	-	2,620.00	2,620.00
Nominees Expenses	-	104.01	104.01
Petition Issue Fee & Deposit	-	1,880.00	1,880.00
Counsel's Fees	-	360.00	-
Photocopying	-	73.80	73.80
Postage	-	152.68	152.68
Proposal and Nominees Fee	8,000.00	8,000.00	8,000.00
Specific Bond	135.00	135.00	135.00
Stationery	-	86.50	86.50

We retain £1,442.83 to settle the expenses above which are yet to be paid.

#### Outcome for creditors

Creditor class	Distribution / dividend paid
Preferential creditors	100.00p / £
Unsecured creditors	42.50p / £

#### Termination

As a consequence of the following, the CVA has terminated and the Joint Supervisors have issued a Notice of Termination.

- The Company's failure to make payments at the required level into the Arrangement.
- The making of a winding-up order against the Company

Creditors are no longer bound by the CVA but please note the developments described below, which may affect creditors' decisions to take action against the Company to recover their debts.

As stated in my previous report, the estimated dividend to creditors per the variation which was agreed by creditors on 28 August 2019 was to be "in the region of 56.57p". The variation agreed by creditors stated:

*"That the CVA be permitted to continue and that the Company seek to sell the leasehold property at 110a Longstone Road, Eastbourne, BN21 3UA, for the best price achievable with the net proceeds of sale being paid into the CVA by no later than 1 February 2020 and that creditors accept a total dividend in the region of £56.57p in the £ in full and final settlement of their liabilities".*

However, as insufficient realisation were made to enable a further distribution to be paid to unsecured creditors, it was deemed that a dividend of 44.50p in the £, being 12.07p less than the creditors voted for in the variation, was not "in the region of 56.57p". A Notice of Breach was therefore issued to the Company on 12 February 2021 giving it the requisite notice to remedy the breach and introduce funds sufficient to achieve a dividend in the region of 56.57p in the £.

The Company failed to rectify the breach within the required time frame and, as a result and in accordance with the Standard Terms to the Proposal ("the Terms") the Joint Supervisors sought a decision of creditors via a Virtual Meeting, to consider and vote on the following options as regards the future of the CVA:

1. That a notice should be issued terminating the CVA by reason of the Company's breach;
2. That a petition for the Winding Up of the Company should be issued;
3. That the terms of the CVA should be varied; or
4. That no action should be taken.

At the Virtual Meeting held on 13 April 2021, the requisite majority of 91.04% of creditors voted for option 2; that a petition for the Winding Up of the Company be issued. A majority voted against the other three decisions.

Accordingly, the Joint Supervisors instructed solicitors, Cripps LLP, to assist with the formalities of the issuing of a Winding Up petition and on 6 October 2021, a Winding Up Order was made against the Company, such that the Company is now in Compulsory Liquidation. The Court has appointed the Official Receiver as Liquidator of the Company.

As a consequence, in accordance with the CVA terms, the CVA has been terminated.

## 2. Receipts and Payments

Attached at Appendix II is a receipts and payments account covering the Review Period, together with a summary of the transactions during the course of the Arrangement to the date of this report. I confirm that the account has been reconciled with that held at the bank.

### Freehold Properties

The proposal provided that within the Arrangement, the Company would market for sale its two properties and would pay the funds totalling £460,000 into the CVA. The properties included in the CVA were as follows:

- 145a Ashford Road, Eastbourne, BN21 3UA ("Ashford Road")
- 110a Longstone Road, Eastbourne, BN21 3UA ("Longstone Road")

The proposal advised that the properties had a combined value of £750,000 (Ashford Road at £550,000 and Longstone Road at £200,000) and after allowing for the charges held over the properties in favour of Bank of Scotland for £290,000 to be deducted, would result in a net equity figure of £460,000 becoming available to the CVA.

### Sale of Commercial Properties

Following the CVA being accepted by creditors, an offer was received from an independent third party who wished to purchase both Ashford Road and Longstone Road on 17 September 2018. The purchaser's interest was limited to the commercial elements of both buildings and their offer received was £575,000.

Negotiations between the purchaser, Hunt Commercial (the agents instructed by the Company to market Ashford Road for sale) and the former director were ongoing from 17 September 2018 to 22 October 2018, the date the offer was accepted.

Unfortunately, due to the former directors' ill health and the pressures he was facing in attempting to trade the business, there was a breakdown in communication between the Company, Hunt Commercial and the purchaser. Both myself and my team were regularly contacted as regards the progress being made on reviewing the offer and my office primarily became the contact point between the former director and the purchaser as regards negotiations.

Following the recommendation of Hunt Commercial that the offer received be accepted as it was the best offer given in the current market conditions, the offer was duly accepted. The former director of the Company instructed John Guthrie of Hart Brown solicitors to deal with the sale on 25 October 2018.

The apportionment for the sale proceeds was to be split £499,000 against the freehold for Ashford Road and £76,000 against the ground floor of Longstone Road.

