

Rule 1.24/1.54

The Insolvency Act 1986

Notice to Registrar of Companies
of Voluntary Arrangement
Taking Effect

Pursuant to Section 4 of, or paragraph
30 of Schedule A1 to,
the Insolvency Act 1986

**S.4/
Para 30
Sch A1**

For Official Use

--	--	--

Company Number

03022974

To the Registrar of Companies

Name of Company

Insert full name of
Company

Disability West Midlands

Insert full name and
Address

I Andrew Appleyard
Haines Watts
Canterbury House
85 Newhall Street
Birmingham
B3 1LH

8749-7

Insert date

the chairman of meetings held in pursuance of paragraph 30 of schedule A1 to the
Insolvency Act 1986 on
4 November 2005 enclose a copy of my report of the said meetings.

Signed



Date 11 November 2005

Presenter's name,
address and reference
(if any)

DISA01C
Disability West Midlands

Andrew Appleyard
Haines Watts
Canterbury House
85 Newhall Street
Birmingham
B3 1LH

For Official Use

Liquidation Section

Post Room



A04
COMPANIES HOUSE

AKFBQABU

678
12/11/2005

Report of Meeting of Creditors

Disability West Midlands

I, Andrew Appleyard, Administrator of the company hereby report that adjourned meetings of creditors and members in the above matter were held

at - Prospect Hall, College Walk,
Selly Oak, Birmingham, B29 6LE

on - 4th November 2005

at - 15.00 and 15.30hrs respectively

at which:-

1. Proposals in the form hereto annexed were approved – subject to the amendment attached.

Signed



Administrator

Dated

11 November 2005

In the Birmingham District Registry
No: 2370 of 2005

In the matter of Part I of the Insolvency Act 1986
and
In the matter of Disability West Midlands

I, **Andrew Appleyard** of Haines Watts, Canterbury House, 85 Newhall Street, Birmingham, B3 1LH,
HEREBY REPORT to the Court as follows:

At the Meeting of Creditors of the above company summoned to consider its proposal for a
Company Voluntary Arrangement held at the company's offices of Prospect Hall, College Walk,
Selly Oak, Birmingham, B29 6LE, on 4 November 2005, the Proposal was approved subject to the
amendment attached.

1. The manner in which those creditors present or represented and qualified to vote at the said Meeting cast their votes are also shown at Appendix 1.
2. A list of creditors (with their respective values) who were represented at the meeting is attached.
3. No other resolutions were considered at the said Meeting and no abstentions were recorded.
4. 100% of members voted for of the resolution.
5. A majority exceeding three quarters in value of the Creditors present or represented and voting on the resolution has approved the proposed Voluntary Arrangement.
6. The EC Regulation of Insolvency Proceedings 2000 applies and the proceedings will be the main proceedings.
7. A further copy of my Proposals for a Company Voluntary Arrangement for your records.

Dated 11 November 2005



Andrew Appleyard
Supervisor

ENDORSEMENT

This report was filed in Court on the Day of 2005

No: 2370 of 2005

In the Birmingham District Registry

**In the matter of Part I of
the Insolvency Act 1986**

and

In the matter of Disability West Midlands

**Chairman's Report of the
Meeting of Creditors**

**Haines Watts
Canterbury House
85 Newhall Street
Birmingham
B3 1LH
0121 212 4477**

Appendix I

Summary of Proxy votes received

TOTAL FOR (£)	356331.83
TOTAL AGAINST (£)	NIL
GENERAL VOTES RECEIVED (£)	NONE
VOID	67.60
Percentage For (%)	100.00
Percentage Against (%)	NIL
General votes	NIL

The Proposal was therefore accepted by the creditors

Amendment to CVA Proposals

Before paying a first dividend, the Supervisor shall advertise for claims in a National Newspaper giving a final date for proving for inclusion for dividend.

The Supervisor will also notify all creditors known to him who have not proved of a last date for proving which shall not be less than 21 days from the notice.

Any creditors failing to prove before the last date for proving will be excluded from that dividend.

For all future dividends, the Supervisor shall be entitled to serve a notice on each creditor, requiring him to prove his claim before a certain date. Any creditor failing to claim before that date shall be excluded from dividend.

Any creditor who has failed to prove once a final dividend is declared shall have no right to any dividend. However, any creditor proving after declaration of any earlier dividend but before the final dividend shall receive payment for any prior dividend before other creditors receive further payments but only to the extent that funds allow.

**Disability West Midlands
Creditors Voting
Adjourned Meeting 4 November 2005**

Creditor	Proxy Holder	Void £	In Favour With Amendment £	Against £
Birmingham Institute for the Deaf	Chairman		445.00	
South Birmingham PCT	Trevor Bold		341255.44	
University of Wolverhampton	Chairman		1514.00	
Jacqueline Penn			47.20	
Viking Direct		67.60		
Sue McCorkindale	Chairman	Void		
Elaine Brook	Chairman		1200.33	
P Brough	Chairman		159.45	
PKF (UK) LLP	Chairman		352.50	
R Cabello	P Millington		5120.70	
R Cadman	P Millington		6237.21	

**Disability West Midlands
Members Voting
Adjourned Meeting 4 November 2005**

Member	Proxy Holder	Void	In Favour With Amendment	Against
M Barker	N/A		YES	
L Welsh	N/A		YES	
B Finley Williams	N/A		YES	
N Croft	N/A		YES	
A Austin	Chairman		YES	
K Bales	P Millington		YES	
M Duncan	P Millington		YES	
C Farquharson	P Millington		YES	
P Broadbridge	P Millington		YES	
C Georghill	P Millington		YES	
J Welsh	P Millington		YES	
D Spiers	P Millington		YES	
Dr R Green	P Millington		YES	
J Harrison	P Millington		YES	
J M Hunter	P Millington		YES	
S Moss	P Millington		YES	
J Moss	P Millington		YES	
M Scott	P Millington		YES	
C M Clarke	P Millington		YES	
A Robertson	P Millington		YES	
Wolverhampton Social Services	Chairman		YES	
S Thompson	P Millington		YES	
A Richens	Chairman		YES	
G Parker	Chairman		YES	
R Livermoe	Chairman		YES	
S Ford	Chairman		YES	
B Cleaver		VOID		
K Owen		VOID		



TO ALL CREDITORS AND MEMBERS

5th Floor
Canterbury House
85 Newhall Street
Birmingham
B3 1LH

Tel +44 (0) 121 212 4477
Fax +44 (0) 121 212 4459

Email: bri.birmingham@hwca.com
Website: www.hwca.com

11 November 2005

Our Ref: DISA01/24

Dear Sirs

Disability West Midlands - In Company Voluntary Arrangement

I write to inform you of the outcome of the previously adjourned Meetings of Creditors and Members, pursuant to the Insolvency Act 1986, which were held on 4 November 2005, to consider proposals for the company to enter a Company Voluntary Arrangement.

The Administrator's proposals for consideration by the creditors and members were approved with an amendment as detailed in the enclosure. I enclose a copy of my report in this context, together with a further copy of the Proposal document and relevant enclosures for your reference.

Should you require any further information, please do not hesitate to contact my office.

