

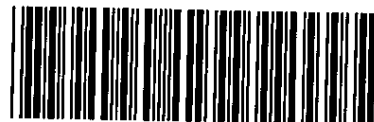
CVA3

Notice of supervisor's progress report in voluntary arrangement



Companies House

For further information, please



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24/10/2017

#148

COMPANIES HOUSE

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

TUESDAY

1 Company details

Company number 02025957
Company name in full The Island Trading Company Limited

2 Supervisor's name

Full forename(s) Frederick Charles
Surname Satow

3 Supervisor's address

Building name/number New Bridge Street House
Street 30 - 34 New Bridge Street
Post town London
County/Region
Postcode EC4V 6BJ
Country

4 Supervisor's name ^①

Full forename(s) Paul Michael
Surname Davis

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

5 Supervisor's address ^②

Building name/number New Bridge Street House
Street 30 - 34 New Bridge Street
Post town London
County/Region
Postcode EC4V 6BJ
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 arrangementDate

d	2	d	6	m	0	m	8	y	2	y	0	y	1	y	5
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

7 Period of progress reportDate from

d	2	d	6	m	0	m	8	y	2	y	0	y	1	y	6
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Date to

d	2	d	5	m	0	m	8	y	2	y	0	y	1	y	7
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

8 Progress report☒ I attach a copy of the progress report**9** Sign and date

Supervisor's signature

Signature

X 

X

Signature date

d	1	d	8	m	1	m	0	y	2	y	0	y	1	y	7
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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

Company name

MacIntyre Hudson LLP

Address

New Bridge Street House

30 - 34 New Bridge Street

Post town

London

County/Region

Postcode

E C 4 V 6 B J

Country

DX

Telephone

0207 429 4100

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
The Island Trading Company Limited
Supervisors' Summary of Receipts & Payments**

Statement of Affairs £		From 26/08/2016 To 25/08/2017 £	From 26/08/2015 To 25/08/2017 £
	ASSET REALISATIONS		
NIL	Furniture & Equipment	NIL	NIL
Uncertain	Book Debts	NIL	NIL
Uncertain	Prepayments	NIL	NIL
8,679.00	Cash at Bank	NIL	NIL
	3rd Party Contributions	185,200.99	339,367.69
	Bank Interest Gross	282.59	455.99
	Petition Costs on Trust	NIL	2,500.00
		<u>185,483.58</u>	<u>342,323.68</u>
	COST OF REALISATIONS		
	Sec of State Fees	NIL	NIL
	Petitioners Costs	NIL	920.00
	Office Holders Fees	17,500.00	17,500.00
	Supervisors Expenses	NIL	259.29
	Bond	NIL	210.00
		<u>(17,500.00)</u>	<u>(18,889.29)</u>
	PREFERENTIAL CREDITORS		
NIL	Employee Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(2,825,834.00)	Trade & Expense Creditors	NIL	NIL
NIL	Employees	NIL	NIL
(1,022,000.00)	Director's Loan	NIL	NIL
(510,825.02)	HMRC (PAYE/NI/VAT)	NIL	NIL
(400,000.00)	HMRC (Corporation Tax)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(4,749,980.02)		<u>167,983.58</u>	<u>323,434.39</u>
	REPRESENTED BY		
	Vat Irrecoverable		51.86
	Bank 2 Current		323,382.53
			<u>323,434.39</u>

Note:

**The Island Trading Company Limited
Company Voluntary Arrangement
High Court No. 5318 of 2015**

**Joint Supervisors' report to creditors on the progress of the arrangement
Reporting Period: 26 August 2016 to 25 August 2017**

1. Introduction

The voluntary arrangement was approved on 26 August 2015 and I was appointed Joint Supervisor.

Attached at Appendix 1 is my Receipts & Payments account for the 12 months ended 25 August 2017, together with a summary which gives details of all transactions for the 24 months since the commencement of the voluntary arrangement on 26 August 2015.

2. Receipts and Payments

Receipts

Voluntary Contributions

Under the terms of the arrangement Blue Mountain Music Limited ('Blue Mountain'), a third party is scheduled to make 60 consecutive monthly contributions of £15,416.67. Since commencement of the arrangement I have received contributions totaling £339,367.69, of which £185,200.99 has been received in this reporting period.

As at 25 August 2017, Blue Mountain were one payment behind schedule. At the time of writing this report, Blue Mountain are three payments in arrears. I have been liaising with the director to bring these contributions up to date. I have been advised that the delay is due to the director seeking advice on the best way to proceed given H M Revenue & Custom's ('HMRC's') revised final claim of £1,159,816.23 which is considerably higher than their previous claim of £939,366 in the Arrangement.

The balance of funds is held in an interest bearing estate bank account totaling £323,382.53.