During the course of progressing from acceptance to exchange there were further breakdowns in communication and again, my office became the contact point between the parties as regards the contract negotiations. In addition, a range of protracted issues required resolution with these being further impacted by the former director's ill health and negotiations around the treatment of the first floor premises of Longstone Road.

Following a 20 year commercial lease being granted to the Company for the first floor premises at Longstone Road, contracts were finally exchanged for both freeholds and incorporated the Ashford Road and ground floor property at Longstone Road on 6 February 2019. Sale completion was finally achieved on 29 April 2019.

The properties achieved a combined sale price of £575,000. After allowing for the charges of Bank of Scotland and Seneca, Hart Brown's legal fees and Hunt Commercial's agent's fees net proceeds in the sum of £262,122.32 were remitted into the CVA on 30 April 2019, as set out in the table below.

	£
Sale of Properties	575,000.00
Less:	
Bank of Scotland – Charge	(279,749.41)
Seneca - Charge	(12,382.27)
Hart Brown – legal fees inc VAT	(10,396.00)
Hunt Commercial – agent fees inc VAT	(10,350.00)
Subtotal	(312,877.68)
Net proceeds	262,122.32

The CVA arrangement estimated net realisations of £460,000 from the sale of property. The remaining sum anticipated was to be achieved from the sale of the lease over the first floor of Longstone Road to which I would comment as follows:

#### Lease - First Floor, 110a Longstone Road

As creditors are aware, Longstone Road incorporated a non-commercial element in the building, being the first floor, which was the property in which the director and former director had resided.

As the purchaser of the properties wished to purchase only the commercial elements of the buildings, the advice received from the solicitor, instructed by the former director, was that the purchase would need to be for the freehold of Longstone Road and in return, the purchaser would grant a lease to the Company in respect to the first floor element of Longstone Road.

Prior to this lease being granted, a valuation of the internal element of the first floor of Longstone Road was required and accordingly Hunt Commercial attended the property to carry out this valuation.

Hunt Commercial's report advised that whilst consent had been granted by Eastbourne Borough Council for a self-contained residential flat, the property itself had not been finished to a habitable condition and it was difficult to provide a definitive valuation. Following opinions from local residential agents a valuation was provided of £120,000, on the basis the flat was completed to a good condition and finished state.

Hunt Commercial's report also stated however that given the significant amount of works required to be carried out at the property to bring it to a habitable state and the current market conditions, the property had a value in the region of £70,000 prior to those necessary works being completed.

Whilst planning consent had been granted, it was clearly established that the property had not been converted to a self-contained residential flat. As a result the purchaser's and the Company's solicitors had to address this position and the grant of a 20 year commercial lease to the Company was agreed in respect of the first floor of Longstone Road. The valuation by Hunt Commercial was undertaken prior to this lease being entered into.

An indicative offer for the purchase of the commercial lease was previously received from the freeholder of £30,000. This offer was made informally and agent's advice was required to establish whether this was worthy of further consideration. However, this offer was withdrawn.

Subsequently the freeholder contacted my office to advise that based upon advice received from The J M Partnership (Surveyors) Ltd, the first floor of 110a Longstone Road was unsafe and accordingly was uninhabitable.

A second valuation of the property was obtained in September 2019 from Stiles Harold Williams Partnership LLP ("SHW"), due to the condition of the property they advised it had no value.

The Joint Supervisors wrote to all known interested parties inviting offers to purchase the lease of the first floor of 110a Longstone Road. An offer was received from the freeholder on 16 October 2019.

However, on 9 December 2019, the lease was forfeited through the landlord's peaceable re-entry, due to non-payment of rent and other charges due under the terms of the lease. No tenancy agreement was in place in relation to the current and former director's occupation of the first floor of Longstone Road.

As a result of the lease being forfeited, no funds have been received in relation to the first floor of Longstone Road.

#### Furniture and Equipment, Stock and Plant and Machinery

Under the terms of the CVA Proposal, the Company was to sell the following assets over a 12 month period with the realisations being paid into the CVA.

After a period of time, it became apparent that the former director was struggling to trade the business and realise these assets, in part due to the former directors' ill health. In order to assist with the realisation of these assets, SIA were instructed by the former director to assist the Company with the sale.

I would comment on the asset realisations as follows:

#### Furniture & Equipment

These items had been valued for the purposes of the CVA by SIA and consisted of a range of modern fixed built-in office furniture and a range of additional office furniture items and chairs. There was also a networked but dated IT system and a number of televisions, though these were considered to be of relatively low value. These assets were valued at £5,863 and this value was used for the purposes of the CVA.

The IT system was sold for £400 plus VAT. The televisions were confirmed as being on lease finance, which were recovered and sold by Siemens with the realisations reducing their claim in the CVA.

The remaining assets were deemed to be of little value due to the cost involved in their removal. Therefore, no further realisations were made in this regard.

