

CVA3

Notice of supervisor's progress report in voluntary arrangement



Companies House



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A06 15/11/2017 #82
COMPANIES HOUSE
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A01 01/11/2017 #100
COMPANIES HOUSE

WEDNESDAY
WET

1 Company details

Company number 0 3 0 7 4 3 6 1

Company name in full Isle of Wight Care Limited

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

2 Supervisor's name

Full forename(s) Andrew

Surname Fender

3 Supervisor's address

Building name/number Sanderling House

Street Springbrook Lane

Earlswood

Post town Solihull

County/Region

Postcode B 9 4 5 S G

Country

4 Supervisor's name^①

Full forename(s)

Surname

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

5 Supervisor's address^②

Building name/number

Street

Post town

County/Region

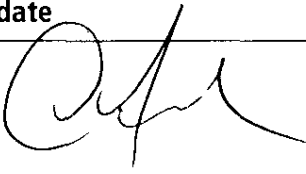
Postcode

Country

② Other supervisor
Use this section to tell us about
another supervisor.

CVA3

Notice of supervisor's progress report in voluntary arrangement

6	Date of voluntary arrangement			
Date	d 0 d 2	m 0 m 9	y 2 y 0 y 1 y 4	
7	Period of progress report			
Date from	d 0 d 2	m 0 m 9	y 2 y 0 y 1 y 6	
Date to	d 0 d 1	m 0 m 9	y 2 y 0 y 1 y 7	
8	Progress report			
<input checked="" type="checkbox"/> I attach a copy of the progress report				
9	Sign and date			
Supervisor's signature	Signature			
	X	X		
Signature date	d 3 d 0	m 1 m 0	y 2 y 0 y 1 y 7	

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Notice of supervisor's progress report in voluntary arrangement



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Andrew Fender**

Company name **Sanderlings LLP**

Address **Sanderling House**

Springbrook Lane

Earlswood

Post town **Solihull**

County/Region

Postcode **B 9 4 5 S G**

Country

DX

Telephone **01564 700 052**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

TO ALL MEMBERS AND CREDITORS

30 October 2017

Our ref: af.el.el.iowc.cva.19

ISLE OF WIGHT CARE LIMITED – COMPANY VOLUNTARY ARRANGEMENT

Following the approval of the Company Voluntary Arrangement on 2 September 2014, I report on the conduct of the Arrangement during the third twelve months.

This report should be read in conjunction with my first annual report dated 13 October 2015 and my second annual report dated 26 October 2016.

Receipts and Payments Account

I attach at Appendix 1 a copy of the Receipts and Payments account for the annual period covered by this report together with a cumulative account at Appendix 2.

Monthly Contributions

You will recall from the proposal as modified that the basis of the voluntary arrangement is minimum monthly contributions for the five year period as follows:

Period	Monthly Contribution (£)
Months 1-6	500
Months 7-12	1,000
Year 2	1,500
Year 3	2,000
Year 4	3,000
Year 5	4,000
TOTAL	270,992

In addition, creditors will recall that a further annual contribution is expected based on the difference between the anticipated costs of the Lloyds Bank loan at the time of the voluntary arrangement proposal and the actual costs incurred, with this represented by a contribution of 50% of the year end bank balance.

Creditors will note from the attached receipts and payments accounts that the minimum monthly contributions are up to date, with the sum of £9,000 received in the first period, £18,000 received in the second period, and £24,000 received in the third period.

The first monthly contribution of £3,000 has been received in the fourth period. The total sum of £54,000 has therefore been received to date.

Additional Annual Contributions

In respect of the additional annual contribution, creditors will recall that £2,000 was received for the first period. The company's balance sheet as at September 2015 showed the sum of £35,672 held in cash, which suggested that £17,836 should be paid into the

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Liquidations

Compulsory Liquidations

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Debt Solutions

voluntary arrangement. After discussing the position with the company's management, I was advised that the sum was held pending confirmation from HMRC of new VAT and PAYE registrations. After completion of these registrations and payment of the amount owed, the sum of £4,000 was available. This resulted in £2,000 being received.

In respect of the second period, the balance held by the company at September 2016 was £33,924 and I was provided with evidence by the management that this was owed in its entirety to HMRC in respect of PAYE and NIC liabilities.

With regard to these liabilities, I became aware on 19 April 2017 of a winding-up petition presented against the company by HMRC. The director advised that he was unaware of this until I brought it to his attention and after obtaining a Validation Order, the company made payment of £46,631 in order to discharge the amount owed to HMRC at that time.

The petition did not impact on the monthly contributions paid into the voluntary arrangement.

I am awaiting further information from the company's management in respect of the year end September 2017, in order to determine what amount is payable for the third period.

Creditor Claims

At the time of the voluntary arrangement proposal, I was not made aware of any claims that could be considered preferential and to date none has been received.