The Company has confirmed that they have not received any windfalls since the approval of the arrangement.

Bank Interest Gross

Bank interest totaling £282.59 has been earned on the funds held in the estate bank account in this reporting period and £455.99 in total to date.

Payments

Office Holders' Fees

MHA Macintyre Hudson has been paid £17,500 (VAT exempt) for acting as Joint Supervisors in the Company Voluntary Arrangement. Further details are provided later in this report under the heading 'Office Holders' Remuneration'.

3. Creditor claims

HM Revenue & Customs ("HMRC") is the sole creditor in the arrangement and initially submitted a claim of £939,366. A revised final claim of £1,159,816.23 was received in July 2017.

4. Office holders' remuneration

Under the terms of the proposal, my remuneration as Joint Supervisor is to be calculated on a time cost basis. It is estimated that my time costs will amount to £22,500 for the duration of the arrangement.

My total time costs to 25 August 2017 amount to £21,757.55 which have been charged at an average charge out rate of £246.91, of which £10,518.75 was charged in the period between 26 August 2016 and 25 August 2017 at an average charge out rate of £246.51.

I have drawn remuneration of £17,500 (VAT exempt) to date, all of which was drawn in the period between 26 August 2016 and 25 August 2017. A schedule of my time costs incurred to date is attached at Appendix 2.

My time costs have exceeded the estimate in the director's proposals due to time spent chasing the Company for payments of contributions, liaising with it regarding HMRC's claim and other such matters.

A description of the routine work undertaken since my last progress report is as follows:

1. Administration and Planning

- Statutory notifications.
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on the case management system.
- Case bordereau.
- Case planning and administration.
- Preparing reports to members and creditors.

2. Cashiering

- Maintaining and managing the Joint Supervisors' cashbook and bank account.
- Ensuring statutory lodgements and tax lodgement obligations are met.

3. Creditors

- Preparing reports to creditors.
- Maintaining creditor information on the case management system.

4. Realisation of Assets

- Corresponding with the director and company staff and collecting contributions.

During the course of the year I have taken the necessary steps to discharge my duties as supervisor in accordance with the terms of the arrangement. This includes monitoring for receipt of the company's contributions and reviewing the company's trading.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Supervisors' Fees' also published by R3, together with an explanatory note which shows MacIntyre Hudson LLP's fee policy are available at the link <http://www.macintyreHUDSON.co.uk/guides-to-fees>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2010 version. A hard copy of both documents can be obtained on request from the address below.

5. Office holders' expenses

I have incurred expenses to 25 August 2017 totalling £309.29, none of which was incurred in the period since 26 August 2016.

I have drawn £259.29 to date, none of which was drawn in the period since 26 August 2016.

6. Matters outstanding

- a) Arrears: Blue Mountain has missed one contribution during the course of the last 12 months, and at present three payments remain outstanding. This constitutes an event of default under the terms of the CVA (paragraph 68). We are pressing the Company's director to remedy this as soon as possible.
- b) Agreement of claims: Any creditor who has not yet submitted a claim should now do so as soon as possible.

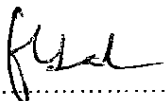
7. Other Matters

At MHA MacIntyre Hudson we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of this case, then in the first instance you should contact me at the address given in this letter.

If you consider that I have not dealt with your comments or complaint appropriately you, then put details of your concerns in writing to our complaints officer, Michael Sanders, New Bridge Street House, 30-34 New Bridge Street, London, EC4V 6BJ. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gsi.gov.uk; or you may phone 0300 678 0015 - calls are charged at up to 9p per minute from a land line, or for mobiles, between 8p and 40p per minute if you're calling from the UK.

If creditors or members have any queries regarding this report, they should contact Jasvanti Jesani by email at jasvanti.jesani@mhllp.co.uk, or by phone on 0207 429 3493.



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F C Satow
JOINT SUPERVISOR
Authorised to act in the UK by the
Institute of Chartered Accountants in England & Wales

Enc.

**Voluntary Arrangement of
The Island Trading Company Limited
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(4,749,980.02)		<u>167,983.58</u>	<u>323,434.39</u>
	REPRESENTED BY		
	Vat Irrecoverable		51.86
	Bank 2 Current		323,382.53
			<u>323,434.39</u>

Note:

The Island Trading Company Limited

(Under a Company Voluntary Arrangement)

Analysis of time costs for the period 26 August 2015 to 25 August 2017

Classification of Work	Partner		Director		Manager		Administrator		Assistant		Cashiering		Total Hours		Time Cost		Average Hourly Rate	
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	£	£	£	£
Administration and Planning	0.00	0.00	4.55	1,670.75	0.00	0.00	22.75	4,961.75	5.22	776.00	0.00	0.00	32.52	7,408.50	227.81	7,408.50	227.81	227.81
Case Accounts	0.00	0.00	0.00	0.00	0.30	97.50	1.70	276.00	3.30	494.00	3.60	579.00	8.90	1,446.50	162.53	1,446.50	162.53	162.53
Case Review and Case Diary Management	0.00	0.00	0.15	54.75	0.00	0.00	1.60	384.00	0.00	0.00	0.00	0.00	1.75	438.75	250.71	438.75	250.71	250.71
Cashiering	0.00	0.00	0.10	36.50	1.00	325.00	0.10	16.00	1.20	178.05	5.10	849.00	7.50	1,404.55	187.27	1,404.55	187.27	187.27
Communication with Creditors	0.00	0.00	4.35	1,647.75	0.00	0.00	3.50	770.00	0.00	0.00	0.00	0.00	7.85	2,417.75	307.99	2,417.75	307.99	307.99
Corresponding with Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.60	132.00	0.00	0.00	0.00	0.00	0.60	132.00	220.00	132.00	220.00	220.00
Fixed Charge Realisations	0.00	0.00	0.15	54.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	54.75	365.00	54.75	365.00	365.00
Fixed Charge Creditors	0.00	0.00	0.10	46.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	46.50	465.00	46.50	465.00	465.00
Floating Charge Realisations	0.00	0.00	1.25	556.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.25	556.25	445.00	556.25	445.00	445.00
Investigations	0.00	0.00	10.90	4,168.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.90	4,168.50	382.43	4,168.50	382.43	382.43
IPS Setup & Maintenance	0.00	0.00	0.10	36.50	0.00	0.00	0.10	22.00	0.00	0.00	0.00	0.00	0.20	58.50	292.50	58.50	292.50	292.50
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	9.40	2,078.00	0.00	0.00	0.00	0.00	9.40	2,078.00	221.06	2,078.00	221.06	221.06
Statutory Reporting Matters	0.00	0.00	0.00	0.00	0.00	0.00	6.80	1,496.00	0.00	0.00	0.00	0.00	6.80	1,496.00	220.00	1,496.00	220.00	220.00
Strategy Case Planning	0.00	0.00	0.00	0.00	0.00	0.00	0.20	51.00	0.00	0.00	0.00	0.00	0.20	51.00	255.00	51.00	255.00	255.00
Total	0.00	0.00	21.65	8,272.25	1.30	422.50	46.75	10,186.75	9.72	1,448.05	8.70	1,428.00	88.12	21,757.55	246.91	21,757.55	246.91	246.91
Average Hourly Rate, £		#DIV/0!		382.09		325.00		217.90		148.98		164.14						

The Island Trading Company Limited

(Under a Company Voluntary Arrangement)

Analysis of time costs for the period 26 August 2016 to 25 August 2017

Classification of Work	Partner		Director		Manager		Administrator		Assistant		Cashiering		Total Hours	Time Cost	Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)			
Administration and Planning	0.00	0.00	0.60	229.00	0.00	0.00	8.65	1,881.25	4.02	602.00	0.00	0.00	13.27	2,712.25	204.39
Case Accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.70	131.00	3.20	494.00	0.00	0.00	3.90	625.00	160.26
Case Review and Case Diary Management	0.00	0.00	0.00	0.00	0.00	0.00	1.30	318.00	0.00	0.00	0.00	0.00	1.30	318.00	244.62
Cashiering	0.00	0.00	0.10	36.50	0.20	65.00	0.00	0.00	1.00	149.50	4.00	671.00	5.30	922.00	173.96
Communication with Creditors	0.00	0.00	2.10	826.50	0.00	0.00	3.00	660.00	0.00	0.00	0.00	0.00	5.10	1,486.50	291.47
Fixed Charge Creditors	0.00	0.00	0.10	46.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	46.50	465.00
Floating Charge Realisations	0.00	0.00	1.00	465.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	465.00	465.00
Investigations	0.00	0.00	6.50	2,562.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.50	2,562.50	394.23
IPS Setup & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.10	22.00	0.00	0.00	0.00	0.00	0.10	22.00	220.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	2.10	472.00	0.00	0.00	0.00	0.00	2.10	472.00	224.76
Statutory Reporting Matters	0.00	0.00	0.00	0.00	0.00	0.00	3.80	836.00	0.00	0.00	0.00	0.00	3.80	836.00	220.00
Strategy Case Planning	0.00	0.00	0.00	0.00	0.00	0.00	0.20	51.00	0.00	0.00	0.00	0.00	0.20	51.00	255.00
Total	0.00	0.00	10.40	4,166.00	0.20	65.00	19.85	4,371.25	8.22	1,245.50	4.00	671.00	42.67	10,518.75	246.51
Average Hourly Rate, £		0.00		400.58		325.00		220.21		151.52		167.75			