

Notice to Registrar of Companies of
Supervisor's Progress ReportPursuant to Rule 1.26A(4)(a) or
Rule 1.54 of the Insolvency Rules
1986**R.1.26A(4)(a)/
R.1.54**

For Official Use

To the Registrar of Companies

Company number

07167039

Name of company

(a) Insert full name of
company

(a) Karm Todner Solicitors Limited

(b) Insert full name and
address

I (b) David Ronald Taylor

First Floor, Davidson House, The Forbury, Reading RG1 3EU

supervisor of a voluntary arrangement taking effect on

(c) Insert date

(c) 10 June 2013

Attach my progress report for the period

from

(c) 10 June 2014

to

(c) 9 June 2015

Number of continuation sheets (if any) attached

12

Signed



Date 7 August 2015

Presenter's name, address
and reference

David Ronald Taylor

First Floor, Davidson House, The Forbury,
Reading RG1 3EU

Tel 011 8953 0350

Ref DRT/RPB/ES/MF

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A29 11/08/2015 #7
COMPANIES HOUSE

TUESDAY

Our ref DRT/RPB/ES/MF/5528422/27/CVAS0670-2010



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To All Known Creditors

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7 August 2015

Dear Sirs

Kaim Todner Solicitors Limited - Company Voluntary Arrangement ("the Company")

**In the Royal Court of Justice, Chancery Division, Companies Court
No 4130 of 2013**

I am writing as Joint Supervisor of the Company Voluntary Arrangement ("CVA") in accordance with Rule 1 26A of the Insolvency Rules 1986 (as amended) to provide my annual report. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

A copy of the report has been filed in the Court, sent to the Company and to the Registrar of Companies

Attached to this report are the following Appendices

- A. Receipts and payments account,
- B Time cost analysis,
- C Charge out and disbursement rates and Category 2 disbursements schedule,
- D Category 2 Disbursements Table;
- E Statement of expenses incurred, and
- F A copy of Baker Tilly Restructuring and Recovery LLP charging, expenses and disbursements policy statement.



Introduction

Receipts and Payments

A copy of my receipts and payments account drawn up to the anniversary of the approval of the CVA, showing funds in hand of £167,689 32 is attached at Appendix B

With the exception of the below mentioned contributions and distribution there have been no significant subsequent receipts or payments

VAT Basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately

Distribution to creditors

Secured

Barclays Bank plc has a debenture dated 7 April 2011 registered against the Company incorporating fixed and floating charges. Upon the Proposals being agreed its indebtedness totalled c£655,000.

As detailed in the Proposals and the Joint Supervisors' previous annual report, Barclays Bank plc is outside the CVA and will not receive a distribution from the CVA

Preferential creditors

I have not received any preferential claims in this matter to date

In line with the Proposals, a number of redundancies were made, however, the Company met these redundancy costs, and subsequently has not created a liability in the CVA.

Unsecured Creditors

Claims totalling £887,882.08 have been received from unsecured creditors to date

11 unsecured creditors' claims were received and approved totalling £863,841 02 A distribution of 31 36 pence in the pound was declared on 31 October 2014 totalling £270,000.

Estimated outcome for non-preferential creditors

As at the anniversary of the approval of the Arrangement, all voluntary contributions had been paid in accordance with the agreed proposals and the anticipated total dividend to unsecured creditors was 100p in the £ as per the proposals

Kaim Todner Solicitors Limited Company Voluntary Arrangement contd.



Subsequently there have been significant and well publicised changes to the legal and funding structure which is having a detrimental effect on the Company's profitability and cashflow. As at the date of this report, the Company remains compliant with the terms of the CVA but has requested a meeting with the Supervisor of the Arrangement to ensure continued compliance or discuss possible variations to the terms in order to enable the maximum return to creditors.

If there are to be any proposed variations to the terms of the Arrangement, they will be reported to creditors by the Supervisor at which point the creditors will have the opportunity to vote for or against their approval.

Assets

According to the statement of affairs lodged in these proceedings, the assets of the Company had an estimated value of £22,000 whilst disclosed liabilities amounted to £965,943.