The proposal listed 14 unsecured creditors with an estimated total liability of £384,924.

As detailed in my previous report, I have agreed claims received from 8 creditors totalling £84,214.

On 25 October 2017, I advertised in the London Gazette for all creditors that have not already done so to prove their debts in the voluntary arrangement. The deadline for creditors to submit claims is 14 November 2017, following which I will proceed to pay a first interim dividend to unsecured creditors.

Two creditors with estimated claims totalling £22,710 have still not submitted a proof of debt and a further form is enclosed for submission of a claim if you have not already done so.

One claim received in the sum of £5,180 remains disputed and this is listed in the proposal as an estimated claim of £3,296.

As outlined in the proposal, two connected party creditors with claims totalling £75,000 have agreed to waive their entitlement to a dividend in the voluntary arrangement.

I am in receipt of a provisional claim of £117,069 from HMRC that is somewhat below the estimated claim in the proposal of £167,293. I am still not yet in receipt of a final claim from HMRC and will proceed to pay a dividend after the deadline referenced above, including any provision necessary.

Cost of the Voluntary Arrangement

In accepting the proposal as modified, creditors have authorised the Supervisor to draw remuneration on the basis of work undertaken and time spent in attending to matters arising in the arrangement since appointment.

I attach at Appendix 3 a summary of my time costs for the period under consideration, together with a guide to charge out and disbursement rates. A guide to fees is available on request.

The time costs amount to £10,611.00 representing 38.10 hours at an average rate of £278.50. You will note from the attached receipts and payments account that the sum of £10,037.74 has been billed and drawn in this period.

Supervisor's time has been spent on the activities as set out in the Insolvency Act and within the Company Voluntary Arrangement document. These activities include:

- Realisation of contributions as detailed in this report
- Communication with company management regarding the HMRC winding-up petition, validation order, and resolution of the matter
- Preparation and circulation of the annual report to creditors
- Correspondence and communication with unsecured creditors and their representatives
- Correspondence and communication with HMRC regarding their claim in the voluntary arrangement
- Communication with the director and company management regarding management accounts, end of year accounts, and compliance with the voluntary arrangement proposal in general
- Compliance matters and cashing, including but not limited to calculation and payment of the bordereau liability and monitoring the bordereau level, preparation and submission of statutory returns

Attached at Appendix 4 is a summary of my time costs for the whole of the voluntary arrangement to 6 October 2017. These amount to £32,043.00 representing 130.60 hours at an average rate of £245.35.

Creditors have also authorised me to draw category 2 type disbursements from the funds in hand. Details of all disbursements incurred are as follows:

Nature of disbursement	Amount incurred between 02.09.14 and 01.09.16	Amount incurred between 02.09.16 and 01.09.17	Amount drawn between 02.09.16 and 01.09.17
The Supervisor's category 1 disbursements (net)			
Bordereau	528.00	Nil	Nil
The Supervisor's category 2 disbursements (net)			
Stationery, printing, postage, telephone	510.00	155.00	155.00
Company search	45.00	Nil	Nil
Room Hire	175.00	Nil	Nil
Mileage & parking costs	31.20	Nil	Nil

You will note that there is no creditors meeting however, should you require further information or wish to discuss the contents of this report please do not hesitate to contact me.

Yours faithfully

A handwritten signature in black ink, appearing to be 'A. Fender', with a long horizontal flourish extending to the right.

Andrew Fender
Supervisor

Isle of Wight Care Limited
Receipts and Payments Account from 2 September 2016 to 1 September 2017

<u>Receipts</u>	£
Contribution	24,000.00
Interest	3.11
	<u>24,003.11</u>

<u>Payments</u>	
Supervisor's Fees	10,037.74
Printing, Postage, Stationery, Telephone	155.00
	<u>10,192.74</u>

<i>Balance brought forward:</i>	<i>9,176.84</i>
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<u>Closing Balance</u>	<u>22,987.21</u>
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Funds Held in Interest Bearing Account

Isle of Wight Care Limited
Receipts and Payments Account from 2 September 2014 to 30 October 2017

<u>Receipts</u>	£
Contribution	54,000.00
Additional Annual Contribution	2,000.00
Interest	10.41
	<hr/>
	56,010.41

<u>Payments</u>	
Supervisor's Fees	32,193.00
Bordereau	528.00
Printing, Postage, Stationery, Telephone	510.00
Room Hire	175.00
Company Search	45.00
Mileage & Parking Costs	31.20
	<hr/>
	33,482.20

<u>Closing Balance</u>	<hr/>
	22,528.21

Funds Held in Interest Bearing Account

TIME & CHARGEOUT SUMMARIES

Isle Of Wight Care Ltd - POST

From 02/09/2016 to 01/09/2017

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	13.50	0.00	1.50	7.10	22.10	7,185.00	325.11
Realisation of Assets	0.00	0.00	0.00	1.10	1.10	165.00	150.00
Creditors	3.80	0.00	0.00	11.10	14.90	3,261.00	218.86
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	7,266.00	0.00	450.00	2,895.00		10,611.00	
Total Hours	17.30	0.00	1.50	19.30	38.10		
Average Rate	420.00	0.00	300.00	150.00			