Yours faithfully

Andrew Appleyard
Supervisor

Enc:

Haines Watts Business Recovery & Insolvency

A Appleyard LLB, ACA, ACCA, A Beat, T Calverley MIPA, D M Clements FIPA, T Dixon Bsc(Econ) ACA, MABRP, P J Forsey FCA FCCA, J Hall, FCA, S L Harfit FIPA, MABRP,
G M Loughton FCA, J Lewis, C Nicholls FCCA, D Smithson MIPA, D Thorniley FIPA, FABRP, J D Travers FIPA G Wrigley ACA.
HW Business Recovery Limited, Haines Watts Limited, HW Investments Limited
Associates: P Armstrong, D Clark, I Gostellow

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

D M Clements, T Dixon, J Hall, and G Wrigley are Licensed Insolvency Practitioners authorised by the Institute of Chartered Accountants in England & Wales.
A Appleyard, P J Forsey and C Nicholls are Licensed to act as Insolvency Practitioners by the Association of Chartered Certified Accountants
S L Harfit and J D Travers are Licensed Insolvency Practitioners authorised by The Department of Trade & Industry
T Calverley, D Smithson and D Thorniley are Licensed Insolvency Practitioners authorised by the Insolvency Practitioners Association

Report of Meeting of Creditors

Disability West Midlands

I, Andrew Appleyard, Administrator of the company hereby report that adjourned meetings of creditors and members in the above matter were held

at - Prospect Hall, College Walk,
Selly Oak, Birmingham, B29 6LE

on - 4th November 2005

at - 15.00 and 15.30hrs respectively

at which:-

1. Proposals in the form hereto annexed were approved – subject to the amendment attached.

Signed



Administrator

Dated

11 November 2005

In the Birmingham District Registry
No: 2370 of 2005

In the matter of Part I of the Insolvency Act 1986
and
In the matter of Disability West Midlands

I, **Andrew Appleyard** of Haines Watts, Canterbury House, 85 Newhall Street, Birmingham, B3 1LH,
HEREBY REPORT to the Court as follows:

At the Meeting of Creditors of the above company summoned to consider its proposal for a Company Voluntary Arrangement held at the company's offices of Prospect Hall, College Walk, Selly Oak, Birmingham, B29 6LE, on 4 November 2005, the Proposal was approved subject to the amendment attached.

1. The manner in which those creditors present or represented and qualified to vote at the said Meeting cast their votes are also shown at Appendix 1.
2. A list of creditors (with their respective values) who were represented at the meeting is attached.
3. No other resolutions were considered at the said Meeting and no abstentions were recorded.
4. 100% of members voted for of the resolution.
5. A majority exceeding three quarters in value of the Creditors present or represented and voting on the resolution has approved the proposed Voluntary Arrangement.
6. The EC Regulation of Insolvency Proceedings 2000 applies and the proceedings will be the main proceedings.
7. A further copy of my Proposals for a Company Voluntary Arrangement for your records.

Dated 11 November 2005



Andrew Appleyard
Supervisor

ENDORSEMENT

This report was filed in Court on the Day of 2005

No: 2370 of 2005

In the Birmingham District Registry

**In the matter of Part I of
the Insolvency Act 1986**

and

In the matter of Disability West Midlands

**Chairman's Report of the
Meeting of Creditors**

**Haines Watts
Canterbury House
85 Newhall Street
Birmingham
B3 1LH
0121 212 4477**

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**Disability West Midlands
Creditors Voting
Adjourned Meeting 4 November 2005**

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South Birmingham PCT	Trevor Bold		341255.44	
University of Wolverhampton	Chairman		1514.00	
Jacqueline Penn			47.20	
Viking Direct		67.60		
Sue McCorkindale	Chairman	Void		
Elaine Brook	Chairman		1200.33	
P Brough	Chairman		159.45	
PKF (UK) LLP	Chairman		352.50	
R Cabello	P Millington		5120.70	
R Cadman	P Millington		6237.21	

**Disability West Midlands
Members Voting
Adjourned Meeting 4 November 2005**

Member	Proxy Holder	Void	In Favour With Amendment	Against
M Barker	N/A		YES	
L Welsh	N/A		YES	
B Finley Williams	N/A		YES	
N Croft	N/A		YES	
A Austin	Chairman		YES	
K Bales	P Millington		YES	
M Duncan	P Millington		YES	
C Farquharson	P Millington		YES	
P Broadbridge	P Millington		YES	
C Georhill	P Millington		YES	
J Welsh	P Millington		YES	
D Spiers	P Millington		YES	
Dr R Green	P Millington		YES	
J Harrison	P Millington		YES	
J M Hunter	P Millington		YES	
S Moss	P Millington		YES	
J Moss	P Millington		YES	
M Scott	P Millington		YES	
C M Clarke	P Millington		YES	
A Robertson	P Millington		YES	
Wolverhampton Social Services	Chairman		YES	
S Thompson	P Millington		YES	
A Richens	Chairman		YES	
G Parker	Chairman		YES	
R Livermoe	Chairman		YES	
S Ford	Chairman		YES	
B Cleaver		VOID		
K Owen		VOID		



TO ALL KNOWN CREDITORS

5th Floor
Canterbury House
65 Newhall Street
Birmingham
B3 1LH

Tel +44 (0) 121 212 4477

Fax +44 (0) 121 212 4459

Email: bf.birmingham@hwca.com
Website: www.hwca.com

28 September 2005

Our Ref: DISA01/24

Dear Sirs

Disability West Midlands - In Administration

Further to my appointment as Administrator of the above company on 18 April 2005, I enclose a formal notice of a Meeting of Creditors, pursuant to the Insolvency Act 1986, to be held on 24 October 2005, to consider proposals for the company to enter a Voluntary Arrangement as a method for distributing funds to creditors in the Administration.

I enclose the documents listed below.

- (1) Proposals for a Company Voluntary Arrangement prepared in accordance with the Insolvency Act 1986.
- (2) A Proxy Form and Proof of Debt for your use at the forthcoming Meeting.
- (3) An extract of the rules relating to Supervisor's remuneration and the drawing of Category 2 disbursements in accordance with Statement of Insolvency Practice 9.
- (4) An extract of Rule 1.19 (1), (3) and (4) of the Insolvency Rules 1986.

Should you require any further information, please do not hesitate to contact my office.

Yours faithfully

Andrew Appleyard
Administrator

*The Administrator is managing the affairs, business and property of the company, Disability West Midlands.
Andrew Appleyard of Haines Watts was appointed Administrator of the company on 18 April 2005.
The Administrator contracts as agent of the company and without personal liability.*

Haines Watts Business Recovery & Insolvency

A Appleyard LLB, ACA, ACCA, A Beal, T Calverley MIPA, D M Clements FIPA, T Dixon BSc(Econ) ACA, MABRP, P J Forsey FCA FCCA, J Hall, FCA, S L Harfitt FIPA, MABRP,
G M Laughton FCA, J Lewis, C Nicholls FCCA, D Smithson MIPA, D Thorniley FIPA, FABRP, J D Travers FIPA G Wrigley ACA,
HW Business Recovery Limited, Haines Watts Limited, HW Investments Limited
Associates: P Armstrong, D Clark, I Gostellow

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Rule 2.35

Notice of a meeting of Creditors

Name of Company

Disability West Midlands

Company number

03022974

In the
Birmingham District Registry

(full name of court)

Court case number
2370 of 2005(a) Insert full name(s)
and address(es) of
administrator(s)

Notice is hereby given by
Andrew Appleyard
Haines Watts
Canterbury House
85 Newhall Street
Birmingham
B3 1LH

(b) Insert full name and
address of registered
office of the company

that a meeting of creditors of

Disability West Midlands
Prospect Hall
College Walk, Bristol Road
Selly Oak
Birmingham B29 6LE

(c) Insert details of place
of meeting

is to be held at:

Prospect Hall, College Walk, Bristol Road, Selly Oak, Birmingham, B29 6LE

(d) Insert date and time
of meeting

on 24th October 2005

at 10.00

The meeting is:

*Delete as applicable

a creditors' meeting under paragraph 62 of the Schedule to consider the Administrator's
proposals for a Company Voluntary Arrangement.

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the
meeting if you cannot attend and wish to be represented.

