

Rule 1.26A

The Insolvency Act 1986

R.1.26A(4)(a)

Notice to Registrar of Companies of
Supervisor's Progress Report

Pursuant to Rule 1.26A(4)(a)
Insolvency Rules 1986

For Official Use

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 0RU

Wayne Harrison
C12 Marquis Court
Marquisway, TVTE
Gateshead
Tyne & Wear, NE11 0RU

supervisor(s) of a voluntary arrangement taking effect on

27 April 2010

Attach my progress report for the period

27 April 2011

to

26 April 2012

Number of continuation sheets (if any) attached

1

Signed _____

Date _____

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

Ref EW/WH/K2033

For Official Use

Insolvency Section

Post Room

FRIDAY



A195PZJU

A15

18/05/2012

#88

COMPANIES HOUSE

Voluntary Arrangement of A & K Insulation Limited

| Statement of Affairs | From 27/04/2011 To 26/04/2012 | From 27/04/2010 To 26/04/2012 |
|---------------------------------|--|--|
| ASSET REALISATIONS | | |
| Bank Interest | 5 14 | 6 28 |
| | 5 14 | 6 28 |
| COSTS OF REALISATION | | |
| Tax on Interest Received | NIL | 0 11 |
| | NIL | (0 11) |
| ASSET REALISATIONS | | |
| CVA Contributions | 7,600 00 | 18,600 00 |
| | 7,600 00 | 18,600 00 |
| COST OF REALISATIONS | | |
| Specific Bond | NIL | 180 00 |
| Supervisors Remuneration | 2,500 00 | 2,500 00 |
| | (2,500 00) | (2,680 00) |
| UNSECURED CREDITORS | | |
| Trade & Expense Creditors | 1,648 06 | 1,648 06 |
| | (1,648 06) | (1,648 06) |
| | 3,457 08 | 14,278.11 |
| REPRESENTED BY | | |
| Vat Receivable | | 500 00 |
| Bank 1 Current | | 623 88 |
| Bank 1 Deposit | | 13,154 23 |
| | | 14,278.11 |

Eric Wallis
Joint Supervisor

A & K INSULATION LIMITED ("the company")

REPORT TO CREDITORS IN RESPECT OF THE COMPANY VOLUNTARY ARRANGEMENT IN ACCORDANCE WITH RULE 1.29 OF THE INSOLVENCY RULES 1986 (AS AMENDED)

1. Introduction

- 1 1 As you are aware, I was appointed joint supervisor, along with Wayne Harrison, of the company voluntary arrangement ("CVA") of A & K Insulation Limited at a meeting of creditors held on 27 April 2010

2. Events leading up to the failure of the CVA

- 2 1 The company had fallen behind with the contributions due under the CVA. I contacted the company to demand that these payments be brought up to date otherwise I would have no alternative but to fail the CVA and petition to have the company wound up.
- 2 2 On 17 May 2012 I received notice from F A Simms & Partners Limited, Insol House, 39 Station Road, Lutterworth, Leicestershire LE17 4AP that a Section 98 meeting had been summoned for 31 May 2012 to place the company into creditors voluntary liquidation. Accordingly, I have no alternative but to end the CVA.

3. Failure of the Voluntary Arrangement

- 3 1 Attached to this report is a notice of termination in respect of the CVA dated 17 May 2012. The CVA is deemed to have failed for the reasons set out above.

4. Receipts and Payments Account

- 4 1 Attached to this report is a receipts and payments account for the period from 27 April 2011 to 17 May 2012 and for the period 27 April 2010 to 17 May 2012.

5. Preferential Creditors

- 5 1 There are no known preferential creditors in this case.

6. Unsecured Creditors

- 6 1 Dividends have been paid to the unsecured creditors as follows:

| | p in £ | Payment Date | Total Paid |
|--------------------------|--------|------------------|------------|
| 1 st Dividend | 3 0 | 28 November 2011 | £1,648 06 |

- 6 2 Attached to this report is a notice of intention to pay a second and final dividend requesting creditors to submit their claims by 15 June 2012.
- 6 3 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.
- 6 4 **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.**
- 6 4 Following the payment of the final dividend it will be for the liquidator, once appointed, to deal with the claims of the unsecured creditors.