#### Stock

These items had been valued by SIA for the purposes of the CVA who advised that the stock was a range of very niche products targeted specifically at those with mobility issues and were of relatively low individual value. The Company's stock list dated 31 January 2018 indicated stock held at cost of £184,199, of which some £31,127 comprised discontinued or obsolete items. SIA valuation of these assets, based on a closure scenario, was in the region of £22,500 to £30,000. Following this valuation, the Company sold a number of items and the former director estimated the value of the remaining stock to be in the region of £15,000.

SIA were instructed by the Company to dispose of the stock using the most advantageous method available.

SIA concluded that a third party's offer of £25,250 plus VAT was very likely to represent the best net realisation for the stock and they recommended to the Company that this offer be accepted.

Consequently, the Company's stock was sold to a third party on 18 December 2018 for £25,250 plus VAT, which was received in full on 18 December 2018.

#### Plant & Machinery

Plant and machinery consisted of a range of standard warehouse equipment and mainly older racking and shelving, together with sewing and embroidery machinery. SIA valued these in the region of £12,416 and for the purposes of the CVA this realisable value was used.

No realisations have been made during the CVA in respect of Plant & Machinery.

Two embroidery machines were sold by SIA for £15,000 plus VAT prior to the CVA in June 2018. These funds were utilised by the Company to pay employee wages and general business running costs.

As the cost of removing the fixed warehouse equipment outweighed the anticipated realisation, the equipment was used to partly off-set the cost associated with clearing the trading premises, with the clearance company reducing their daily charge accordingly.

#### Insurance Refund

An insurance refund of £774.39 was received on 9 October 2019, in respect of the cancellation of an insurance policy renewal following the sale of the Company's trading premises.

#### IP and Design Rights

The Company owns the intellectual property to a range of its products, together with a registered domain name [www.simplantex.co.uk](http://www.simplantex.co.uk). This assets was excluded in the CVA, therefore, no realisations were made in this regard.

#### Book Debts

The Company had access to an invoice discounting facility provided by Lloyds Commercial Finance, which was subject to a fixed and floating charge. It was understood that Lloyds Commercial Finance had collected the ledger out and been paid in full. All book debts were collected and paid into the Company's overdrawn bank account held at the Bank of Scotland and these monies served to reduce the overall liability to the Bank of Scotland.

#### Directors Loan Account ("DLA")

As per the CVA proposal, the DLA had not been fully quantified by the Company accountant and the figure detailed in the proposal of £80,005 was an estimate of what was outstanding. The former director was not in a position to repay this DLA into the CVA but advised in the proposal that this would be dealt with following the CVA's successful completion.

Following the CVA being accepted by creditors, Mr Oliver Askaroff was declared bankrupt on 5 June 2019 and subsequently resigned as a director of the Company. The Official Receiver confirmed there would be no return to creditors from that that proceeds and Mr Oliver Askaroff subsequently received his release from bankruptcy.

#### Trading

The former director originally provided cash flow projections for the period of July 2018 to July 2019, indicating that the Company would generate income of £71,400, which after the deduction of operating expenses, would result in a net contribution into the CVA of £24,922.

The CVA terms also provided that the Joint Supervisors conduct a review of the Company's trading accounts no more than three months before each anniversary with the primary objective of assessing whether the Company has generated any surplus that may be contributed to the CVA in addition to the regular payments.

To date, no additional income has been received from trading and following the sale of the trading premises and stock, no future realisations will be received in this regard.

#### Refund on legal fees – Hart Brown LLP

The sum of £40 was received from Hart Brown LLP in October 2020 in respect of a refund of legal fees.

Other than bank interest of £195.47, of which £0.04 has been received in the Review Period, there have been no other receipts into the CVA, which is in line with the CVA terms.

During the course of the CVA, Notices of Breach were issued on the following occasions:

#### 25 March 2019

HM Revenue & Customs notified the Supervisors in March 2019 that the Company had failed to submit VAT and Corporation Tax returns.

A Notice of Breach was issued to the Company on 25 March 2019 requesting to rectify the position by 1 May 2019.

Following the above notice, HMRC confirmed that the former director had corresponded with them in respect of the outstanding returns and HMRC would not take any further action against the Company.

#### 12 February 2021

As stated in the above section titled 'Termination', a Notice of Breach was issued to the Company on 12 February 2021, due to insufficient realisation being made to achieve a dividend in the region of 56.57p in the £, as per the variation agreed by creditors on 28 August 2019.

The Company failed to rectify the breach within the required time frame and, as a result a Virtual Meeting of creditors was called and subsequently held on 13 April 2021, where a requisite majority of 91.04% of creditors voted that a petition for the Winding Up of the Company be issued.

Accordingly, a Winding Up Order was made against the Company on 6 October 2021 and the Court appointed the Official Receiver as Liquidator of the Company.

In accordance with the CVA terms, Joint Nominees' fees of £8,000 were drawn. Section 3 below provides information regarding the Joint Supervisors' fees and expenses.