Signed

Administrator

Dated

28 September 2005

Proxy (Administration)

Disability West Midlands

Name of Creditor _____

Address _____

Name of Proxy Holder

1 _____

2 _____

3 _____

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 24 October 2005, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

Voting Instructions for resolutions

*Please delete as appropriate

1. For the acceptance/rejection* of the Administrator's proposals for a Company Voluntary Arrangement as circulated

2. For the appointment of

of

representing _____

as a member of the creditors' committee

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signature

Remember: there may be resolutions on the other side of this form

PROOF OF DEBT - GENERAL FORM

In the matter of Disability West Midlands
In Administration
and in the matter of The Insolvency Act 1986

Date of Administration Order: 18 April 2005

1.	Name of Creditor	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4.	Details of any document by reference to which the debt can be substantiated. [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5.	If the total amount shown above includes Value Added Tax, please show:- (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6.	If total amount above includes outstanding uncapitalised interest please state amount	£
7.	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9.	Particulars of how and when debt incurred.	
10.	Particulars of any security held, the value of the security, and the date it was given	£
11.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

IN THE MATTER OF THE INSOLVENCY ACT 1986

AND

IN THE MATTER OF DISABILITY WEST MIDLANDS

(IN ADMINISTRATION)

**THE PROPOSAL OF THE ADMINISTRATOR OF
DISABILITY WEST MIDLANDS (IN ADMINISTRATION)
FOR A COMPANY VOLUNTARY ARRANGEMENT
MADE UNDER PART 1 OF THE INSOLVENCY ACT 1986**

DISABILITY WEST MIDLANDS (IN ADMINISTRATION)

THE ADMINISTRATOR'S PROPOSAL FOR A COMPANY VOLUNTARY ARRANGEMENT

CONTENTS

- 1 Definitions
- 2 Introduction
- 3 Particulars of the Proposal
- 4 Functions, Responsibilities and Power of the Supervisor
- 5 Fees and Expenses of the Supervisor
- 6 The Effect of the Arrangement
- 7 Creditors' Claims
- 8 Payment of Dividends
- 9 The Supervisor's Liability
- 10 Variation
- 11 Duration and Termination
- 12 Matters required to be dealt with in accordance with Rule 1.3
- 13 Creditors' Committee
- 14 Invalidity and/or Illegality

APPENDICES

- 1 Statutory Information
- 2 (a) Company's Estimated Statement of Affairs as at 28 September 2005/ Estimated Outcome Statement
- 2 (b) Receipts & Payments from 8 April 2005 to 28 September 2005
- 3 A Creditors' guide to supervisor's fees and costs in compliance with SIP9.

1 DEFINITIONS

In this Proposal unless the context otherwise requires:

1.1 the following words and expressions shall have the following meanings:

- 1.1.1 "Act" means the Insolvency Act 1986 (as amended).
- 1.1.2 "Arrangement" means the Company Voluntary Arrangement contemplated by this Proposal (including any modifications made under Section 4 of the Act) and as from time to time (if at all) varied or amended in accordance with the terms of this Proposal.
- 1.1.3 "Arrangement Funds" means all funds held by the Supervisor in the period of the Arrangement.
- 1.1.4 "Company" means Disability West Midlands (in Administration).
- 1.1.5 "Effective Date" means the date on which this proposal is approved by the requisite majority of the Company's Creditors.
- 1.1.6 "Administrator" means Andrew Appleyard of Haines Watts, Canterbury House, 85 Newhall Street, Birmingham, B3 1LH.
- 1.1.7 "Supervisor" means Andrew Appleyard of Haines Watts, Canterbury House, 85 Newhall Street, Birmingham, B3 1LH, or any other person duly appointed at the meetings of members and creditors convened to consider this Proposal.
- 1.1.8 "Notice of Failure" means a notice issued by the Supervisor that in his opinion there is no reasonable likelihood of the matters contemplated in the Proposals being implemented or satisfied
- 1.1.9 "Notice of Implementation" means a notice that the Arrangement has been fully implemented as required by Rule 1.29.
- 1.1.10 "Notice of Non Compliance" means a notice issued by the Supervisor that the Company has not complied with the Arrangement or part of it.
- 1.1.11 "New Outlook Monies" certain monies may have been claimed with regard to the New Outlook grant which may not yet have been paid and further costs that may be payable to parties necessary to claiming the balance of this grant.
- 1.1.12 "Period of Arrangement" means the period of one year from the date of the approval of this Proposal plus such additional period as is reasonably necessary in the opinion of the Supervisor.
- 1.1.13 "Preferential Creditors" means any creditor of the Company whose claim is preferential within section 386 of the Act as at the date of the Administration Order.

- 1.1.14 "Proposal" means this document and any modifications to it.
- 1.1.15 "Realisations" means the realisations of the Supervisor in respect of the Company at the date of the creditors meeting for the consideration of this Proposal together.
- 1.1.16 "Rules" means the Insolvency Rules 1986 (as amended).
- 1.1.17 "Unsecured Creditors" means any person other than a secured creditor or a preferential creditor who is a creditor of the Company in consequence of any matter having its origin, or occurring, on or prior to the time and date of the administration order.

1.2 Words and expressions defined in the Act or the Rules shall bear the meanings attributed to them there.

1.3 References to paragraph numbers and appendices are to the numbered paragraphs and appendices in this Proposal.

1.4 Paragraph headings and other headings are for ease of reference only and shall not affect the interpretation of this Proposal.

1.5 Where appropriate the singular includes the plural and vice versa.

2 INTRODUCTION

2.1 Background Pre-Administration

2.2 The Company was incorporated on 16 February 1995 as a company limited by guarantee, registration number 03022974 and operates as a charity providing services and information to disabled people in the Midlands.

2.3 The Charities' board consists of unpaid volunteers, non-of whom undertake a formal management role.

2.4 In recent years the Charity expanded as it received grants funded to undertake substantial projects, including the New Outlook project which required a substantial team to undertake the projects together with additional office space to house increased staff.

2.5 In recent months the New Outlook and other projects reached their conclusion and replacement projects were sought however the Disability Discrimination Act has shifted the emphasis from Disabled Rights and there was less ongoing funding for Disabled Projects..

2.6 As funding reduced, Disability West Midlands was left with substantial employee and office costs. These costs quickly depleted available reserves and led to the Charity becoming insolvent.

2.7 Upon realising the seriousness of the Charities position certain board members took independent advice, which led to the Charity entering Administration on 18 April 2005.

2.8 **Background Post-Administration**

2.9 On Appointment the Administrator reviewed the financial position making the following decisions.

- i. That all grant work should be completed correctly to allow the drawn down of outstanding funds and to prevent substantial claims for repayment by the grant funders.
- ii. That whilst the Charity had ongoing funding to provide information for 2005/2006, the funding was insufficient to support current staff levels and office levels. Consequently a redundancy program was implemented, and office space was reduced.
- iii. All surplus office equipment was sold.

2.10 All outstanding grant work is substantially complete and the final proceeds are awaited.

2.11 The charity now has only four employees operating from 2 small offices continuing to provide information to disabled people in accordance with grant funding.

2.12 The Administrator making this Proposal considers that it is appropriate to propose a Company Voluntary Arrangement to be concluded for the purpose of distributing funds in hand net of costs to creditors by way of dividend and allowing the charity to continue its work. A Voluntary Arrangement will avoid further redundancy costs and allow the charity to continue its work.

3 PARTICULARS OF THE PROPOSAL

3.1 It is proposed that on acceptance of the proposal Disability West Midlands will continue to operate as a charity in its reduced format.

Disability West Midlands will exclude the following assets from the arrangement.