Voluntary Contributions

The only income identified in the Proposals was contributions. As detailed in Section 2.1 above, to date the Company has paid contributions totalling £460,000 and as at the anniversary of the Arrangement all contributions were up to date.

Since the anniversary of the commencement of the Arrangement the Company has fallen behind with regards to the contributions and the Supervisor is meeting with the Company shortly to either rectify the position or to discuss possible variations to propose to creditors. Despite being in arrears the contributions are within the agreed tolerances and the Supervisors are working with the Company to correct the position.

Matters preventing conclusion of the arrangement

The principal outstanding matters in the arrangement are

- Collection of the outstanding Voluntary Contributions in accordance with the agreed proposals,
- Receipt of any outstanding unsecured claims and agreement of all unsecured creditors' claims, and
- Payment of the dividend to unsecured creditors

Other matters

Under the terms of the CVA, the directors continue to remain solely responsible for the company's affairs and all compliance matters.

Throughout the previous 12 months the Company has continued to co-operate fully with me.



Costs and disbursements

A Creditors' Guide to Nominees and Supervisors' Fees, which provides information for creditors in relation to the remuneration of a Nominee and Supervisor, can be accessed by following the links within our website

Please note that a hard copy of any document uploaded to our website can be requested

Joint Nominee's fees

The basis of the Joint Nominee's fees was dealt with in the Proposal at paragraphs (9.1.2), and is exempt of VAT

The Joint Nominee's fees related to assisting the directors of the Company in the preparation of the Proposal, reporting to court on the Proposal and in calling and chairing the meetings of the Company and of creditors

The Company paid £7,500 on account of my fees as Joint Nominee prior to the approval of the CVA, and we have drawn the balance of £7,500 since from CVA funds, as per the attached receipts and payments account

No Category 1 or Category 2 disbursements were incurred by us as Joint Nominees. Disbursements charged to the estate as a consequence of the Nominees' services are exempt of VAT. Certain third party disbursements may include VAT. However, where the Nominees' services are exempt of VAT this VAT cannot be recovered.

Joint Supervisors' costs

The basis of the Joint Supervisors' remuneration was dealt with in the Proposal at paragraphs (9.4.1 and 9.4.2) inclusive, and is exempt of VAT

Our aggregate time costs to date for acting as Joint Supervisors are evaluated at £32,664.30 representing 119.5 hours. Joint Supervisors' fees of £22,400 plus VAT were drawn up to the date of the anniversary, no fees have been subsequently drawn. Therefore at the time of writing we have £10,264.30 of unbilled work in progress in relation to the CVA.

The Joint Supervisors' total costs for the entire CVA were estimated in the Proposal at £50,000.00 and to date I have no reason to believe that our final costs will differ significantly from this estimate.

We have also incurred disbursements, in accordance with Paragraph (9.4.3) of the Proposal, of £547.77, of which £539.77 has been drawn and the balance of £8 remains outstanding.

Disbursements charged to the estate as a consequence of the Joint Supervisors' services are exempt of VAT. Certain third party disbursements may include VAT.



A tabulation of the total time spent analysed by grade of staff and by activity, together with details of current charging rates, are attached at Appendices B and C Appendix E follows the format notified in the best practice guidelines the notes accompanying it comprise an integral part of that table and should be read in conjunction with it

JOINT SUPERVISORS' STATEMENT OF EXPENSES

A statement of the expenses incurred during the period, is attached at Appendix E This includes all expenses incurred by the Joint Supervisors in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received The receipts and payments abstract at Appendix A sets out the expenses actually paid in the period together with cumulative figures).