### 3. Ethics

Please also be advised that Joint Supervisor is bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

#### General ethical considerations

During the Review Period, no new threats to compliance with the Code of Ethics have been identified.

## Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Supervisor is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.

### **4. The Joint Supervisors' Fees and Expenses**

The CVA terms provided that the Joint Supervisors be remunerated on the basis of time properly incurred by them and their staff in the administration of the CVA at the Joint Supervisors' standard charge-out rates applicable at the time.

Appendix III provides a breakdown of the time costs between the grades of staff allocated to the administration of this matter. During the Review Period, time costs totalling £1,910 have been incurred, bringing the total time costs incurred over the whole of the CVA to £89,093.

These time costs were incurred in carrying out the tasks listed in Appendix IV of which the following were the most material:

Administration and Planning: complying with the statutory and regulatory duties as regards filing, maintaining records and preparing the final report.

The attached breakdown shows that a significant proportion of the time costs incurred relate to Administration and Planning, which in the main relates to undertaking statutory duties. Whilst these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Supervisors and their staff have carried out their work to high professional standards.

The CVA Proposal disclosed that the Joint Supervisors' fees for administering and completing the CVA were estimated to be £20,000. As noted above, the final time costs of the Joint Supervisors and their staff were larger than this estimate due to the difficulties encountered and the additional work carried out, as described above and in previous progress reports. This had a corresponding impact on the final outcome to creditors, as described below.

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 which can be reviewed on Quantuma Advisory Limited's current schedule of charge-out rates and chargeable disbursements, referred to below.

An amended Statement of Insolvency Practice (SIP), SIP 9, was issued on 1 April 2021. The amended SIP 9 has changed some of the terminology and introduced additional disclosure requirements. The information below may therefore not reflect the information previously provided.

The expenses which include disbursements that have been incurred and not yet paid during the period are detailed below. This includes a comparison of the expenses likely to be incurred in the CVA as a whole with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Legal fees: Hart Brown	2,500.00	-	8,670.00	Solicitor instructed by Company
Legal fees: Cripps	-	-	1,407.72	Costs associated with Winding Up petition
Legal fees: Cripps	-	-	360.00	Counsel Fees
Agents Fee: SHW	-	-	750.00	Lease valuation required
Agents Fee: Hunt Commercial	18,750.00	-	9,025.00	
Agents Fee: SIA	8,000.00	-	6,532.00	
Petition Issue Fee & Deposit	-	-	1,880.00	Costs associated with Winding Up petition
Accountants' fees: Simon Coles & Co & Team 4 Solutions	-	-	6,075.00	Costs incurred to prepare accounts and CT returns
Administrative Expenses	-	-	1,200.00	Cost incurred to independently verify Quantuma's claim
EPC	-	-	250.00	Associated cost to market the property
Insurance of assets	-	-	1,553.03	Insurance of properties
Indemnity Bond	135.00	-	135.00	
Printing & Postage costs of external provider.	-	-	152.68	
MVS Waste Clearance	-	-	2,620.00	Additional cost to clear properties
Electricity and Gas	-	-	1,358.29	Costs incurred whilst selling properties
Nominees Expenses	-	-	104.01	
Category 2 expenses				
Photocopying, scanning & faxes (per side)			73.80	Please be advised that, whilst it was originally envisaged that these expenses would be charged to the estate, this has been no longer allowed since 1 April 2021
Company Search			3.00	
Stationery (Per Report/letter per member/creditor)			86.50	
TOTAL				

The category 1 expenses paid for in the Review Period total £507.72 and represent payments to parties who have provided services or goods for the administration of the assignment and are not associated with the Quantuma. We retain £1,442.79 to settle the remaining expenses of £1,260 that are outstanding.

No category 2 expenses were incurred or paid in the Review Period.

#### Photocopying, Stationery and Postage

Following a case review it transpired the sums of £18.00, £22.50 and £27.45 were incorrectly paid from the Arrangement in respect of photocopying, stationery and postage. These have now been refunded and are listed as receipts at Appendix II.

A copy of 'A Creditors Guide to Supervisors' Fees' effective from 1 April 2021 together with Quantuma Advisory Limited current and historic schedules of charge-out rates and chargeable expenses may be found at <https://www.quantuma.com/guide/creditors-guide-fees>. Hard copies of both documents may be obtained on request at no cost from the office dealing with the assignment.

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 which can be reviewed on Quantuma Advisory Limited's historic schedule of charge-out rates and chargeable expenses, referred to above.