- i. All remaining furniture, fittings and computers as these are required for its ongoing work, and have an estimated realisation value of some £2000.
- ii. A Ford Focus car registration BK51YPU. This is required for visits to disabled people under the terms of a current grant. The car has an estimated to realise value of £4000 based on a valuation agent's opinion. (unseen)
- iii. Where Disability West Midlands has received grant monies for its ongoing work, Disability West Midlands will retain the balance of each grant to continue its works after the acceptance of the Company Voluntary Arrangement calculated as follows

Total Value of Grant	X	Period of grant remaining in days at the date proposals are accepted
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Total Period of days for which grant was given

Consequently creditors will benefit by the introduction of monies for 2005/2006 which will be used to defray costs incurred post administration and before acceptance of the Company Voluntary Arrangement.

3.2 Disability West Midlands received monies for forwarding to certain individuals under the terms of the Community Champions Trust, which were not disbursed prior to the appointment of the Administrator. These sums total less than £6000 and the Administrator has taken limited legal advice on whether these sums are trust monies. If full legal advice and Counsels' opinion were taken it is likely that the costs of the advice would exceed the benefit to creditors. Initial legal advice (a copy of which can be inspected at the Administrator's office) is that these sums should be regarded as trust monies. It is therefore proposed that these sums be discharged from the funds held as trust monies before a dividend is paid to creditors, and that the Supervisor should be allowed to disburse any other monies not exceeding £10,000 net in his or her opinion are trust monies and are therefore not available to creditors in general from the funds detailed at 3.3.

3.3 It is proposed that the following monies be distributed to creditors.

- 1) All monies held by the Administrator at the date of the acceptance of the proposals (Excluding any grant monies received for 2005/2006 calculated in accordance with clause 3.1 (iii) which fall to be paid to the Charity for ongoing works) and except for monies required for.
 - i. Payment of the Administrator's and Supervisor's fees and expenses.
 - ii. Payment of costs of the New Outlook Grant, necessary to complete the claim for the New Outlook grant regardless of whether or not the cost was incurred before or after the date of Administration.
 - iii. Discharge of trust monies due under the Community Champions Trust.
- 2) All future monies received by Disability West Midlands relating to grants for works completed by the date of the acceptance of the proposals and all invoices for goods and services completed by that date.

It is estimated that a dividend of 100p in the £ will be paid to preferential creditors and 55.3 pence in the £ will be paid to unsecured creditors.

3.4 Pending the payment of the dividend the Arrangement Fund will be held by the Supervisor on trust for the benefit of the Creditors bound by the Arrangement to be distributed in accordance with the terms of the Arrangement.

3.5 In order to achieve these proposals, it is further proposed that the Company and its officers and former officers shall render every assistance to the Supervisor.

4 FUNCTIONS, RESPONSIBILITIES AND POWERS OF THE SUPERVISOR

4.1 The Supervisor shall exercise the powers given to him by the terms of this Proposal by the Act and by the Rules.

- 4.2 In addition, except where the following functions conflict with the functions provided to the Supervisor by the Act or the Rules it is proposed that the Supervisors' functions shall include the following:
- 4.2.1 to receive and retain or distribute funds in accordance with the terms of this Proposal;
 - 4.2.2 to agree the claims of creditors in accordance with paragraph 7 and otherwise in accordance with the terms of this Proposal;
 - 4.2.3 to declare and pay dividends to creditors in accordance with the terms of this Proposal;
 - 4.2.4 to engage Solicitors, agents or other professional advisors if required for the beneficial purposes of the Arrangement and to pay the costs incurred in doing so from the Arrangement Funds;
 - 4.2.5 to report to the creditors in accordance with the Act and Rules, and in particular in accordance with Section 4(6) of the Act and Rules 1.24(4) and 1.26(2);
 - 4.2.6 to perform any other functions specifically referred to in this Proposal or contained in Schedule 1 of the Act or any other function which it may be appropriate to perform in order to give effect to the Arrangement;
 - 4.2.7 to attend the Company's board meetings as appropriate and at his absolute discretion at any time during the period of the Arrangement;
 - 4.2.8 to keep such records of his receipts and payments and their actions and dealings as are required by the Act and the Rules.
 - 4.2.9 to open one or more bank accounts with a branch or branches of a recognised Bank in his name as Supervisor. *The Supervisor shall pay into the account the Arrangement Funds and may apply the Arrangement Funds to make such payments, distributions as contemplated or required by the Arrangement. The Supervisor shall be entitled to place the Arrangement Funds on deposit with any recognised Bank or invest funds with recognised Government Securities as they consider appropriate;*
 - 4.2.10 to issue a Notice of Implementation, Notice of Non-compliance or a Notice of Failure as the circumstances may require and in accordance with the terms of this Proposal;
 - 4.2.11 to pay from the Arrangement Funds such sums as he shall be authorised or be required to pay by virtue of the terms of the Arrangement or any rule of law, or any provision of the Rules or the Act, the fees and disbursements specified in the Arrangement and any other expenses properly incurred by him in dealing with the implementation, conduct and supervision of the Arrangement or pay any fees, disbursements or other expenses properly incurred in the conduct of the Administration of the Company.

5 FEES & EXPENSES OF THE SUPERVISOR

5.1 The remuneration of the Supervisor is to be fixed according to his time costs and those of the members of his firm engaged in dealing with the implementation, conduct and supervision of the Arrangement from time to time having regard to the following matters:

5.1.1 the complexity of the case;

5.1.2 any respect in which in connection with the Arrangement there falls on the Supervisor any responsibility of an exceptional kind or degree;

5.1.3 the value and nature of the assets with which the Supervisor have to deal.

5.1.4 the effectiveness with which the Supervisor appears to be carrying out, or have carried out his duties.

5.2 Disbursements (categorised in the Statement of Insolvency Practice No 9 as Category 2 items) are to be recovered and charged by Haines Watts to the Arrangement.

5.3 A creditors guide to Supervisor's fees and costs in compliance with SIP9 is attached at Appendix 3.

6 THE EFFECT OF THE ARRANGEMENT

6.1 The Arrangement shall operate as an accord and satisfaction and be in full and final settlement of all monetary claims (whether known or unknown actual or contingent and whether or not liquidated or ascertained) existing at the Effective Date and any costs for which the Company may at any time become liable in respect of proceedings commenced prior to the date of the Arrangement.

6.2 Creditors shall not at any time after the Effective Date be entitled to commence or continue any action or any other legal process against the Company or its property, nor levy any distress or any other seizure of any goods of the Company in respect of any debts outstanding at the Effective Date, except with the consent of the Supervisor or with leave of the Court, provided that this shall not exclude any creditor from making any application under Section 7 of the Act. In particular, no creditor will seek to present or proceed with or support any Winding-Up Petition against the Company in respect of a debt incurred prior to the Effective Date.

6.3 No statutory interest, contractual interest or otherwise will be payable to any class of creditor of the Company under the Arrangement.

7 CREDITORS' CLAIMS

7.1 Subject to sub-paragraph 7.2 below:-

7.1.1 *The provisions of Chapter 9 Section A of the Rules (procedures for proving) so far as they relate to Voluntary Winding-Up will apply to Creditors in the Arrangement reading references to "Winding-Up" or "Voluntary Winding-Up" as references to the Arrangement and references to the "Liquidator" as referring to the Supervisor.*

- 7.1.2 The provisions of Chapter 9 Section B of the Rules (quantification of claims) will apply to Creditors claims in the Arrangement reading references to "Liquidation" as referring to the Arrangement and references to "the Liquidator" as referring to the Supervisor.
- 7.1.3 The claims of Preferential Creditors will be calculated by the Supervisor in accordance with Sections 175 and 386 of the Act. The Supervisor will agree the preferential claims with the relevant Statutory Authorities and the agreed preferential debts will be paid in priority to the debts of Unsecured Creditors.
- 7.1.4 The claims of Unsecured Creditors admitted for dividend will rank equally between themselves for the purposes of dividend and will be dealt with in accordance with Section 107 of the Act reading references to "Voluntary Winding-Up" and "Winding-Up" as referring to the Arrangement. Rules 4.181 and 4.182, sub Rules (1) and (2) only, where not inconsistent with this part of the Proposal, will apply reading references to "the Winding-Up" as referring to the Arrangement and "the Liquidator" as referring to the Supervisor.
- 7.1.5 To the extent that part only of the claim of any creditor is disputed, the Supervisor shall upon payment of any dividend under the terms of this Proposal make an interim payment to such creditor in relation to the agreed part (if any) of the claim. The amount of the payment shall be equal to a proposed percentage in the pound (£) as shall be appropriate in the opinion of the Supervisor of the agreed part of the claim. All payments made under this sub-paragraph shall be made in accordance with the other terms of this Proposal. Upon the quantum of any disputed claim being finally agreed, the further payment in respect of the balance (if any) of the claim shall be paid if appropriate.

