

**Report of a Meeting Approving
Voluntary Arrangement**

S4

Pursuant to Section 4 of the
Insolvency Act 1986

To the Registrar of Companies

For official use

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Company number

2885478

Name of Company

Abco Distributors Limited

8622-2

I David Uzzaman
of 27 The Downs
 Altrincham
 Cheshire
 WA14 2QD

the chairman of a meeting held in pursuance of section 4 of the Insolvency Act 1986 on 5 January 1998 enclose a copy of my report of the said meeting.

Signed



Date 8 January 1998

Neil Henry
Lines Henry
27 The Downs
Altrincham
Cheshire
WA14 2QD

For Official Use
Insolvency Sect Post Room



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COMPANIES HOUSE 09/01/98

IN THE HIGH COURT OF JUSTICE

NOS. OF 1997

IN THE BANKRUPTCY

RE: ABCO DISTRIBUTORS LTD

**CHAIRMAN'S REPORT OF THE MEETING OF CREDITORS
PURSUANT
TO SECTION 257 OF THE INSOLVENCY ACT 1986**

In accordance with Rules 5.22 of the Insolvency Act 1986, the Chairman reports the result of the Creditor's meeting which was held at 25 Longford Street, London NW1 3NY on the 5 January 1998 at 1 pm.

APPROVAL OF THE DEBTORS' PROPOSALS

I would inform you that at the Meeting of the Creditors of Abco Distributors Limited, the Resolution approving the debtors' proposals was accepted.

**CREDITORS PRESENT AND REPRESENTED AT THE MEETING AND HOW
THEY VOTED ON THE RESOLUTIONS**

The Company was asked if they accepted the modifications proposed by the Inland Revenue.

From Inland Revenue

1. All outstanding accounts, tax returns and annual P35s - S/C35s (to the date of the meeting) and any other information or explanations required by the Inspector of Taxes must be provided within 3 months of the approval date so that any estimated liabilities can be adjusted for the benefit of other creditors and to enable the Revenue to lodge a final claim for the actual liability. If, within 6 months of the approval date the debtor has not co-operated in this respect the Supervisor will accept all estimated assessments from the Revenue for dividend purposes.
2. The Revenue's final in the arrangement will include assesses tax and any PAYE/NIC1 to the date of approval of the CVA. Post V A liability shall be paid in full IMMEDIATELY this becomes due. Failure to do so shall mean failure of the CVA, and Supervisor shall take winding-up proceedings. For the avoidance of doubt, deductions from employees wages under the PAYE system after the date of approval must be paid over to the Inland Revenue on a monthly basis in the normal way.
3. If, during the currency of the arrangement any creditor obtains a winding up order against the company the voluntary arrangement will be deemed to have failed and the Supervisor will IMMEDIATELY issue a certificate of non-compliance.

4. The Supervisor shall petition for a winding up order IMMEDIATELY the company fails to comply with its obligations under the voluntary arrangement or fails to co-operate with the Supervisor or the Supervisor issues an Abort Certificate. The Supervisor shall set aside sufficient funds for this purpose and such funds shall rank ahead of all costs, expenses and remuneration of the Nominee/Supervisor.
5. Where the Inland Revenue has not notified a final claim under the arrangement prior to payment of a dividend, the Supervisor is to calculate the dividend by reference to the Inland Revenue claim for voting purposes and hold this amount in reserve until such time as the final claim has been received.
6. The duration of the voluntary arrangement will extend to 5 years, during which time contributions shall be maintained, or until payment in full is made, whichever is earlier. The duration shall not be extended further than 63 months without creditors approval.
7. Should it become necessary, during the term of the arrangement to call a further creditors meeting to consider revised proposals, these proposals must be passed with a 75% majority in value of creditors voting at the meeting.
8. Any power of attorney or trust shall cease to be valid on the making of a bankruptcy order and the V A will be deemed to have failed.
9. Revenue petition costs are to paid as an expense of the arrangement, ahead of any other costs fees, remuneration etc.
10. Any tax repayments arising which relate to the period prior to the approval of the VA shall be offset against the Revenue's claim in the arrangement Any remaining surplus shall be offered to other Crown departments before being repaid to the Supervisor for the benefit of arrangement creditors. Any repayments arising which relate to the period after approval of the arrangement shall be offset against any post arrangement taxation liabilities before being offered to the Supervisor .

HM CUSTOMS & EXCISE

- 1 All further VAT returns to be rendered and paid in full by the due dates
- 2 Should the company fail to meet its obligations the supervisor to petition for liquidation using funds retained for this purpose and such funds to rank ahead of supervisor fees
- 3 The Arrangement to be extended in length to 5 years or until all creditors have been paid in full whichever is the sooner and contributions throughout the Arrangement to be at the rate of £1250 per month.

These modifications are therefore incorporated into the arrangement.

The resolution:

"That the creditors present or represented at the meeting accept the company's proposal for a company voluntary arrangement".

| <u>Creditors Voting for Acceptance</u> | £ | Votes cast % |
|--|---------------|--------------|
| By way of Chairman's Proxies: | | |
| HM Customs & Excise | 30,122. | |
| Inland Revenue | 12,896 | |
| None | | |
| Total | 43,018 | 100% |

Creditors Voting for Rejection

By way of Chairman's Proxies:

None

By way of Creditor in person:

Nil

| | | |
|---------------------|--------|------|
| Total of votes cast | 43,018 | 100% |
|---------------------|--------|------|

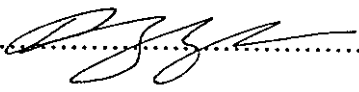
Therefore the Resolution was approved by 100% of those votes cast

The Chairman stated "that the company's' proposals had been approved and that

Mr Neil Henry of Lines Henry was the Supervisor of the arrangement and

the meeting was closed".

Dated this 6 January 1998

Signed 

Chairman of the Meeting

Pursuant to Rule 1.14(2) of the Insolvency Rules 1986)

The company's members at a later meeting endorsed the creditors modifications and communicated their acceptance to the chairman's of the creditors meeting.