

Rule 1.29/1 54

The Insolvency Act 1986

# Notice to Registrar of Companies of Completion or Termination of Voluntary Arrangement

Pursuant to Rule 1 29 or Rule 1 54 of the  
Insolvency Rules 1986

# R.1.29/ R.1.54

To the Registrar of Companies

For Official Use

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Company Number

01164539

Name of Company

(a) Insert full name of  
Company

Practical Compounds Limited

(b) Insert full name and  
Address

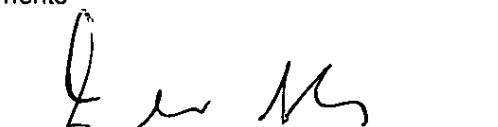
I Ian William Kings  
Baker Tilly Business Services Limited  
Tenon House  
Ferryboat Lane  
Sunderland  
Tyne and Wear  
SR5 3JN

(c) Insert date

(d) Delete as applicable

The supervisor of a voluntary arrangement which took effect on 13 February 2013  
enclose a copy of my notice to the creditors and members of the above-named company  
that the voluntary arrangement has terminated, (d) together with a report of my receipts  
and payments

Signed



Date 19 February 2014

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

Ian William Kings  
Baker Tilly Business Services Limited  
Tenon House  
Ferryboat Lane  
Sunderland  
Tyne and Wear  
SR5 3JN

IWK/MM/KS/LSF/5526892

For Official Use

Liquidation Section

Post Room

TUESDAY



A28

25/02/2014  
COMPANIES HOUSE

#16

**CERTIFICATE OF TERMINATION**

**THE INSOLVENCY ACT 1986**

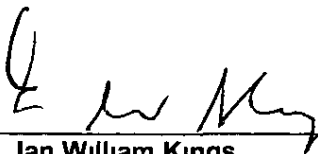
**IN THE NEWCASTLE UPON TYNE DISTRICT REGISTRY NO 0059 OF 2013**

**PRACTICAL COMPOUNDS LIMITED ("THE COMPANY")**

**COMPANY VOLUNTARY ARRANGEMENT ("CVA")**

I, Ian William Kings, the Supervisor of the CVA of Practical Compounds Limited approved by creditors at a creditors' meeting held on 13 February 2013 HEREBY CERTIFY that the CVA has terminated due to the following

- 1 The Company has failed to make the required payments into the CVA
- 2 The non-payment of post CVA liabilities

  
\_\_\_\_\_  
**Ian William Kings**  
Supervisor

Date 19 February 2014

**Practical Compounds Limited ("the Company")**  
**Under a Company Voluntary Arrangement ("CVA")**

**Supervisors' Final Report**

**For the period from 13 February 2013 to 19 February 2014**

**Issued on: 19 February 2014**

**Practical Compounds Limited ("the Company")  
Under a Company Voluntary Arrangement ("CVA")**

**Supervisors' final report as at 19 February 2014**

The CVA was approved on 13 February 2013, Ian William Kings is the Supervisor of the Company

This is the final report to the creditors and members of the Company, showing how the arrangement has been conducted as I am now in a position to finalise the CVA following its failure

**Statutory Information**

Statutory information relating to the Company is attached at Appendix I

**1 Supervisors' receipts and payments account**

A summary of the Supervisors' receipts and payments account relating to the Company is attached at Appendix II for the period ended 19 February 2014, together with a summary which gives details of all transactions for the period since the commencement of the CVA

**2 Progress of the CVA**

The terms of the Company Voluntary Arrangement was that the Company must make regular payments of £1,200 00 per month in year 1, then £1,500 00 per month for years 2 to 5 into the Company Voluntary Arrangement

**Voluntary contributions**

The company is in arrears with its monthly contributions. This does constitute a default under the terms of the CVA. A notice of breach was given to the Company on 5 December 2013. The Company has been unable to remedy the breach. As a result I have little alternative but to fail the CVA.