7.2 Future claims, contingent claims and the claim of any person who is bound by the Arrangement by virtue of Section 5(2)(b)(ii) of the Act (being an unknown claim) or other unliquidated unascertained claims will be paid under the terms of this Proposal once quantified and admitted in accordance with this Proposal or once otherwise liquidated or ascertained. Upon such a claim being quantified and admitted or falling due, it shall be treated as follows:

- 7.2.1 if any previous distribution has been made to any creditors the claim shall be paid at the rate of dividend equal to the effective rate received by such creditors calculated according to the aggregate distribution to those creditors up to the date of payment of the claim as proportional to their agreed debts; and
- 7.2.2 if no previous distribution has been made to any creditors the claim will rank equally with other creditors in the next distribution when it is made.

8 PAYMENT OF DIVIDENDS

- 8.1 The Supervisor shall have no liability in the making of any payment by way of dividend, distribution or otherwise to creditors otherwise than as set out in this Proposal.

- 8.1.1 The Supervisor shall make payments or distribution to creditors at the time or times specified in this Proposal or in the absence of any other provision at such time as he consider convenient, but he shall not be obliged to make any distribution or payment at any time when an application under Section 6 or 7(3) of the Act is pending.
- 8.1.2 Payments and dividends to creditors shall be paid by cheque drawn in sterling on a United Kingdom recognised Bank and sent by post at their risk to them at the addresses notified by the creditors to the Supervisor. If any dividends remain unclaimed when the Supervisor issue a Notice of Implementation they shall be deemed to be waived and the relevant claim against the Company released. The same provision shall apply to the amount of any cheque sent to a creditor in payment of a dividend remaining uncashed when the Supervisor gives Notice of Implementation.
- 8.1.3 The Company shall remain liable to the creditors concerned for the amount of unclaimed dividends and uncashed cheques detailed in paragraph 8.1.2 above notwithstanding the completion of the Arrangement and the issue of a Notice of Implementation, but the Supervisor shall have no further duties, obligations or liabilities to those creditors whatsoever.
- 8.1.4 Creditors shall not be entitled to receive any payment or dividend pursuant to the Arrangement unless they are bound by the Arrangement whether by operation of law or by an undertaking or agreement with the same effect and they have proved for their debt and their debt has been admitted by the Supervisor in accordance with terms of this Proposal.
- 8.1.5 Creditors agree that payments made to them under the terms of this Proposal are in full and final settlement of all sums shown to be due to them, and that they will have no further claims against the Company or the assets of the Company after the expiry of the Arrangement in respect of that claim. Further, creditors will be deemed to have waived all their legal rights against the Company as provided for in paragraph 6 above.

9 THE SUPERVISOR'S LIABILITY

- 9.1 Haines Watts, its partners, its former partners, the Supervisor and his employees and representatives shall incur no personal liability of any sort or in any way by any act or omission by them in carrying out their duties under the Arrangement or otherwise whether to the creditors or any other person whatsoever.

10 VARIATION

- 10.1 The Supervisor may convene meetings of creditors and members for the purposes of varying the Arrangement. The following provisions shall apply to any such meeting:
- 10.1.1 the Supervisor shall give not less than 14 days' notice of the meeting to all of the creditors and members of whom he is aware to their respective addresses known to him.

- 10.1.2 the Supervisor shall send with the notice of meetings, a report stating the reasons for the proposed variation and the effects of it on the Company and the creditors.
- 10.1.3 the notice shall be accompanied by forms of proxy that show the date and time (being a time not earlier than noon on the business day before the day on which the meetings have been convened) by which completed forms of proxy must be lodged with the Supervisor.
- 10.1.4 Rules 1.14 to 1.21 inclusive of the Rules shall apply to the meetings as appropriate with reference to "nominee" and "proposal" being read as references to "the Supervisor" and "the proposed variation" respectively.
- 10.1.5 any variation approved at any meeting of creditors or members shall be binding on all the creditors and members who had notice of the meetings and were entitled to vote at them. Any variation approved shall be put into effect not earlier than 28 days after its approval.
- 10.1.6 The Supervisor shall also be entitled to convene meetings of creditors and members at any time that he considers it advisable to do so in order to ascertain the creditors' or members' wishes or discuss with them any matter relating to the Arrangement. To any such meeting the provisions of paragraph 10.1 of this proposal shall apply save that:
 - 10.1.6.1 meetings shall be chaired by the Supervisor, or by any other person qualified to act as an Insolvency Practitioner or experienced in insolvency matters and nominated for such purpose by the Supervisor;
 - 10.1.6.2 any resolution (provided that it is not a resolution to vary the Arrangement) shall be passed, as regards creditors, if those voting in favour represent a majority of all those voting both in number and in value of their claims and as regards members, if those voting in favour according to the rights attached to their shares represent a majority of all those voting.
- 10.1.7 Any vacancy arising in the office of supervisor may be filled by the creditors at a meeting convened for the purpose by any creditor or any person who is in partnership with the Supervisor immediately before the vacancy occurred. Any such meetings shall be chaired by the convenor (if an individual) or any individual as a representative of the convenor (if the convenor is a body corporate) or any person qualified to act as an insolvency practitioner in relation to the company nominated by the convenor or failing any of the foregoing a partner of the former Supervisor's firm experienced in insolvency matters.

11 DURATION AND TERMINATION

- 11.1 The Arrangement shall, subject as otherwise provided for in this Proposal continue in full force and effect until:

- 11.1.1 there are no further Arrangement Funds left or assets of the Company held by the Supervisor and the Supervisor have issued a Notice of Implementation to all creditors and members of the Company; or
 - 11.1.2 the Supervisor has issued a Notice of Non-Compliance in connection with the Arrangement to all creditors and members of the Company; or
 - 11.1.3 the Supervisor has issued a Notice of Failure to all creditors and members of the Company.
- 11.2 The issue of a Notice of Non-Compliance or Notice of Failure will not release the Company from any obligation placed on it under the Arrangement and shall not prejudice the Supervisor's right to exercise any of the powers given to him under the Arrangement including without limitation the power to distribute any funds held in accordance with the terms of the Arrangement and the power to Petition for the Compulsory Liquidation of the Company.
- 11.3 Upon the Supervisor issuing a Notice of Non-Compliance he shall immediately petition for the Compulsory Winding-Up of the Company without further notice to the Creditors of the Company and shall be entitled to seek their appointment as Liquidator under Section 140 of the Act.
- 11.4 Upon the Supervisor issuing a Notice of Failure he shall immediately convene a meeting of creditors under paragraph 10.1.6 to assess the wishes of the creditors as to whether or not he should petition for the compulsory winding-up of the Company, and if so, whether he should seek their appointment as liquidator under Section 140 of the Act.
- 11.5 Upon the Supervisor issuing a Notice of Implementation, the Company shall be released from all its liabilities to Creditors except as otherwise specified in the Arrangement and the Supervisor shall have no further liability to any creditor or to any other person save that (subject to retention of the funds contemplated by the terms of this Proposal) the Supervisor shall return to the Company any Arrangement Funds of the Company held by them. On termination of the Arrangement, whether by the issue of a Notice of Implementation, a Notice of Non-Compliance or a Notice of Failure, the Supervisor shall be entitled to retain from any Arrangement Funds remaining such amount as he thinks fit, for such period as he thinks fit on account of his fees, costs and expenses in addition to any other sum he is entitled to retain under the terms of this Proposal.
- 12 **MATTERS REQUIRED TO BE DEALT WITH IN ACCORDANCE WITH RULE 1.3**
- 12.1 The following matters are dealt with or stated in accordance with the provisions of Rule 1.3(2) and Rule 1.10(1) adopting the same lettering used in that Rule 1.3(2):
- (a) **Details of the Company's assets and Liabilities**
 - (i)&(ii) Creditors are referred to the Company's Estimated Statement of Affairs as at 28 September 2005, which is appended to this Proposal as Appendix 2(a).
 - (iii) As detailed above at 3.1 and 3.2 it is intended to exclude Disability West Midlands fixtures, fittings and computer, the motor vehicle registration BK51YPU, the Community