#### Professional Costs

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Humphrey & Co	Accountant	Fixed fee
Simon Coles & Co	Accountant	Fixed fee
Cripps LLP	Solicitor	Fixed fee
Hart Brown	Solicitor	Fixed fee
SHW	Agent	Fixed fee
Hunt Commercial	Agent	Fixed fee of 1.5% on property realisations plus fixed fee of £400
SIA	Agent / Valuer	Time costs and % of realisations
Kreston Reeves	Independent IP	Fixed fee

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

#### Accountant - Humphrey & Co

During a previous period, the Joint Supervisors instructed Humphrey & Co to review the options available to obtain the VAT receivable for the Company. However, as the Company had in fact deregistered for VAT on 2 April 2018, the Joint Supervisor agreed not to incur additional costs as there was no guarantee of a favourable outcome.

Humphrey & Co had initially agreed to charge £395 plus VAT to provide VAT advice, however, it was agreed that this sum would be reduced to £280 plus VAT considering the above. The sum of £280 plus VAT has been settled in full during the course of the CVA.

#### Accountant – Simon Coles & Co

Simon Coles & Co were instructed as accountants to assist with the calculation of Capital Gains Tax following the sale of the freehold properties, together with an estimated CGT in relation to the leasehold first floor flat.

Simon Coles' fee totalled £1,165 plus VAT and this has been settled in full.

In addition, Team 4 Solutions were instructed to provide the accountant with information necessary to prepare recent Company accounts, required to obtain HMRC's claim in the CVA.

Team 4 Solutions fee totalled £50 plus VAT and this has been settled in full.

Simon Coles & Co also prepared Company accounts, Corporation Tax returns and computations.

Simon Coles' fee in respect of the above was £4,580 plus VAT, which has also been settled in full during the course of the CVA.

#### Solicitor- Cripps LLP

Cripps LLP were instructed on 14 May 2021 to assist with the formalities of Winding Up the Company. Fees were incurred of £750 plus VAT, together with disbursements of £485.60 plus VAT and Counsel's fees of £300 plus VAT.

There remains £1,260 to be paid in respect of these fees and we retain funds to do so.

A petition issue fee and deposit totalling £1,880 has also been paid to Cripps LLP in relation to the Winding Up petition, which is shown separately in the receipts and payments account.

#### Solicitor – Hart Brown

Hart Brown were instructed as solicitors to assist with the sale of the freehold properties. Their fee was based on a fixed fee of £6,000 plus disbursements plus VAT.

The additional sum of £2,500 plus disbursements plus VAT was drawn for the period from exchange to completion.

Hart Brown's fees and disbursements totalling £8,670 plus VAT have been settled in full from the sale proceeds.

#### Agent – SHW

SHW were instructed to value the lease of the first floor at 110 Longstone Road and were paid £750 plus VAT.

#### Agent – Hunt Commercial

Hunt Commercial were instructed by the Company to market and sell the freehold properties. Hunt Commercial's fees were agreed by the Company prior to the CVA at 1.5% of the sale price.

Following the sale of the freehold properties for £575,000, Hunt's fees totalled £8,625 plus VAT and these have been settled in full from the sale proceeds.

The additional sum of £400 plus VAT was paid to Hunt Commercial for a recent valuation obtained on the first floor property at 110a Longstone Road, Eastbourne, BN21 3UA.

#### Agents/Valuers – SIA Group Asset Ingenuity Limited

SIA Group Asset Ingenuity Limited ("SIA") were instructed to assist with the valuation and sale of the Company's stock. SIA's fees were agreed at 10% of realisations, together with time costs associated with the marketing and disposal at short notice.

SIA's fees and disbursements total £6,352 and these have been settled in full.

#### Administrative Expenses - Kreston Reeves LLP

Kreston Reeves LLP were instructed to assist with adjudicating on Quantuma Advisory Limited's claim in the CVA and were paid £1,200 plus VAT.

### **5. Creditors' Claims and Dividends**

In accordance with the Terms, a Notice to Submit Claims was issued to creditors on 23 August 2018 and a Notice of Intended Dividend was issued on 8 August 2019.

The creditors' claims admitted for dividend purposes are summarised as follows:

Creditor	Claims set out in the CVA Proposal £	Claims admitted £
Employee/ RPO preferential claims	-	3,382
HMRC – VAT/PAYE/NIC	47,380	90,234
Employee/RPO non-preferential claims	27,984	21,682
Trade and Expense	222,057	277,702
Quantuma Advisory Limited	20,000	20,000
TOTAL	317,421	413,000

Due to the Company's financial accounts being agreed by the director later than anticipated, HMRC's claim was not received within the required time frame as stated in the initial Notice of Intended Dividend. Therefore, a second Notice of Intended Dividend was issued to creditors on 20 November 2019.

A first and final distribution to preferential creditors of 100p in the £ was declared and the sum of £3,381.54 paid on 14 February 2020.

Detailed below is a comparison of the expected dividends to non-preferential unsecured creditors as detailed in the CVA Proposal and the dividend paid:

Original expectation per CVA Proposal		Outcome	
Expected timing	Expected dividend	Date dividend declared	Amount of dividend
Within 18 months after the first anniversary	100p in the £	14 February 2020	42.50p in the £

The dividend prospects as set out in the CVA Proposal were based on the creditors' claims estimated at that time totalling £317,421.