**3 Certificate of failure of the CVA**

As the CVA has failed I have instructed solicitors to petition for the winding up of the Company

**Secured creditors**

The Secured creditors were excluded from the terms of the Proposals

**Preferential creditors**

No funds will be made available to the preferential creditors

**Ordinary unsecured creditors**

No funds will be made available to the unsecured creditors as the remaining funds will be utilised to pay for the costs and expenses of instructing solicitors to petition for the Compulsory Winding up of the Company

#### 4 Supervisors' remuneration, disbursements and expenses

##### Nominee's fees

The Nominee's fees of £2,500 (plus VAT) / (including VAT) have been paid in accordance with the terms of the modified proposals

##### Supervisors' fees

At the initial meeting of creditors held on 13 February 2013 it was agreed, under the terms of the proposal, that the Supervisor would be remunerated by reference to the time properly spent in dealing with matters in the arrangement and that their disbursements would be drawn in accordance with the tariff outlined at Appendix III

##### Remuneration charged and drawn in the period

The Supervisors' time costs were charged (exc VAT) as follows

	<u>Incurred</u>	<u>Paid</u>
For the period from 13 February 2013 to 19 February 2014	<u>£15,728 50</u>	<u>£nil</u>
Total	<u>£15,728 50</u>	<u>£nil</u>

In accordance with Statement of Insolvency Practice 9, attached at **Appendix III** is a breakdown of these time costs

##### Disbursements incurred and drawn

The Supervisors' disbursements incurred and reimbursed are summarised below

Details are in the attached Appendix III

	<u>Incurred</u>	<u>Paid</u>
Category 1 disbursements for this period, from to 19 February 2014	£211 14	£nil
Category 2 disbursements for this period, from to 19 February 2014	<u>£5 40</u>	<u>£nil</u>
Total	<u>£216.54</u>	<u>£nil</u>

### Expenses (Professional Advisors) charged and drawn in the period

The following professional advisors have been instructed in this matter

<u>Professional advisor</u>	<u>Nature of work</u>	<u>Fee arrangement</u>
Alexander Forbes Trustee Services Ltd	Pension advice	Time cost basis
James Sutherland Auctioneers Ltd	Valuation	Fixed fee

The choice of professionals and the Supervisor's fee arrangement with them was based on perception of their experience and ability to perform this type of work, together with the complexity and nature of the assignment

Details of the costs incurred and paid by the Supervisors' in relation to arrangement expenses for the period are also attached at Appendix III

### Creditors' guide to fees

Further details and explanation regarding the fees of the nominee and supervisor can be found in the document 'Voluntary Arrangements - A Creditor's Guide to Insolvency Practitioners' Fees' which can be accessed at the website of the Insolvency Practitioners' Association ([www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk) > Regulation and Guidance" > Creditors Guides to Fees), or the Institute of Chartered Accountants in England & Wales ([www.icaew.com](http://www.icaew.com) > Technical Resources > Insolvency > Creditors' Guides) Alternatively a copy is available free of charge upon request from the address above

If creditors have any queries, please do not hesitate to contact me



**Ian W Kings**  
**Baker Tilly Business Services Limited**  
**Supervisor**

*Licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales*

## **Appendix I**

### **Statutory Information**

#### **Company Information**

Company Name	Practical Compounds Limited
Previous Name	None
Company Number	01164539
Date of Incorporation	26 March 1974
Trading Address	West Side, Tyne Dock, South Shields, Tyne and Wear, NE34 9PX
Current Registered Office	West Side, Tyne Dock, South Shields, Tyne and Wear, NE34 9PX
Principal trading activity	Specialists in protective coatings for onshore and
Court name and reference	Newcastle Upon Tyne District Registry No 0059 of 2013

#### **Appointment Details**

Supervisors' name and address	Ian William Kings Baker Tilly Business Services Limited, Tenon House, Ferryboat Lane, Sunderland, SR5 3JN
Commencement of arrangement	13 February 2013
Date of Appointment	13 February 2013

**Practical Compounds Limited  
(Under a Voluntary Arrangement)**

**Supervisor's Abstract Of Receipts And Payments  
To 19 February 2014**

<b>RECEIPTS</b>	<b>Total (£)</b>
Monthly contributions	8,400 00
Bank Interest Gross	2 70
	<hr/>
	<b>8,402.70</b>
<b>PAYMENTS</b>	
Preparation of S of A	2,500 00
Agents/Valuers Fees	1,000 00
Alexander Forbes Trustee Services Ltd	605 00
Vat Receivable	321 00
	<hr/>
	4,426 00
	<hr/>
Balance	3,976 70
	<hr/>
<b>MADE UP AS FOLLOWS</b>	
Interest Bearing Current Account	3,976 70
	<hr/>
	<b>3,976 70</b>
	<hr/>



**Practical Compounds Limited****Information relating to the Supervisors' Fees and Expenses****1 Explanation of Supervisors' charging and disbursement recovery policies****1.1 Time recording**

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

	<u>2012</u> £	<u>2013</u> £	<u>2014</u> £
Director and licensed Insolvency Practitioner	320	320	320
Manager	225-250	225-250	225-250
Other senior professionals	175-230	175-230	175-230
Assistants and support staff	90-120	90-120	90-120

**1.2 Disbursement recovery**

Disbursements are categorised as either Category 1 or Category 2

**Category 1 disbursements**

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Baker Tilly Business Services Limited and then recharged to the estate, approval from creditors is not required.