If you have any queries please contact Matthew Foy of my office

Yours faithfully

**David Taylor
Baker Tilly Restructuring and Recovery LLP
Joint Supervisor**

Encls

David Ronald Taylor is licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association
Richard Brewer is licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association



Appendix A

**Karm Todner Solicitors Limited
In Company Voluntary Arrangement
Joint Supervisors' Summary of Receipts and Payments**

SOA Value £	11/06/2014 to 10/06/2015	10/06/2013 to 10/06/2015
ASSET REALISATIONS		
0 00 Bank Interest Gross	1040 75	1087 88
880,000 00 Contributions	220,000 00	460,000 00
0 00 CVL Funds	0 00	2,500 00
0 00 Rates Refund	0 00	4,780 76
880,000 00	221 040.75	468,368.64
COST OF REALISATIONS		
Company Searches	(4 00)	(4 00)
Courier	(79 27)	(79 27)
Filing Fee	(30 00)	(30 00)
Nominee's Fee	(0 00)	(7,500 00)
Photocopying & Postage	(0 00)	(118 75)
Specific Bond	(426.50)	(426 50)
Statutory Advertising	(94 00)	(94 00)
Supervisors' Fees	(14,900 00)	(22,400 00)
	(15,533.77)	(30,652 52)
UNSECURED CREDITORS		
Distribution	(270,000 00)	(270,000 00)
	(270,000 00)	(270,000 00)
BALANCE	- 64,493 02	167,716.12

Notes

- 1 The balance on account is being held on an interest bearing current account with the Bank of Scotland
- 2 The above statement is shown exclusive of VAT
- 3 This should be read in conjunction with the Joint Supervisors' progress report dated 7 August 2015

David Taylor
Joint Supervisor
7 August 2015



Appendix B

JOINT SUPERVISORS' TIME COST ANALYSIS

FOR THE PERIOD FROM 10 JUNE 2013 TO 9 JUNE 2015

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.

Period	Hours Spent	Partners	Directors / Associate Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From June 2013	Administration and Planning								
	Background information	0.0	0.0	0.0	0.0	3.3	0.0	3.3	£ 456.00 138.18
	Case Management	7.4	13.5	0.0	12.0	2.8	0.2	35.9	£ 11,255.80 313.53
	Director(s)/debtor/bankrupt	0.0	1.5	0.0	0.4	0.0	0.0	1.9	£ 658.50 346.58
	Post-appointment - general	0.0	0.0	0.0	0.0	2.0	0.0	2.0	£ 480.00 240.00
	Pre-appointment matters	1.4	0.0	0.0	0.0	1.0	0.0	2.4	£ 933.00 388.75
	Receipts and Payments	0.0	0.1	0.0	3.0	3.9	2.6	9.6	£ 1,692.50 176.30
	Tax Matters	2.5	1.2	0.3	7.3	0.7	0.0	12.0	£ 3,329.50 294.13
	Total	11.3	16.3	0.3	22.7	13.7	2.8	67.1	£ 19,005.30 283.24
	Investigations								
	Investigations/CDDA	3.0	0.0	0.0	0.0	0.0	0.0	3.0	£ 1,485.00 495.00
	Total	3.0	0.0	0.0	0.0	0.0	0.0	3.0	£ 1,485.00 495.00
	Realisation of Assets								
	Assets - general/other	0.0	0.0	0.0	0.7	0.3	0.0	1.0	£ 240.00 240.00
	Total	0.0	0.0	0.0	0.7	0.3	0.0	1.0	£ 240.00 240.00
	Creditors								
	1st creditors/shareholders meetings and reports	0.0	4.0	0.0	0.0	0.0	0.0	4.0	£ 1,500.00 375.00
	Committee	0.0	0.2	0.0	0.0	0.0	0.0	0.2	£ 99.00 495.00
	Other Creditor Meetings and Reports	0.0	0.6	0.0	11.0	4.2	0.0	15.8	£ 3,554.00 224.94
	Unsecured Creditors	0.0	6.4	0.0	11.7	9.8	0.0	27.9	£ 6,691.50 239.84
	Total	0.0	11.2	0.0	22.7	14.0	0.0	47.9	£ 11,844.50 247.28
	Case Specific Matters - Legal Matters								
	Legal Matters	0.0	0.0	0.5	0.0	0.0	0.0	0.5	£ 89.50 179.00
	Total	0.0	0.0	0.5	0.0	0.0	0.0	0.5	£ 89.50 179.00
	Total Hours (From June 2013)	14.3	27.5	0.8	46.1	28.0	2.8	119.5	£ 32,664.30 273.34
	Total Time Cost (From June 2013)	£ 6,718.50	£ 9,164.00	£ 191.50	£ 11,014.50	£ 5,223.00	£ 352.80	£ 32,664.30	
Total Hours		14.3	27.5	0.8	46.1	28.0	2.8	119.5	£ 32,664.30 273.34
Total Time Cost		£ 6,718.50	£ 9,164.00	£ 191.50	£ 11,014.50	£ 5,223.00	£ 352.80	£ 32,664.30	
Average Rates		469.83	333.24	239.38	238.93	186.54	126.00	273.34	