Champions Trust money and such proportion of grants received that are apportionable to future periods as set out at clause 3.1 (iii) from the arrangement all other assets will be included.

(b) Third Party Property

No other property other than the assets of the Company itself are to be included in the Arrangement.

(c) The nature and amount of the Company's liabilities and the manner in which they are proposed to be dealt with

Creditors are referred to paragraphs 3 and 7 and Appendices 2 (a) and (b).

(i) The Claims of Preferential Creditors are to be dealt with in accordance with paragraph 7.

(ii) The administrator and executive believe that there are no circumstances giving rise to the possibility of any claims under:

- Section 238 (Transactions at an Undervalue)
- Section 239 (Preferences)
- Section 244 (Extortionate Credit Transactions)
- Section 245 (Floating Charges Invalid)

(ca) Section 176A of the Act does not apply to the Arrangement

(d) Guarantees

No guarantees have been given of the Company's debts by any person.

(e) The Proposed Duration of the Arrangement

Creditors are referred to paragraph 11. The Arrangement will continue for the period of the Arrangement.

(f) Proposed dates of distributions and estimates of their amounts

Creditors are referred to paragraph 3. Distributions to Creditors will be declared and paid in such amounts and at such time as the Supervisor in his absolute discretion consider appropriate and at the latest at the end of the period of the Arrangement, although it is anticipated the Preferential Creditors will be paid in full within 3 months and unsecured creditors will receive an interim dividend of 25 pence in the £ within 3 months

(fa) Creditors are referred to paragraph 7.2

(g)&(h) The remuneration and expenses of the Supervisor

Creditors are referred to paragraph 5. The Supervisor shall be entitled to draw or otherwise require the Company to pay to him sums on account of his fees and expenses from time to time and the fees and expenses of the Supervisor and Administrator will be payable and paid in priority to amounts due to creditors.

(i) Guarantees for the purposes of the Arrangement

No guarantee is to be offered by the directors or any others for the purposes of the Arrangement.

(k) Banking and Investment of Funds

The funds held for the purpose of the arrangement will be held at an account held with Bank of Ireland at 188/190 Stratford Road, Shirley West Midlands. Any Income Tax payable in respect of interest earned on Arrangement Funds will be treated as an expense of the Arrangement and will not be required to be repaid by the Company to the Supervisor.

(l) Surplus funds on the termination of the Arrangement

Creditors are referred to paragraph 8.1.2.

(m) Conduct of the business during the Arrangement

It is proposed that Disability West Midlands will continue to operate as a charity. All responsibility for the running of the charity will rest with its executive from the date of acceptance of this proposal and the supervisor will have no responsibility for the running of Disability West Midlands. Any grant monies available to Disability West Midlands after acceptance of these proposals pursuant to section 3.1 (iii) above will be paid to it by the supervisor within 30 days of acceptance of the proposals.

(n) Further credit facilities

Such facilities are not required subject to any funding or claim conduct agreement which has been executed or the Supervisor may execute in their sole discretion relating to the financing or method of conducting litigation or negotiation.

(o) The Supervisors' functions

Creditors are referred to paragraph 4.

(p) The Intended Supervisor's details are as follows:

Andrew Appleyard of Haines Watts, Canterbury House, 85 Newhall Street, Birmingham, B3 1LH

The proposed Supervisor is a Partner in the firm of Haines Watts and is qualified to act as an Insolvency Practitioner in relation to the Company under the provisions of the Act.

(q) **EC Regulation on Insolvency Proceedings 2000**

The centre of main interests of the Company has been in England. The EC Regulation of Insolvency Proceedings 2000 will apply and the proceedings will be main proceedings.

13 CREDITORS' COMMITTEE

13.1 It is proposed that a creditors' committee is not formed.

14 INVALIDITY AND/OR ILLEGALITY

13.1 If any provision or part of the initial Arrangement is found to be contrary to the Act or Rules, illegal, invalid or contrary to public policy, that will not affect the validity of the remainder of the Arrangement and the provision or part of the Arrangement in question shall be construed accordingly.

Dated: 28 September 2005



Andrew Appleyard

Administrator of the Company

Appendix I

Disability West Midlands

Statutory Information

Company Name:	Disability West Midlands
Registered Address:	Prospect Hall College Walk Bristol Road Birmingham B29 6LE
Registered Number:	03022974
Director(s): (Executive)	Lisa Welsh Linda Foxall Mary Scott Caroline Georghiou Clenton Farquerson
Shareholdings:	Disability West Midlands is a company limited by guarantee
Mortgages or charge:	None

**Disability West Midlands
Estimated Statement of Affairs
As At 28 September 2005**

	£ 000
Balance of Funds Held at Bank Less "Trust" Monies and Estimated Accrued Administration costs	200
Due from Grant Funders (net of costs)	20
Motor Vehicle	4
Fixtures and Fittings	2
Prorated share of Grant Monies 2005/2006	46
	272
Preferential creditors	
Employees Holiday Pay	(20)
Available for unsecured Creditors	252
Employee Claims (Redundancy/Lieu of Notice)	(35)
Trade Creditors	(419)
Shortfall to creditors	(202)