As a consequence of the increased quantum of claims admitted for dividend purposes combined with the higher CVA costs than were originally anticipated and reduced asset realisations, the total dividend paid to creditors of 42,50p in the £ was lower than the total dividend anticipated in the CVA Proposal of 100p in the £. The total sum distributed to unsecured creditors is £174,087.36.

## 6. Conclusion

As detailed above, the Arrangement has not progressed as anticipated and as a result the Joint Supervisors instructed solicitors to issue a Winding Up petition against the Company. Following the granting of the Winding Up order, the Arrangement was terminated on 6 October 2021.

Please note that the Joint Supervisors are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. Further information can be viewed at the following link <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. Additionally the Joint Supervisors are also bound by the regulations of their Licensing Bodies.

To comply with the Provision of Services Regulations, some general information about Quantuma Advisory Limited, including our complaints policy and Professional Indemnity Insurance, can be found at <http://www.quantuma.com/legal-information>. General information about this insolvency process may be found on the R3 website <http://www.creditorinsolvencyguide.co.uk>.

Should you have any questions or queries regarding this report, please contact the Administrator dealing with this matter, Edward Allingham, on 01273 322 415 or by email on [Edward.Allingham@quantuma.com](mailto:Edward.Allingham@quantuma.com).

Dated this 3 November 2021

A handwritten signature in black ink, appearing to be 'Maxine Reid', with a horizontal line underneath it.

Maxine Reid  
Joint Supervisor

## Simplantex Healthcare Limited (COMPANY VOLUNTARY ARRANGEMENT)

## STATUTORY INFORMATION

Company Name	Simplantex Healthcare Limited
Previous Names	N/A
Proceedings	Company Voluntary Arrangement
Court	County Court at Brighton
Court Reference	2018-59 of 2018
Date of Appointment	23 August 2018
Joint Supervisors	Maxine Reid-Roberts and Sean Bucknall Quantuma Advisory Limited 3rd Floor, 37 Frederick Place, Brighton, Sussex, BN1 4EA
Registered office Address	145A Ashford Road, Eastbourne, East Sussex, BN21 3UA
Company Number	02728640
Incorporation Date	3 July 1992
Company Secretary	N/A
Auditors	N/A
Director at date of Appointment	Oliver Askaroff – Appointed 30 July 1992  Oliver Askaroff was made bankrupt on 5 June 2019. As you will be aware an individual when bankrupt can no longer act as a director. According to Companies House it appears the individual took no steps to end his directorship.  However, in anticipation of his directorship being ended, Kathleen O'Donnell was appointed director on 16 November 2018.

**The Joint Supervisors' Final Receipts and Payments Account**

Voluntary Arrangement of  
Simplantex Healthcare Limited  
Joint Supervisors' Trading Account

Statement of Affairs £	From 23/08/2021 To 06/10/2021 £	From 23/08/2018 To 06/10/2021 £
TRADING EXPENDITURE		
Insurance	NIL	1,553.03
Electricity - Dual Energy Direct	NIL	354.34
Gas - Crown Gas & Power	NIL	1,003.95
	NIL	(2,911.32)
TRADING SURPLUS/(DEFICIT)	NIL	(2,911.32)

Voluntary Arrangement of  
Simplantex Healthcare Limited  
Joint Supervisors' Summary of Receipts & Payments

Statement of Affairs £		From 23/08/2021 To 06/10/2021 £	From 23/08/2018 To 06/10/2021 £
	SECURED ASSETS		
550,000.00	Freehold Property: 145a Ashford Road	NIL	499,000.00
200,000.00	Freehold Property: 110a Longstone Ro	NIL	76,000.00
		NIL	575,000.00
	SECURED CREDITORS		
(290,000.00)	Chargeholder - Bank of Scotland	NIL	279,749.41
	Seneca	NIL	12,382.27
		NIL	(292,131.68)
	ASSET REALISATIONS		
	Bank Interest Gross	0.02	195.45
80,005.00	Director's Loan Account	NIL	NIL
5,863.00	Furniture & Equipment	NIL	400.00
	Insurance Refund	NIL	774.39
10,000.00	IP and Design Rights	NIL	NIL
12,416.00	Plant & Machinery	NIL	NIL
	Refund on legal fees - Hart Brown LLP	NIL	40.00
15,000.00	Stock	NIL	25,250.00
	Trading Surplus/(Deficit)	NIL	(2,911.32)
		0.02	23,748.52
	COST OF REALISATIONS		
	Accountants fees	NIL	6,075.00
	Administrative Expenses	NIL	1,200.00
	Agents Fee - SHW	NIL	750.00
	Agents Fees - Hunt Commercial	NIL	9,025.00
	Agents/Valuers Fees - SIA	NIL	6,352.00
	EPC	NIL	250.00
	Joint Supervisors Expenses	NIL	146.52
	Joint Supervisors Fees	NIL	77,646.50
	Legal Fees – Cripps	95.00	95.00
	Legal Fees - Hart Brown	NIL	8,670.00
	MVS Waste Clearance	NIL	2,620.00
	Nominee's Expenses	NIL	104.01
	Petition Issue Fee & Deposit	NIL	1,880.00
	Photocopying	NIL	32.40
	Postage	NIL	47.97
	Proposal and Nominee Fees	NIL	8,000.00
	Specific Bond	NIL	135.00
	Stationery	NIL	40.50
	VAT	NIL	6,406.40
		(95.00)	(129,476.30)
	PREFERENTIAL CREDITORS		
	DE Arrears & Holiday Pay	NIL	2,740.88
	Employee Arrears/Hol Pay	NIL	640.66
		NIL	(3,381.54)
	UNSECURED CREDITORS		
(13,539.00)	Employee Notice Pay	NIL	NIL
(14,445.00)	Employees Redundancy Claims	NIL	9,214.79
	HM Revenue & Customs	NIL	35,325.71
(47,380.00)	HMRC - VAT	NIL	NIL
(20,000.00)	Quantuma LLP	NIL	8,500.00
(222,057.00)	Trade & Expense Creditors	NIL	118,862.97
		NIL	(171,903.47)