7. Supervisors' Remuneration

- 7.1 You will recall that in the proposal the joint 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.
- 7.2 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.
- 7.3 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/Senior Administrators | 100 – 175 |
| Administrators/Support Staff | 40 – 100 |

As can be seen from the attached receipts and payments account, supervisors' remuneration of £2,500 has been drawn to date. I now intend to draw further remuneration on account of time costs incurred. Creditors should note that additional costs will be incurred in paying the final dividend and bringing this CVA to a conclusion.

- 7.4 My firm has incurred disbursements in dealing with this CVA. The CVA proposal sets out that these disbursements would be recharged to the case at cost save in respect of postage, stationery and telephone where a charge of £7.50 per creditor would be levied and motor expenses where a charge of 50p per mile would be made. As the CVA has been running for a limited period, I intend to restrict the recharge for postage, stationery and telephone to £3.00 per creditor. The only other disbursement drawn is the supervisors' specific bond of £180.

8. Conclusion

- 8.1 In summary therefore:
- I have today issued a Notice of Termination in respect of the CVA.
 - The second and final dividend referred to at section 6 will be paid.
 - The costs and expenses of the CVA including the supervisors' remuneration and disbursements will be paid.
 - The final balance of funds, which are likely to be minimal, will then be paid to the liquidators of the company, once appointed.



E Walls
Joint Supervisor

17 May 2012

A & K Insulation Limited

Failed Company Voluntary Arrangement

Receipts and Payments Account

| | From 27 April 2011 To 17 May 2012 £ | From 27 April 2010 To 17 May 2012 £ |
|---|--|--|
| RECEIPTS | | |
| CVA Contributions | 7,600 00 | 18,600 00 |
| Bank Interest | 5 14 | 6 28 |
| | <u>7,605 14</u> | <u>18,606 28</u> |
| PAYMENTS | | |
| Tax on Interest received | | 0 11 |
| Specific Bond | | 180 00 |
| Supervisor's Remuneration | 2,500 00 | 2,500 00 |
| UNSECURED CREDITORS | | |
| 1st Dividend of 3p in £ on 28 November 2011 | 1,648 06 | 1,648 06 |
| | <u>4,148 06</u> | <u>4,328 17</u> |
| BALANCE | | <u>14,278 11</u> |
| REPRESENTED BY | | |
| Cash at Bank - Current Account | | 623 88 |
| Cash At Bank - Deposit Account | | 13,154 23 |
| VAT Receivable | | 500 00 |
| | | <u>14,278 11</u> |

A & K INSULATION LIMITED

FAILED COMPANY VOLUNTARY ARRANGMENT

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 | 10 73 | 40 - 100 | 994 62 | 92 70 |
| 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 | 1 46 | 100 - 175 | 146 22 | 100 15 |
| Administration/Support | 0 00 | 40 - 100 | 0 00 | 0 00 |
| 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 | 3 18 | 40 - 100 | 265 47 | 83 48 |
| Case Specific Matters | | | | |
| Partner | 1 51 | 175 - 300 | 339 51 | 224 84 |
| Manager | 0 00 | 100 - 175 | 0 00 | 0 00 |
| Administration/Support | 1 88 | 40 - 100 | 120 25 | 63 96 |
| TOTAL | <u>29 56</u> | | <u>4,295 57</u> | <u>145 32</u> |

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

| Name | S of A £ |
|---------------------------|-------------------------|
| Edu-Chem LTD | 23,233 00 |
| Lombard North Central Plc | 3,170 74 |
| Reed Business Information | 120 75 |
| Graham Watts | 3,007 00 |
| Total | <u>29,531.49</u> |

Please note If your company name appears on this list then we have not received a proof of debt form from you Please submit your claim as soon as possible, otherwise you may be excluded from any dividend payments

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 second dividend to the unsecured creditors within two months of the last date of proving specified below. Creditors who have not already proved are required, on or before 15 June 2012, 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 17 May 2012



Eric Walls
Joint Supervisor

**NOTICE OF TERMINATION OF A COMPANY VOLUNTARY ARRANGEMENT
IN ACCORDANCE WITH RULE 1.29 OF THE INSOLVENCY RULES 1986**

A & K INSULATION LIMITED

I, Eric Walls, joint supervisor of the company voluntary arrangement of the above company hereby give notice that, the voluntary arrangement as approved by creditors on 27 April 2010, has been terminated for the reasons set out in the attached report

17 May 2012

E Walls – Supervisor

KSA Group Ltd
C12 Marquis Court
Marquis Way
Team Valley
Gateshead
NE11 0RU