

The Insolvency Act 1986

Notice to Registrar of Companies of
Supervisor's Progress ReportPursuant to Rule 1.26A(4)(a) or
Rule 1.54 of the
Insolvency Rules 1986**R.1.26A(4)(a)/
R.1.54**

For Official Use

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To the Registrar of Companies

Company Number

05590661

Name of Company

A & K Insulation Limited

We
Eric Walls
C12 Marquis Court
Marquisway, TVTE
Gateshead
Tyne & Wear, NE11 0RUWane Harrison
C12 Marquis Court
Marquisway, TVTE
Gateshead
Tyne & Wear, NE11 0RU

supervisor(s) of a voluntary arrangement taking effect on

27 April 2010

present overleaf my/our abstract of receipts and payments for the period from

27 April 2010

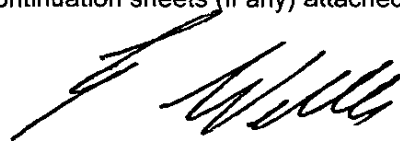
to

26 April 2011

Number of continuation sheets (if any) attached

☐

Signed



Date

24/06/2011

KSA Group Ltd
C12 Marquis Court
Marquisway, TVTE
Gateshead
Tyne & Wear, NE11 0RU

Ref K2033/EW/WH/JE/CR/RB/AB

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Insolvency Section | Post Room

WEDNESDAY



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29/06/2011

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COMPANIES HOUSE

**Voluntary Arrangement of
A & K Insulation Limited**

**Statement
of Affairs**

**From 27/04/2010
To 26/04/2011**

SECURED ASSETS

Bank Interest

1 14

1 14

COSTS OF REALISATION

Tax on Interest Received

0 11

(0 11)

ASSET REALISATIONS

Debtor Contributions

11,000 00

11,000 00

COST OF REALISATIONS

Specific Bond

180 00

(180 00)

10,821.03

REPRESENTED BY

Bank 1 Current

4,020 00

Bank 1 Deposit

6,801 03

10,821.03

Eric Walls
Joint Supervisor

24 June 2011

Our Ref EWWH/K2033/U

INSOLVENCY HEAD OFFICE
KSA GROUP LTD
C12 MARQUIS COURT
MARQUISWAY
TEAM VALLEY
GATESHEAD, NE11 0RU
T 0191 482 3343
F 0191 491 3062
insolvency@ksagroup.co.uk
WWW.KSAGROUP.CO.UK

TO ALL CREDITORS

Dear Sirs

A & K Insulation Limited – In Company Voluntary Arrangement (“CVA”)

I have pleasure in enclosing herewith a report on the conduct of the above company voluntary arrangement

I am also enclosing a proof of debt form and would ask any creditor who has not submitted details of their claim to do so as quickly as possible **Failure to submit a proof of debt form will result in creditors being excluded from any dividend paid.**

Yours faithfully


E Walls
Joint Supervisor of A & K Insulation Limited

Enc

IN THE MATTER OF THE INSOLVENCY ACT 1986

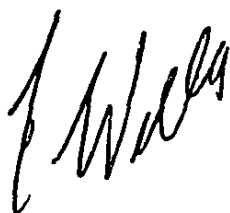
AND

IN THE MATTER OF A & K INSULATION LIMITED

Notice To Creditors of Intended Dividend

NOTICE IS HEREBY GIVEN pursuant to Rule 11.2 of the Insolvency Rules 1986 (as amended), that I, Eric Walls, the joint supervisor of the above named, intend paying a first dividend to the unsecured creditors within four months of the last date of proving specified below. Creditors who have not already proved are required, on or before 29 July 2011, the last day for proving, to submit their proof of debt to me at KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU and, if so requested by me, to provide such further details or produce such documentary or other evidence as may appear to be necessary. A creditor who has not proved his debt before the date specified above is not entitled to disturb, by reason that he has not participated in it, the dividend so declared

Dated 24 June 2011

A handwritten signature in black ink, appearing to read 'Eric Walls', written in a cursive style.