Key	Name	Address	Disability West Midlands Birmingham Creditors
CA00	All Saints Community Education	All Saints Leaning Hub, All Saints, Road Off Stechhouse Lane, All Saints, Wolverhampton WV2 1EL	250.00
CB00	Elaine Brook	Nurses Cottages, Long Lane, Peterchurch, Hereford HR2 0TE	1,200.33
CB01	Phil Brough	Chadwell Mill, Chadwell, Near Newport, Shropshire TF10 9BG	1.00
CB02	British Telecom	Walton House, 34 St James Street, Nottingham, NG1 1BA	100.00
CB03	Balke	Gadd House, Arcadia Avenue, London	2,232.50
CB04	Birmingham Institute for the Deaf	Ladywood Road, Birmingham, B16 8SZ	445.50
CB05	Indergit Sandhu	Black and Asian Disability Centre, 114 Lichfield Street, Walsall, WS1 1SZ	1,942.80
CB06	Elaine Brook	Nurses Cottages, Long Lane, Peterchurch, Hereford, HR2 0TE	1.00
CC00	British Telecom	Payment Centre, Durham, DH98 1BT	100.00
CC02	Cerebral Palsy Midlands	17 Victoria Road, Harborne, Birmingham, West Midlands B17 0AQ	500.00
CC03	Des Cox	2 Three Tuns Lane, Oxley, Wolverhampton, WV10 6BT	235.00
CC04	C F Asset Finance	Cornwallis House, Stone Road, Dartford, Kent DA1 2AG	1.00
CC05	Roy Cadman	10 Vicarage Road, Brewwood, South Staffs, ST19 9HA	1.00
CC06	Rosa Cabello	10 Vicarage Road, Brewwood, South Staffs ST19 9HA	1.00
CC07	Crest Healthcare Limited	10 Oak Tree Lane, Selly Oak, Birmingham, B29 6HX	739.04
CD00	Michael Duffy Partnership	The Counting House, St Pauls Square, 61 Charlotte Street, Birmingham B3 1PX	5,716.50
CE00	University of Wolverhampton	PO Box 4018, Finance Department, Wolverhampton, WV1 1WF	324.00
CE01	Excel Print Limited	351-387 Lichfield Road, Aston, Birmingham, B8 7ST	729.00
CF00	David Fletcher	B A Designs, 12 Edward Court, 317 Hagley Road, Birmingham, B16 9LQ	0.00
CG00	Patrick Gallagher	48 Noose Lane, Willenhall, WV13 3BU	127.60
CG01	R Gormley	24 Granville Square, Edgbaston, Birmingham, B15	1.00
CG02	G E Capital Equipment Finance Limited	Capital House, Bond Street, Bristol, BS1 3LA	48,000.00
CG03	Sue Gittins		3.30
CG04	Caroline Georgiou	4 Valencian, Badgets Bank Road, Sutton Coldfield, Birmingham B74 4EW	23.50
CH00	David Heslop		1.00
CH01	Clive Horsley		39.80
CI00	Indergit Sandhu		1.00
CI01	Incom Systems (Birmingham) Limited	Black and Asian Disability Centre, 114 Lichfield Street, Walsall, WS1 1SZ	406.55
CK00	Daniel Kerr	7 Th Courtyard, Roman Way, Coleshill, B46 1HQ	1.00
CM00	Jo Metson	28 Anita Croft, Gravelly Hill, Birmingham, B23 7NU	877.20
CM01	MLA West Midlands	69 Wentworth Road, Wollaston, Stourbridge, West Mids. DY8 4RZ	25.00
CM02	Malvern Access Group	Grosvenor House, 14 Bennetts Hill, Birmingham, B2 5RS	1,987.00
CM03	Sue Mcorkindale	c/o Viv Owens, 54 Orford Way, Malvern, Worcestershire WR14 2ER	1.00
CN00	Nestle Waters Powwow	31 Torridon Croft, Russell Road, Moseley, Birmingham B3 8RG	51.61
CP00	PKF	PO Box 727, Camberley, GU15 9WZ	352.50
CP01	Jaqueline Penn	New Guild House, 45 Great Charles Street, Queensway, Birmingham B3 2LX	47.20
CP02	Powwow	112 Lichfield Road, Sheffield, Walsall, West Mids. WS4 1PS	51.61
CR00	Randall Butcher Jones Limited	PO Box 727, Camberley, GU15 9WZ NBJ Group, 2 Southlands Road, Bromley Kent, BR2 9QP	1.00

Signature

Key	Name	Address	
CR01	Royal Mail	Finance Service Centre, Stone Hill Road, Fairworth, Bolton, BL4 9XX	260.00
CS00	South Birmingham NHS Primary Care Trust	Finance Directorate, Moseley Hall Hospital, Alcester Road, Birmingham B13 8JL	341,255.94
CS01	Soundbeem	8 Linden Court, Hampton Lane, Solihull, B91 2PU	1,320.00
CS02	Sandwell Women's Enterprise Development Agency	The Business Centre, Church Street, West Bromwich, Sandwell, West Midlands B70 8RP	48.80
CT00	Training Opportunities, Personal &	Practical Skills Man. & Supt. Servs. 41 Woodbury Road, Halesowen, West Midlands B62 9RH	4,300.00
CT01	Freda Thornhill	SCES, 27 Grosvenor Close, Four Oaks, Sutton Coldfield, B75 6RS	1,066.96
CT02	Pat Taylor	12 Bewdley Road, Slirchley, Birmingham, B30 2 VE	1.00
CT03	David Troth	6 Church Vale, West Bromwich, B71 4DD	1.00
CT04	Training For All Foundation	208 Moor Street, West Bromwich, B70 7AR	2,480.00
CT05	Freda Thornhill	SCES, 27 Grosvenor Close, Four Oaks, Sutton Coldfield, B75 6RS	1.00
CU00	University of Wolverhampton	Wulfruna Street, Wolverhampton, West Midlands, WV1 1LY	324.00
CV00	Viking Direct	PO Box 279, Leicester, LE3 1YU	17.57
CW00	The Walsall Disability Centre	114 Lichfield Street, Walsall, WS1 1SZ	180.00
CW01	Woodbrooke Quaker Study Centre	1046 Bristol Road, Birmingham, B29 8LJ	315.00
CW02	Sue Shortland Webb	8 Linden Court, Hampton Lane, Solihull, B91 2PU	1,320.00

53 Entries Totalling

419,409.81

Signature _____

**Disability West Midlands
Estimated Outcome Statement
As at 28 September 2005**

	Note	CVA	Liquidation
Balance of funds held (net of trust monies and provisions for costs)		200	200
Due from grant funders (net of costs)		20	20
Motor Vehicle		NIL	4
Fixtures and Fittings (Net of Realisation)		Nil	1
Prorated share of grant monies	1	46	Nil
Cost of CVA/Liquidation	2	<u>14</u>	<u>17</u>
Available for Preferential Creditors		252	208
Preferential Creditors			
Employee Holiday Pay		<u>20</u>	<u>20</u>
Available for unsecured creditors		232	188
Employee claims (Redundancy/Lieu of Notice)	3	35	50
Trade creditors		419	419
Total		454	469
Dividend available to unsecured creditors pence in £		55.3	40

Note 1 If Disability West Midlands ceases to operate then it will not be able to fulfill the terms of the current grant and the entire grant may become repayable.

Note 2 Liquidation costs will be higher from dealing with additional costs of closing the charity. Unfortunately as the charity is not VAT registered VAT on professional fees and other purchases is irrecoverable and these sums are shown gross.

Note 3 Redundancy costs will be higher in liquidation following the redundancy of the remaining 4 employees.

**Disability West Midlands
(In Administration)**

**Income and Expenditure Account
To 28 September 2005**

	Fixed Charge £	Floating Charge £	Total £
INCOME			
Sales		6,891.10	6,891.10
Furniture & Equipment		900.00	900.00
Book Debts		9,871.54	9,871.54
Insurance Refund		308.75	308.75
Cash at Bank		318,240.83	318,240.83
Bank Interest Gross		3,788.64	3,788.64
Bank Interest Net of Tax		680.59	680.59
	0.00	340,681.45	340,681.45
EXPENDITURE			
Purchases (1)		2,734.81	2,734.81
Direct Labour		69,484.05	69,484.05
Rents		1,417.00	1,417.00
Travel		713.07	713.07
Telephone		285.68	285.68
Professional Fees		135.00	135.00
Vehicle Running Costs		299.00	299.00
Specific Bond		150.00	150.00
Office Holder's Fees		28,822.25	28,822.25
Accounting Assistance		2,000.00	2,000.00
Travel A Appleyard		10.00	10.00
Agents/Valuers Fees		50.00	50.00
Legal Fees		3,445.23	3,445.23
Companies House Searches		3.00	3.00
Statutory Advertising		395.81	395.81
Insurance of Assets		262.51	262.51
Bank Charges		21.00	21.00
	0.00	110,228.41	110,228.41
Balance	0.00	230,453.04	230,453.04

MADE UP AS FOLLOWS

Input VAT	6,271.32
Bank 1 - Current	24,130.54
Trust Fund Future Income	86,529.30
Bank 1 - Money Market	200,000.00
Trust Monies Received	(83,808.00)
PAYE & National Insurance	(2,059.96)
Pension Conts	(610.16)
	230,453.04

VOLUNTARY ARRANGEMENTS - A CREDITORS GUIDE TO INSOLVENCY PRACTITIONERS' FEES

1. Introduction

- 1.1 In a voluntary arrangement, as in other types of insolvency, the amount of money available for creditors is likely to be affected by the level of costs, including the remuneration of the insolvency practitioner appointed to implement the arrangement. This guide explains how fees are fixed in voluntary arrangements, how the creditors can affect the level of fees, and the information which should be made available to them regarding fees.