Voluntary Arrangement of  
Simplantex Healthcare Limited  
Joint Supervisors' Summary of Receipts & Payments

[illegible]

**Breakdown of the Joint Supervisors' Time Costs**

Time Entry - Detailed SIP9 Time & Cost Summary

6002740 - Simplantex Healthcare Limited  
From: 23/08/2021 To: 06/10/2021  
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : Administration & Planning	0.00	0.00	0.30	0.00	0.30	70.50	235.00
103 : IPS Case / File set up/ Filing	0.00	0.00	0.30	0.00	0.30	70.50	235.00
104 : General Administration	0.10	0.00	1.70	0.70	2.50	535.00	214.00
105 : Case strategy / Review	0.00	0.10	0.80	0.00	0.90	201.50	223.89
Admin & Planning	0.10	0.10	3.10	0.70	4.00	877.50	219.38
600 : Cashiering	0.00	0.00	0.00	0.40	0.40	54.00	135.00
Cashiering	0.00	0.00	0.00	0.40	0.40	54.00	135.00
650 : Closing Procedures	0.00	0.20	0.00	0.00	0.20	62.00	310.00
Closing Procedures	0.00	0.20	0.00	0.00	0.20	62.00	310.00
211 : Annual / Progress report	0.00	0.00	3.90	0.00	3.90	916.50	235.00
Creditors	0.00	0.00	3.90	0.00	3.90	916.50	235.00
Total Hours	0.10	0.30	7.00	1.10	8.50	1,910.00	224.71
Total Fees Claimed						77,646.50	

Time Entry - Detailed SIP9 Time & Cost Summary

6002740 - Simplantex Healthcare Limited  
From: 23/08/2018 To: 06/10/2021  
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : Administration & Planning	8.10	0.00	2.00	0.40	10.50	3,162.50	301.19
100A : Initial Statutory & General Notifications & Filing	0.50	0.00	4.10	0.00	4.60	790.00	171.74
101 : Insurance / Bonding	0.00	0.00	2.90	0.00	2.90	465.00	160.34
103 : IPS Case / File set up/ Filing	0.00	0.00	6.40	0.40	6.80	1,085.50	159.63
104 : General Administration	12.40	4.10	107.90	9.50	133.90	24,828.00	185.42
105 : Case strategy / Review	10.00	5.60	23.00	0.00	38.60	9,763.00	252.93
106 : VAT & CT matters and returns	0.00	1.00	10.80	0.00	11.80	2,205.50	186.91
506 : Tax / VAT	1.30	0.00	0.00	0.00	1.30	481.00	370.00
Admin & Planning	32.30	10.70	157.10	10.30	210.40	42,780.50	203.33
600 : Cashiering	0.20	0.70	2.30	29.20	32.40	4,651.50	143.56
Cashiering	0.20	0.70	2.30	29.20	32.40	4,651.50	143.56
650 : Closing Procedures	0.00	3.60	0.00	0.00	3.60	1,116.00	310.00
Closing Procedures	0.00	3.60	0.00	0.00	3.60	1,116.00	310.00
201 : Creditors	2.80	1.60	1.40	1.75	7.55	2,005.75	265.66
202A : Employees	0.00	0.70	3.10	0.00	3.80	640.00	168.42
203 : Creditor correspondence / Call	9.40	3.80	30.40	0.00	43.60	9,482.00	217.48
204 : Unsecured Creditors claims	0.70	0.00	8.00	1.35	10.05	1,696.75	168.83
207 : Payment of dividends	1.80	0.70	4.00	4.75	11.25	2,171.25	193.00
207A : Notice of intended Dividend	0.00	0.00	1.60	2.50	4.10	518.50	126.46
207B : Reviewing & Adjudicating Creditors' Claims	0.80	0.00	0.50	3.50	4.80	746.00	155.42
207C : Dealing with HMRC/RPO Claims	0.00	0.00	0.00	0.25	0.25	26.25	105.00
211 : Annual / Progress report	1.40	2.30	25.30	0.00	29.00	6,047.50	208.53
Creditors	16.90	9.10	74.30	14.10	114.40	23,334.00	203.97
300 : Investigations	0.80	0.00	0.00	0.00	0.80	290.00	362.50
300A : SIP 2 Review	0.00	0.00	1.30	0.00	1.30	260.00	200.00
301 : CDDA Reports	0.20	0.00	0.00	0.00	0.20	74.00	370.00
Investigations	1.00	0.00	1.30	0.00	2.30	624.00	271.30
400 : Realisation of Assets	22.20	0.20	2.60	0.00	25.00	7,439.50	297.58
401 : Freehold / Leasehold Property	19.00	0.90	7.60	0.00	27.50	8,048.50	292.67
402 : Plant and Machinery	0.40	0.00	0.10	0.00	0.50	156.00	312.00
406 : Stock	1.60	0.00	0.20	0.00	1.80	590.00	327.78
412 : Arranging & Monitoring Insurance	0.00	0.20	0.00	0.00	0.20	53.00	265.00
Realisation of Assets	43.20	1.30	10.50	0.00	55.00	16,287.00	296.13
500 : Trading	0.00	0.00	1.40	0.00	1.40	210.00	150.00