NOTES TO APPENDIX B



JOINT SUPERVISORS' TIME COST ANALYSIS

a) Administration and Planning

This includes dealing with the commencement of the case administration, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to handling receipts and payments, VAT and Income tax issues, pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, and statutory reports.

b) Investigations

Where appropriate this will include such matters as investigation of pre-appointment transactions in accordance with the relevant Statement of Insolvency Practice (SIP 2), and the investigation of any potential antecedent transactions such as transactions at under value and preferences which may result in legal action resulting in a recoverable asset.

c) Realisation of Assets

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

d) Trading

Where the business of the company has been traded (by the supervisor(s)) following the appointment our staff will have had to set up accounts with suppliers in order to trade on an ongoing basis. Payments to suppliers and general correspondence with these have been undertaken. Where trading has ceased, accounts will have been closed and final bills paid. Other matters will also have been dealt with in accordance with the usual trading obligations such as dealing with employees and payroll.

e) Creditors

Queries from and correspondence with creditors and employees have been necessary aspects of the case administration process. Reports to creditors are also an important part of ongoing matters relating to this aspect of the case.

f) Case Specific Matters

Any case specific matters will generally be set out in the body of the report but will commonly include meetings, correspondence and telephone calls relating to specific issues in the case which do not fall into any of the categories set out above and are specific to the case in question. This may include work done in relation to litigation, general advice or other major issues.



Appendix C

BAKER TILLY RESTRUCTURING AND RECOVERY LLP JOINT SUPERVISORS' CURRENT CHARGE OUT AND DISBURSEMENT RATES

HOURLY CHARGE OUT RATES		
	Rates at commencement £	Current rates £
Partner / Directors / Associate Directors	380-475	380-495
Senior Manager, Manager, Assistant Manager	245-335	240-350
Other Senior Staff	140-210	120-240
Assistants and Support Staff	120-175	100-240

CATEGORY 2 DISBURSEMENT RATES

Disbursement charge	Rate since 7 April 2014	Rate since 1 January 2013	Rate as at 1 January 2013
Company searches (Tracker)	£10 per case	N/A	£10 per case
File set up	N/A	N/A	£7 per file
Photocopying, scanning and faxes	N/A	7p per sheet	10p per side of paper
Mileage	42 5p per mile	45p per mile	45p per mile
Room hire (internal) – London	£50-200 dependent on room	60.00	£150 per hour
Room hire (internal) – outside London	N/A	N/A	£100 per hour
Reports to creditors and members – posted	At cost	At cost	50p per report
Reports to creditors and members – published on line	N/A	N/A	25p per report
Envelope	N/A	4 2p	N/A
Storage of archive box for one month	N/A	32p	N/A
Subsistence	£25 per night	N/A	N/A



Appendix D

BAKER TILLY RESTRUCTURING AND RECOVERY LLP JOINT SUPERVISORS' CATEGORY 2 DISBURSEMENTS TABLE

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, Type and Purpose	Paid	Unpaid
	£	£
	-	-
Total	-	-

[illegible]



Appendix F

BAKER TILLY RESTRUCTURING AND RECOVERY LLP

CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for Baker Tilly Restructuring and Recovery LLP London are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements
- A resolution to consider approving "Category 2" disbursements at the rates prevailing at the time the cost is incurred to Baker Tilly Restructuring and Recovery LLP London will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate