

CVA3

Notice of supervisor's progress report in voluntary arrangement



Companies House

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

1 Company details

Company number 0 5 7 3 9 5 4 5

Company name in full Alken Construction Services Limited

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

2 Supervisor's name

Full forename(s) Martyn James

Surname Pullin

3 Supervisor's address

Building name/number 1st Floor 34 Falcon Court

Street

Post town Preston Farm Business Park

County/Region Stockton on Tees

Postcode T S 1 8 3 T X

Country

4 Supervisor's name^①

Full forename(s) David Antony

Surname Willis

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

5 Supervisor's address^②

Building name/number 1st Floor

Street 34 Falcon Court

Post town Preston Farm Business Park

County/Region Stockton on Tees


Postcode T S 1 8 3 T X

Country

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

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6	Date of voluntary arrangement															
Date	^d	1	^d	2	^m	0	^m	3	^y	2	^y	0	^y	2	^y	0
7	Period of progress report															
Date from	^d	1	^d	2	^m	0	^m	3	^y	2	^y	0	^y	2	^y	1
Date to	^d	1	^d	1	^m	0	^m	3	^y	2	^y	0	^y	2	^y	2
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	0	^d	6	^m	0	^m	5	^y	2	^y	0	^y	2	^y	2

CVA3

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 **Martyn James Pullin**

Company name **FRP Advisory Trading Limited**

Address **1st Floor**

34 Falcon Court

Post town **Preston Farm Business Park**

County/Region **Stockton on Tees**

Postcode **T S 1 8 3 T X**

Country

DX **cp.teesside@frpadvisory.com**

Telephone **01642 917555**



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

**Voluntary Arrangement of
Alken Construction Services Limited
Joint Supervisors' Summary of Receipts & Payments**

Statement of Affairs £		From 12/03/2021 To 11/03/2022 £	From 12/03/2020 To 11/03/2022 £
	HIRE PURCHASE		
26,000.00	Plant & Machinery Subject to Finance	NIL	NIL
(37,149.00)	Close Brothers Asset Finance	NIL	NIL
102,000.00	Plant & Machinery Subject to Finance	NIL	NIL
(143,485.00)	Hitach Capital Business Finance	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	7.78	9.97
68,476.00	Book Debts	NIL	NIL
13,000.00	Motor Vehicles	NIL	NIL
3,100.00	P&M, Office Furniture & Equipment	NIL	NIL
NIL	Stock	NIL	NIL
	Voluntary Contributions	39,750.00	69,000.00
		39,757.78	69,009.97
	COST OF REALISATIONS		
	Court Fees	NIL	50.00
	Nominee's Fees	NIL	8,000.00
		NIL	(8,050.00)
	PREFERENTIAL CREDITORS		
(12,800.00)	Preferential Creditors	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(44,000.00)	Associated Creditor	NIL	NIL
(2,400.00)	Employees' Unsecured Claims	NIL	NIL
(237,746.00)	HM Revenue & Customs	NIL	NIL
(236,483.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(400.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(501,887.00)		39,757.78	60,959.97
	REPRESENTED BY		
	IB Current Floating		60,959.97
			60,959.97

To all members and creditors

Your Ref:

Our Ref: A1965TEE/CVA049/LR/LMN

Please Contact: Lianne Maidman

Telephone Number: 01642 917555

Email Address: Lianne.Maidman@frpadvisory.com

Date: 6 May 2022

Dear Sirs

ALKEN CONSTRUCTION SERVICES LIMITED (Under a Voluntary Arrangement) ("CVA") ("THE COMPANY")

I was appointed Joint Supervisor of the above CVA on 12 March 2020 and I now give my report, in accordance with the Insolvency (England and Wales) Rules 2016, on the progress of the CVA for the 12-month period ended 11 March 2022 together with my comments on the prospects for the full implementation of the arrangement.

PURPOSE OF THE CVA

Under the terms of the Company's proposals as approved by creditors, the CVA was to last for 5 years and its purpose was to allow the Company to continue to trade, thereby allowing monthly contributions to be paid into the Arrangement, for the purpose of enabling a return to creditors. In the event that the Company was to cease to trade, creditors' dividend prospects in a Liquidation scenario were significantly reduced.

Over the period of the CVA, the Company was required to pay 60 contributions of no less than £2,750 a month into the Arrangement. The proposal, as modified, also provided for the Company's contributions to increase to £7,750 each quarter. Total contributions throughout the duration of the Arrangement were therefore expected to amount to £265,500. However, as recently confirmed in a letter to creditors dated 11 April 2022, the Company has been unable to maintain contributions as required. The Company was unable to rectify the position within the timescale set out in a Notice of Default and the Arrangement is therefore deemed to have failed.