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011).

**Category 2 disbursements**

These include elements of shared or allocated costs incurred by Baker Tilly Business Services Limited and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements charged by Baker Tilly Business Services Limited are as follows

Disbursement charge	Rate
Company searches (Tracker)	£10 per case
File set up	£7 per file
Photocopying, scanning and faxes	10p per side of paper
Mileage	45p per mile
Room hire (internal) - London	£150 per hour
Room hire (internal) - outside London	£100 per hour
Reports to creditors and members - posted	50p per report
Reports to creditors and members - published on line	25p per report

## 2. Description of work carried out in the current period

Section 3 of this Appendix outlines the time costs to date in relation to activities undertaken during this period

A supervisor's primary duty is to implement the company voluntary arrangement in accordance with the relevant insolvency legislation and the terms of the agreed proposals. Consequently effort has been focussed on ensuring that the Company's voluntary contributions have been received on time and quickly following up any associated issues, reviews of the progress and prospects of the arrangement, including a review of the Company's accounts to ascertain if profits are higher than expected, agreement of claims and general liaising with creditors and the Company and paying dividends.

Staff of different levels were involved in the above activities depending upon the experience required. The agreement of the claim of XXX was particularly complex and required extensive involvement of the Supervisors and senior staff.

Section 3 of this Appendix outlines the time costs to date in relation to activities undertaken during this period. These can be summarised as follows:

### Administration and planning

The following activities have been undertaken:

- > Statutory duties associated with the appointment,
- > Notification of the appointment to creditors and other interested parties,
- > Setting up case files,
- > Reviewing available information to determine appropriate strategy,
- > Setting up and maintaining bank accounts,
- > Progress reviews of the case, including

Staff of different levels were involved in the above activities depending upon the experience required.

### Realisation of assets

Please refer to the main body of the report but in summary the time spent includes:

- > Liaising with the company, agents and solicitors,

- > Correspondence and meetings with interested parties,
- > Monitoring voluntary contributions
- > Identifying, securing and insuring of assets,
- > Debt collection,

### **Creditors and distributions**

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Dealing with retention of title claims,
- > Paying dividend/s,
- > Recording creditor claims,
- > Reporting to creditors,
- > Meetings of creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims

### **3 Time and charge out summary**

For the period of this report from appointment on 13 February 2013 to 19 February 2014, a total of 74.7 hours have been spent at an average charge out rate of £210.56 bringing the total cost to £15,728.50

The table below shows details of the time costs charged (exc VAT) in the current period

Classification of work function	Insolvency Practitioner	Manager	Hours Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning	14.5	26.3	13.2	3.1	57.1	12,684.00	222.14
Creditors	2.0	3.5	9.1	3.0	17.6	3,044.50	172.98
<b>Total hours</b>	<b>16.5</b>	<b>29.8</b>	<b>22.3</b>	<b>6.1</b>	<b>74.7</b>	<b>£15,728.50</b>	<b>£210.56</b>

#### 4. Disbursements

Disbursements incurred from commencement to the end of the period are shown below

Disbursements	This period	
	Incurred £	Paid £
<i>Category 1</i>		
Bond premium	120 00	nil
Postage	20 24	nil
Equifax searches	15 90	nil
Professional fees	55 00	nil
	<b>£211 14</b>	<b>£nil</b>
<i>Category 2</i>		
Travel expenses	5 40	nil
	<b>£5.40</b>	<b>£nil</b>
<b>Total</b>	<b>£216.54</b>	<b>£nil</b>

The above costs exclude VAT

5. **Professional advisors and expenses** The Joint Supervisors have incurred expenses in connection with the instruction of the following parties, covering the current period,

Name & Activity	This period	
	Incurred £	Paid £
Alexander Forbes Trustee Services Ltd	605 00	605 00
James Sutherland (Auctioneers) Ltd	1,000 00	1,000 00
<b>Total</b>	<b>£1,605 00</b>	<b>£1,605.00</b>

The above costs exclude VAT