Eric Walls
Joint Supervisor

**A & K INSULATION LIMITED ("THE COMPANY")
IN COMPANY VOLUNTARY ARRANGEMENT**

**REPORT TO CREDITORS IN ACCORDANCE WITH RULE 1.26
OF THE INSOLVENCY RULES 1986 (AS AMENDED)**

1. Introduction

- 1 1 You will recall that I was appointed joint supervisor of the above company voluntary arrangement ("CVA") along with Wayne Harrison at a meeting of creditors held on 27 April 2010. Accordingly I enclose a brief report on the conduct of the arrangement for the year ended 26 April 2011.

2. Receipts and Payments Account

- 2 1 Attached to this report is a receipts and payments account for the year ended 26 April 2011. The majority of the funds held by the supervisor are now held on an interest bearing account.
- 2 2 As noted in the receipts and payments account the company continues to make the contributions due under the CVA on a regular basis.

3. Conduct of the Voluntary Arrangement

- 3 1 As with most companies the first year's trading in the CVA has proved challenging however, the company is continuing to monitor overheads and profit margins during this time. The directors are confident that the business can trade reasonably well going forward.

4. Accounts

- 4 1 I have been forwarded annual accounts and have summarised below the accounts for the period 30 June 2010.

	Period to January 2010 £
Turnover	170,479
Profit/(Loss)	(41,615)

5. Compliance with the CVA Proposal

- 5 1 As noted above the company continues to make the regular contributions detailed in the CVA proposal on a monthly basis. In addition, the company has paid £3,000 to enable winding up action to be taken in the event of default.
- 5 2 I have not been advised by any creditor of any situation where the company is failing to comply with the terms and conditions of the CVA. As far as I am aware, creditors are being paid within agreed terms and conditions of trade. **Should any creditor become aware of any circumstance which leads them to believe that the company is not complying with any of the terms and conditions of the CVA then I should be grateful if they would inform me as a matter of urgency.**

6. Claims of the Preferential Creditors

- 6 1 At this stage there are no known claims which would rank as preferential in this case.

7. Unsecured Creditors

- 7 1 As was forecast in the CVA proposal an estimated dividend of 3.0p in the £ will be payable in the first year of the CVA. Attached to this report is a notice of intention to pay a dividend requesting creditors to submit their claims by 29 July 2011.

- 7 2 A number of creditors have yet to submit a proof in debt form in the CVA. A list of those creditors is attached to this report.
- 7 3 **Failure to submit a proof of debt form may result in creditors being excluded from any dividend paid. A further proof of debt form is attached to allow creditors to submit their claim.**

8. Future Dividends

- 8 1 Assuming the company continues to comply with the terms of the CVA then future dividends will be payable to creditors as follows

Estimated dividend payable		Unsecured Creditors p in the £	Estimated Payment Date
End of	Year 1	3 0	By 30 September 2011
	Year 2	10 9	By 30 April 2012
	Year 3	12 3	By 30 April 2013
	Year 4	13 7	By 30 April 2014
	Year 5	17 1	By 30 April 2015

- 8 2 The dividends shown as being payable to unsecured creditors are based on the original level of claims noted in the CVA proposal. **This situation is of course likely to change once the final claims from all classes of creditor have been agreed.**
- 8 3 The above schedule is simply based on the contributions to the CVA as set in the company's original proposal (as amended). No account is taken of any amounts which may become due as a result of the company generating profits. Clearly profit levels will be monitored and if any additional funds do become available then this will simply serve to increase the dividends payable.
- 8 4 The level of dividend to unsecured creditors will of course be dependent on the final level of agreed creditor claims. When estimating the dividends payable, account has been taken of both the likely costs of the CVA and the monies which need to be retained by the supervisor to deal with the costs of winding up the company should the need arise.