TIME & CHARGEOUT SUMMARIES

Isle Of Wight Care Ltd - POST

To 13/10/2017

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	19.30	0.00	6.70	36.10	62.10	15,262.50	245.77
Realisation of Assets	0.60	0.00	1.20	7.20	9.00	1,642.00	182.44
Creditors	23.10	0.00	3.60	33.60	60.30	15,209.50	252.23
Specific Matters	0.20	0.00	0.00	0.00	0.20	79.00	395.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	17,606.50	0.00	3,307.50	11,279.00		32,193.00	
Total Hours	43.20	0.00	11.50	76.90	131.60		
Average Rate	407.56	0.00	287.61	146.67			

SANDERLINGS ACCOUNTANCY SERVICES LIMITED, SANDERLINGS LLP, SANDERLINGS BUSINESS SERVICES LIMITED, MAYFIELDS SANDERLINGS LLP - FEES, DISBURSEMENTS & INFORMATION

Fees

The fees of the Trustee/Liquidator/Supervisor/Administrator (appointed IP) are fixed by reference to time properly spent by the appointed IP and his staff in attending to all matters arising in the Bankruptcy/Liquidation/Voluntary Arrangement/Administration (case) unless otherwise agreed with the creditors. The appointed IP and his staff charge time to all insolvency cases in units of 6 minutes. The Trustee/Liquidator/Supervisor/Administrator reserves the right to charge interest at a rate of 2% above bank base rate on unrecovered work in progress.

The charge-out rates for the various categories of staff are as follows:-

	Charge Out Rate per Hour £
Appointed Partner (Trustee, Supervisor, Liquidator, Administrator, Administrative Receiver)	420
Partner/Senior Manager	300
Manager	230
Case Administrator	150
Support staff (only to be chargeable for periods of 1 hour or more)	110
Junior	45

Standard Activity	Examples of Work
Statutory Compliance, administration & planning	Statutory reporting and compliance, compliance with other regulatory requirements <i>case planning, administrative set up, appointment notification, maintenance of records,</i>
Investigations	SIP 2 review, CDDA reports, Investigating antecedent transactions
Realisation of assets	Identifying, securing, insuring assets, Retention of title, Debt collection Property, business and asset sales
Trading	Management of operations, accounting for trading, on going employee issues
Creditors	Communication with creditors, Creditors' claims (including employees and other preferential creditors)

Disbursements - Category 2 Disbursements

In dealing with the case, the appointed IP will incur expenses and disbursements that are recoverable from the assets available in the case in accordance with Rules 6.224 and 4.218 respectively of the Insolvency Rules. In addition to out of pocket expenditure, the appointed IP will also recover shared or allocated costs. These may be referred to as category 2 disbursements. Where applicable, such category 2 type disbursements are calculated as follows: -

Expense Type	Basis of Charge
For all official stationery, printing postage and telephone charges, including notices to creditors and contributories in respect of the first meetings of creditors and contributories:	(i) for a number of creditors and Contributories not exceeding 25, £175 (ii) for every additional 10 creditors and contributories or part thereof, £40
Where any other meetings of creditors or contributories are held, for summoning and holding the meetings and for statutory circulars:	(iii) for a number of creditors and Contributories not exceeding 25, £155 (iv) for every additional 10 creditors and contributories or part thereof, £20

All other expenses and disbursements are recovered as follows:

Expense Type	Basis of Charge
Room Hire (for each statutory meeting of creditors)	£175.00 per meeting
Mileage	35-95p per mile
Company search costs	£45 per search
Storage of company books and records	£2.50 per box per quarter*

* Where funds permit, a charge for storage of boxes for 12 months after closure of the case is made to cover storage costs until such time as destruction of the records is permitted. Minimum charge of £200 to cover administration.

Should any creditor require further clarification in respect of fees or expenses, then please contact the appointed IP or case manager as identified in the correspondence concerning the case in question.

INFORMATION

Within 21 days of receipt of this progress report a creditor may request that I provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the creditors (including that creditor) or the permission of the court. You also have a right to challenge my remuneration and expenses.

I am obligated to provide the requested information within 14 days, unless I consider that the time or cost involved in preparing the information would be excessive, or disclosure would be prejudicial to the conduct of the proceedings or might be expected to lead to violence against any person, or I am subject to an obligation of confidentiality in relation to the information requested, in which case I must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of my refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information. As an insolvency practitioner I am bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

A guide to fees is available on request or at www.icaew.com/en/technical/insolvency/creditors-guides - Updated 1 January 2016