PROGRESS OF THE CVA TO DATE

To date, contributions totalling £69,000 have been paid into the Arrangement, with £39,750 having been received in the reporting period.

During the reporting period, the Company experienced cash flow difficulties, in part due to the postponement of two significant contracts and exacerbated by a substantial and ongoing increases in the cost of fuel. As a result, the Company fell into arrears with contributions and the Supervisors therefore issued a formal Notice of Breach. The Company was unable to bring contributions back in line with the terms of the Arrangement and, whilst consideration was given as to whether viable variation proposals could be prepared, it was concluded that the level of increased costs generally meant that the Company could no longer continue to generate sufficient surplus income to enable CVA contributions, even at a reduced level, to be maintained.

A Notice of Intended Dividend has previously been issued to creditors confirming that all claims should be submitted by the final proving date of 8 April 2022. Following the deduction of any final costs, the Supervisors will proceed to distribute the balance of funds held to unsecured creditors who have submitted valid claims.

Once the final distribution has been declared and paid, steps will be taken to bring the CVA to a conclusion and the Supervisors' Final Report will be issued.

SUPERVISORS' RECEIPTS AND PAYMENTS ACCOUNT

A summary of the Supervisors' receipts and payments account for the 12-month period to 11 March 2022 is attached at Appendix A. Fees and expenses paid during the period of the report remain in line with the estimated outcome statement previously provided to creditors.

Payments made from the estate are fair and reasonable and proportionate to the insolvency appointment and are directly attributable to this insolvency. No payments have been made to associates without the prior approval of creditors, as required by SIP9.

PROSPECTS FOR THE FULL IMPLEMENTATION OF THE CVA

As noted earlier in the report, the Company has been unable to pay the required contributions and therefore the CVA is deemed to have failed.

The Company will be entering into Liquidation on 20 May 2022.

SUPERVISORS REMUNERATION AND DISBURSEMENTS

As previously advised, creditors approved the Nominees' Fees in this matter as a fixed fee of £8,000 which has been drawn in full.

Creditors also approved the proposal that the Supervisors' fees were to be calculated on a time cost basis, with total fees over the period of the Arrangement estimated at £37,500. Although not drawn in the reporting period, and not therefore reflected on the attached summary of Receipts and Payments, Supervisors' fees of £15,000 plus disbursements were drawn on 14 March 2022.

My remuneration as Supervisor is based on computerised records of all time spent on the administration of this case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six-minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory Trading Limited charge out rates together with a breakdown of the time costs incurred during the period of this report and cumulatively, in accordance with Statement of Insolvency Practice 9 are attached at appendix B.

The Supervisors' disbursements are a recharge of actual costs incurred by the Supervisors in dealing with this matter. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory Trading Limited at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report and cumulatively are attached at appendix B.

A Creditors' Guide to Fees can be accessed using the following link <https://creditors.frpadvisor.com/info.aspx> and selecting the one for voluntary arrangements. Alternatively, a hard copy of the relevant guide will be sent to you on request.

Should you have any queries concerning this report please contact Lianne Maidman using the above contact details.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Pullin'.

Martyn James Pullin

Joint Supervisor

Licensed in the United Kingdom by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

Voluntary Arrangement of
Alken Construction Services Limited
Joint Supervisors' Summary of Receipts & Payments

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		NIL	NIL
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(2,400.00)	Employees' Unsecured Claims	NIL	NIL
(237,746.00)	HM Revenue & Customs	NIL	NIL
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		NIL	NIL
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(400.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(501,887.00)		39,757.78	60,959.97
	REPRESENTED BY		
	IB Current Floating		60,959.97
			60,959.97

FRP

Alken Construction Services Limited (In Voluntary Arrangement)