# Time Entry - Detailed SIP9 Time & Cost Summary

6002740 - Simplantex Healthcare Limited  
From: 23/08/2018 To: 06/10/2021  
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
501 : Management of Operations	0.00	0.00	0.20	0.00	0.20	30.00	150.00
503 : Employee issues / payroll	0.00	0.00	0.40	0.00	0.40	60.00	150.00
Trading	0.00	0.00	2.00	0.00	2.00	300.00	150.00
Total Hours	93.60	25.40	247.50	53.60	420.10	89,093.00	212.08
Total Fees Claimed						77,646.50	

# Time Entry - SIP9 Time & Cost Summary

## Category 2 Disbursements

6002740 - Simplantex Healthcare Limited  
Project Code: POST  
From: 23/08/2018 To: 06/10/2021

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Amount
29/08/2018	AML Electronic Identification Search: Jordans search	3.00
03/09/2018	Stationery: Stationery re report of the consideration of the Proposal	18.00
03/09/2018	Photocopying: Photocopying re report of the consideration of the Proposal	14.40
08/08/2019	Stationery: Mail out - stationery - Proposed Variation and Noce of Intended Dividend	23.00
08/08/2019	Photocopying: Mail out - photocopying - Proposed Variation and Noce of Intended Dividend	27.60
10/09/2019	Stationery: Stationery - Mail out - Record of Decision	23.00
10/09/2019	Photocopying: Photocopying - Mail out - Record of Decision	13.80
20/11/2019	Stationery: Mail out - Stationery - Notice of Intended Dividends	22.50
20/11/2019	Photocopying: Mail out - Photocopying - Notice of Intended Dividends	18.00
Total		163.30

Full Narrative Details of Work Undertaken During the Review Period  
(Our previous progress reports provide full narratives for their respective periods)

General Description	Includes
<b>Administration and Planning</b>	
General Administration - Dealing with all routine correspondence and emails relating to the case.	
Case strategy & completing file reviews at 1 month, 2 months & 6 months.	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
<b>Closing</b>	
Procedures & Reports	Liaise with solicitors in regards to winding up petition. Prepare final report and associated notices.
<b>Creditors</b>	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post
Processing proofs of debt	Receipt of proofs of debt
Creditor Reports	Preparing annual progress report, meeting and general reports to creditors
<b>Cashiering</b>	
Bank Account Administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments

Current Charge-out Rates of the staff who have worked on the case

Time charging policy

Support staff and executive assistants do not charge their time to each case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken

Support staff include secretarial and administrative support.

The minimum unit of time recorded is 6 minutes.

Rates may have been subject to periodic increase.

<b>Staff</b>	<b>Charge out rates £</b>
<b>CEO/Managing Director</b>	£480.00 - £580.00
<b>Appointment Taking Director</b>	£400.00 - £500.00
<b>Director</b>	£370.00 - £475.00
<b>Senior Manager</b>	£340.00 – £415.00
<b>Manager</b>	£310.00 - £375.00
<b>Assistant Manager</b>	£275.00 – £335.00
<b>Senior Administrator</b>	£235.00 – £285.00
<b>Administrator</b>	£200.00 – £240.00
<b>Assistant Administrator</b>	£135.00 - £160.00
<b>Case Accountant</b>	£135.00
<b>Junior Administrator</b>	£100.00 - £115.00
<b>Support Staff/Executive Assistant</b>	£100.00 – £135.00