9. Supervisors' Remuneration

- 9 1 You will recall that in the proposal the supervisors' remuneration was to be based on the time costs of them and their staff in dealing with this CVA. The supervisors were also given authority to draw remuneration on account of those time costs as and when they felt it appropriate to do so.
- 9 2 In accordance with Statement of Insolvency Practice 9 as issued by the Association of Business Recovery Professionals an analysis of the time costs incurred to date in dealing with this CVA is attached to this report. It is the policy of my firm that all members of staff dealing with the administration of this case charge the time they have spent directly to the case. Creditors should note that the charge out rates of my firm have recently changed and are detailed below.
- 9 3 The charge out rates currently levied by this firm in respect of staff likely to deal with this matter can be summarised as follows

	Hourly Charge Out Rate £
Partner	175 – 300
Manager	100 – 175
Administrators/Support Staff	40 – 100

- 9 4 You will note from the attached receipts and payments account that no supervisors' remuneration has yet been drawn. I now intend to draw remuneration on account of those time costs. The final level of supervisors' remuneration will be agreed with the creditors in due course.
- 9 5 In accordance with the CVA proposal, all disbursements incurred by the supervisors' firm are to be reimbursed at direct cost save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor will be levied, and motor travel where a charge of 40p per mile is made. As can be seen from the attached receipts and payments account disbursements of £180 have been drawn in respect of the supervisors' specific bond.
- 10. Conclusion**
- 10 1 I will forward a further report to creditors following the second anniversary of our appointment.

A handwritten signature in black ink, appearing to read 'E Walls', written in a cursive style.

E Walls
Joint Supervisor

24 June 2011

A & K Insulation Limited
In Company Voluntary Arrangement
Receipts and Payments Account

From 27 April 2010
To 26 April 2011
£

RECEIPTS

Arrangement Contributions	11,000 00
Bank Interest	1 14
	<u>11,001 14</u>

PAYMENTS

Tax on Interest Earned	0 11
Specific Bond	180 00
	<u>180 11</u>

BALANCE

10,821 03

REPRESENTED BY

Cash at Bank - Current Account	4,020 00
Cash at Bank - Deposit Account	6,801 03
	<u>10,821 03</u>

KSA Group Ltd
A & K Insulation Limited
Creditors with Outstanding Proofs

Name	S of A £	S of A Total £
Edu-Chem LTD	23,233 00	23,233 00
Edulan UK LTD	19,000 00	19,000 00
HM Revenue and Customs	44,264 87	44,264 87
Reed Business Information	120 75	120 75
Total	<u>92,796 36</u>	<u>92,796.36</u>

A & K INSULATIONS LIMITED
IN COMPANY VOLUNTARY ARRANGEMENT
TIME AND CHARGE OUT SUMMARY

	Hours Spent	Charge Out Rate £	Total Time Costs £	Average Hourly Rate £
Administration, Planning and Statutory Matters				
Partner	4 33	175 - 300	974 88	225 15
Manager	0 00	100 - 175	0 00	0 00
Administration/Support	6 82	40 - 100	681 73	99 96
Investigations				
Partner	0 00	175 - 300	0 00	0 00
Manager	0 00	100 - 175	0 00	0 00
Administration/Support	0 00	40 - 100	0 00	0 00
Realisation of Assets				
Partner	2 80	175 - 300	628 62	224 51
Manager	0 00	100 - 175	0 00	0 00
Administration/Support	0 81	40 - 100	81 25	100 31
Trading Review				
Partner	2 90	175 - 300	652 19	224 89
Manager	0 00	100 - 175	0 00	0 00
Administration/Support	0 00	40 - 100	0 00	0 00
Creditors				
Partner	0 77	175 - 300	173 81	225 73
Manager	0 00	100 - 175	0 00	0 00
Administration/Support	2 55	40 - 100	240 24	94 21
Case Specific Matters				
Partner	1 51	175 - 300	339 51	224 84
Manager	0 00	100 - 175	0 00	0 00
Administration/Support	1 43	40 - 100	94 89	66 36
TOTAL	<u>23 92</u>		<u>3,867 12</u>	<u>161 67</u>