Time charged for the period 12 March 2021 to 11 March 2022

	Appointment Takers				Junior Professional & Support	Total Hours	Total Cost	Average Hrly Rate
	/ Partners	Managers / Directors	Other Professional				£	£
Administration and Planning	2.00	7.60	2.85		1.30	13.75	3,149.00	229.02
A&P - Admin & Planning	0.10	0.90	0.20			1.20	274.50	228.75
A&P - Case Accounting			2.25	0.50		2.75	417.00	151.64
A&P - General Administration				0.50		0.50	45.00	90.00
A&P - Case Control and Review	1.40	5.50	0.40			7.30	1,937.00	265.34
A&P - Case Accounting - General		1.00				1.00	230.00	230.00
A&P - Fee and WIP		0.10				0.10	23.00	230.00
A & P - Strategy and Planning	0.50	0.10		0.30		0.90	222.50	247.22
Asset Realisation		6.50				6.50	1,495.00	230.00
ROA - Asset Realisation		6.50				6.50	1,495.00	230.00
Creditors	0.20	2.30	1.40	1.70		5.60	982.00	175.36
CRE - Unsecured Creditors	0.10	2.30	1.40	1.70		5.50	947.50	172.27
CRE - TAX/VAT - Pre-appointment	0.10					0.10	34.50	345.00
Statutory Compliance	0.30	5.90	0.50			6.70	1,543.00	230.30
STA - Tax/VAT - Post appointment		1.00				1.00	230.00	230.00
STA - Statutory Reporting/ Meetings	0.30	4.90	0.50			5.70	1,313.00	230.35
Total Hours	2.50	22.30	4.75	3.00		32.55	7,169.00	220.25

Disbursements for the period 12 March 2021 to 11 March 2022

	Value £
Grand Total	

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates

Grade	From 1st May 2016
Appointment taker / Partner	320-345
Managers / Directors	230-320
Other Professional	135-210
Junior Professional & Support	75-105

FRP

Alken Construction Services Limited (In Voluntary Arrangement)

Time charged for the period 12 March 2021 to 11 March 2022

WIPDate (All)
Time and Disbursements Timesheet entries
IncludeInPeriodPivot TRUE

	Total Hours	Total Cost £	Average Hrlly Rate £
Administration and Planning	13.75	3,149.00	229.02
A&P - Admin & Planning	1.20	274.50	228.75
A&P - Case Accounting	2.75	417.00	151.64
A&P - General Administration	0.50	45.00	90.00
A&P - Case Control and Review	7.30	1,937.00	265.34
A&P - Case Accounting - General	1.00	230.00	230.00
A&P - Fee and WIP	0.10	23.00	230.00
A&P - Strategy and Planning	0.90	222.50	247.22
Asset Realisation	6.50	1,495.00	230.00
ROA - Asset Realisation	6.50	1,495.00	230.00
Creditors	5.60	982.00	175.36
CRE - Unsecured Creditors	5.50	947.50	172.27
CRE - TAX/VAT - Pre-appointment	0.10	34.50	345.00
Statutory Compliance	6.70	1,543.00	230.30
STA - Tax/VAT - Post appointment	1.00	230.00	230.00
STA - Statutory Reporting/ Meetings	5.70	1,313.00	230.35
Grand Total	32.55	7,169.00	220.25

FRP Charge out rates	From
Grade	1st May 2016
Appointment taker / Partner	320-345
Managers / Directors	230-320
Other Professional	135-210
Junior Professional & Support	75-105

Time charged from the start of the case to 11 March 2022

WIPDate (All)
Time and Disbursements Timesheet entries
IncludeInWholeJobCost TRUE

	Total Hours	Total Cost £	Average Hrlly Rate £
Administration and Planning	39.25	9,160.50	233.39
A&P - Admin & Planning	6.00	1,482.00	247.00
A&P - Case Accounting	7.55	1,119.50	148.28
A&P - General Administration	3.90	675.50	173.21
A&P - Case Control and Review	18.10	4,925.00	272.10
A&P - Case Accounting - General	1.80	414.00	230.00
A&P - Fee and WIP	0.20	46.00	230.00
A&P - Strategy and Planning	1.70	498.50	293.24
Asset Realisation	10.10	2,323.00	230.00
ROA - Asset Realisation	10.10	2,323.00	230.00
Creditors	9.50	1,792.50	188.68
CRE - Unsecured Creditors	8.30	1,575.00	189.76
CRE - HP/ Leasing	0.50	45.00	90.00
CRE - TAX/VAT - Pre-appointment	0.70	172.50	246.43
Statutory Compliance	15.15	3,669.75	242.23
STA - Appointment Formalities	4.95	1,366.75	276.11
STA - Statutory Compliance - General	1.90	437.00	230.00
STA - Tax/VAT - Post appointment	2.60	553.00	212.69
STA - Statutory Reporting/ Meetings	5.70	1,313.00	230.35
Trading	0.70	161.00	230.00
TRA - Case Accounting - Trading	0.10	23.00	230.00
TRA - Trading forecasting/ Monitoring	0.60	138.00	230.00
Grand Total	74.70	17,106.75	229.01