2. The voluntary arrangement procedure

- 2.1 Voluntary arrangements are available to both companies and individual debtors. Company voluntary arrangements are often referred to as CVAs, and individual voluntary arrangements as IVAs.

- 2.2 The procedure is similar for both CVAs and IVAs and enables the company or individual to put a proposal to their creditors for a composition in satisfaction of their debts or a scheme of arrangement of their affairs. A composition is an agreement under which creditors agree to accept a certain sum of money in settlement of the debts due to them. A CVA may be used as a stand-alone procedure or as an exit route from an administration. It may also be used where a company is in liquidation, but this is extremely rare. The proposal will be made by the directors, the administrator or the liquidator, depending on the circumstances. A proposal for an IVA may be made by a debtor whether or not he is already subject to bankruptcy proceedings. The proposal will be considered by creditors at a meeting convened for that purpose. The procedure is extremely flexible and the form which the voluntary arrangement takes will depend on the terms of the proposal agreed by the creditors. In both CVAs and IVAs the proposal must provide for an insolvency practitioner to supervise the implementation of the arrangement. Until the proposal is approved by the creditors, the practitioner is known as the nominee. If the proposal is approved, the nominee (or if the creditors choose to replace him, his replacement) becomes the supervisor.

3. Fees, costs and charges - statutory provisions

- 3.1 The fees, costs, charges and expenses which may be incurred for the purposes of a voluntary arrangement are set out in the Insolvency Rules 1986 (rule 1.28 for CVAs and rule 5.28 for IVAs). They are:

- any disbursements made by the nominee prior to the approval of the arrangement, and any remuneration for his services agreed between himself and the company (or the administrator or liquidator, as the case may be) or the debtor (or the official receiver or trustee, where the debtor is subject to bankruptcy proceedings);
- any fees, costs, charges or expenses which:
 - are sanctioned by the terms of the arrangement (see below), or
 - would be payable, or correspond to those which would be payable, in an administration, winding up or bankruptcy (as the case may be).

- 3.2 The rules also require the following matters to be stated or otherwise dealt with in the proposal (rule 1.3 for CVAs and rule 5.3 for IVAs):

- The amount proposed to be paid to the nominee (as such) by way of remuneration and expenses, and
- The manner in which it is proposed that the supervisor of the arrangement should be remunerated and his expenses defrayed.

4. The role of the creditors

- 4.1 It is for the creditors' meeting to decide whether to agree the terms relating to remuneration along with the other provisions of the proposal. The creditors' meeting has the power to modify any of the terms of the proposal (with the consent of the debtor in the case of an IVA), including those relating to the fixing of remuneration. The nominee should be prepared to disclose the basis of his fees to the meeting if called upon to do so. Although there are no further statutory provisions relating to remuneration in voluntary arrangements, the terms of the proposal may provide for the establishment of a committee of creditors and may include among its functions the fixing of the supervisor's remuneration.

5. What information should the creditors receive?

- 5.1** Whether the basis of the supervisor's remuneration is determined at the meeting which approves the arrangement or by a committee of creditors, the supervisor, or proposed supervisor should provide details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

Details of the charge out rates of staff employed by Haines Watts are as follows:

STAFF GRADE	CHARGE OUT RATE £ PER HOUR
Partner	220 - 275
Associate	195 - 225
Manager	172 - 195
Administrator	127 - 170
Junior Administrator	100
Cashier	75-95

- 5.2** Where the supervisors' fees are to be agreed by a committee of creditors during the course of the arrangement, the supervisor should provide sufficient supporting information to enable the committee to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case, and should always provide an up to date receipts and payments account. Where the fee is to be charged on a time basis the supervisor should disclose the amount of time spent on the case and the charge out value of the time spent, together with such additional information as may reasonably be required having regard to the size and complexity of the case and the functions conferred on the supervisor under the terms of the arrangement. The additional information should comprise a sufficient explanation of what the supervisor has achieved and how it was achieved to enable the value of the exercise to be assessed and to establish that the time has been properly spent on the case.
- 5.3** Where the basis of the remuneration of the supervisor as set out in the proposal does not require any further approvals by the creditors or any committee of creditors, the supervisor should specify the amount of remuneration he has drawn in accordance with the provisions of the proposal in his subsequent reports to creditors on the progress of the arrangement. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the arrangement was approved. He should also provide such additional information as may be required in accordance with paragraph 5.2.
- 5.4** Where the supervisor proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the supervisor's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

HAINES WATTS BRI DISBURSEMENTS RECOVERY POLICY

Category 1 disbursements

Bordereau/ Insurance	Charged at cost
Case advertising	As per advertisers/ agents invoice
Courier	Charged at cost
DTI IVA registration fee (in relevant cases)	Charged at cost
Land Registry/ Searches Postage	As per Land Registry, agents or Companies House invoice Based on current postal charges. All outgoing post to be logged and recorded by case
Post re-direction	Charged at cost
Storage	Pro-rata per number of boxes per storage charge invoice. An external records storage provider provides this facility to the firm. Charges are currently £2.90 for each box and £3 per box per annum storage
Subsistence	Charged at cost
Telephone	No charge

Category 2 disbursements

Photocopying	15p per copy – irrespective of size
Fax	£1 per page sent
Room hire	£140 for room hire made available in-house for creditors' meetings, based on the external market rate for the provision of appropriate <i>meeting room hire</i> Charge is only be made when attendance of debtor/ director and/or creditors is likely and a meeting room has been set aside. Where appropriate, external room hire at cost
Travel	Charged at cost for public transport and taxis Car travel charged at 39p per mile for staff and 50p per mile for Partners
Stationery	Initial case set-up fee of: £20 per corporate case; £15 per personal case Annual case/ file maintenance charges of £10 These charges are based on the average costs involved in the purchase of files and associated stationery

Additional Notes

Fax charges: based on the average costs involved in the use of fax machine consumables (toner cartridges, maintenance etc), and line costs

Photocopies: based on average costs of machine consumables, paper etc

Room hire: based on estimates provided by four local external providers for meeting room facilities, the average rate arrived at is less than the amount charged by these providers

Rule 1.19 [Requisite majorities (Creditors)]

- 1) Subject as follows, at the creditors' meeting for any resolution to pass approving any proposal or modification there must be a majority in excess of three-quarters in value of the creditors present in person or by proxy and voting on the resolution.
- 3) In the following cases there is to be left out of account a creditors' vote in respect of any claim or part of a claim -
 - a) where written notice of the claim was not given, either at the meeting or before it, to the chairman or convener of the meeting;
 - b) where the claim or part is secured:
 - c) where the claim is in respect of a debt wholly or partly on, or secured by, a current bill of exchange or promissory note, unless the creditor is willing -
 - i) to treat the liability to him on the bill or note of every person who is liable on it antecedently to the debtor, and against whom a bankruptcy order has not been made (or, in the case of a company, which has not gone into liquidation), as a security in his hands, and
 - ii) to estimate the value of the security and (for the purpose of entitlement to vote, but not of any distribution under the arrangement) to deduct it from his claim.
- 4) Any resolution is invalid if those voting against it include more than half in value of the creditors, counting in these latter only those -
 - a) to whom notice of the meeting was sent;
 - b) whose votes are not to be left out of account under paragraph (3); and
 - c) who are not, to the best of the chairman's belief, associates of the debtor