

# CVA3

## Notice of supervisor's progress report in voluntary arrangement



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number O C 3 1 9 0 5 9

Company name in full Blackett Hart & Pratt LLP

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Supervisor's name

Full forename(s) Dean

Surname Watson

### 3 Supervisor's address

Building name/number C/O Begbies Traynor

Street 340 Deansgate

Post town Manchester

County/Region

Postcode M 3 4 L Y

Country

### 4 Supervisor's name<sup>①</sup>

Full forename(s) Gary N

Surname Lee

#### ① Other supervisor

Use this section to tell us about  
another supervisor.

### 5 Supervisor's address<sup>②</sup>

Building name/number C/O Begbies Traynor

Street 340 Deansgate

Post town Manchester

County/Region

Postcode M 3 4 L Y


Country

#### ② Other supervisor

Use this section to tell us about  
another supervisor.

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<b>6</b>	<b>Date of voluntary arrangement</b>																
Date	<sup>d</sup>	1	<sup>d</sup>	9	<sup>m</sup>	0	<sup>m</sup>	5	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	1	<sup>y</sup>	6	
<b>7</b>	<b>Period of progress report</b>																
Date from	<sup>d</sup>	1	<sup>d</sup>	9	<sup>m</sup>	0	<sup>m</sup>	5	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	0	
Date to	<sup>d</sup>	1	<sup>d</sup>	8	<sup>m</sup>	0	<sup>m</sup>	5	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	1	
<b>8</b>	<b>Progress report</b>																
<input checked="" type="checkbox"/> I attach a copy of the progress report																	
<b>9</b>	<b>Sign and date</b>																
Supervisor's signature	Signature  X																
Signature date	<sup>d</sup>	1	<sup>d</sup>	4	<sup>m</sup>	0	<sup>m</sup>	7	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	1	

# 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 **Carl Dawson**

Company name **Begbies Traynor (Central) LLP**

Address **340 Deansgate**

**Manchester**

Post town **M3 4LY**

County/Region

Postcode

Country

DX

Telephone **0161 837 1700**



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

HIGH COURT OF JUSTICE, DISTRICT REGISTRY  
MANCHESTER  
No 2016-2421 of 2016

Dean Watson and Gary N Lee appointed joint supervisors on 19  
May 2016.

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## **Blackett Hart & Pratt LLP (Company Voluntary Arrangement)**

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Joint Supervisors' Annual Progress Report

Period: 19 May 2020 to 18 May 2021

## **Important Notice**

This progress report has been produced by the supervisors solely to comply with their statutory duty to report to creditors on the progress of the Voluntary Arrangement. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	Blackett Hart & Pratt LLP (Under a Voluntary Arrangement)
"the Supervisors" "we" "us" "our" etc	Dean Watson and Gary N Lee of Begbies Traynor (Central) LLP, C/O Begbies Traynor, 340 Deansgate, Manchester, M3 4LY
"the Arrangement"	The terms of the Proposal, Standard Conditions and any modifications (and/or variations) agreed by the Company's creditors
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)

# 2. RELEVANT INFORMATION

Name of Company	Blackett Hart & Pratt LLP
Trading name(s):	BHP Law, Blackett Hart & Pratt
Date of Incorporation:	11 April 2006
Company registered number:	OC319059
Company registered office:	Westgate House, Faverdale, Darlington, DL3 0PZ
Commencement date of the Arrangement	19 May 2016
Duration of the Arrangement	5 years and 6 months
Main provisions of the Arrangement	<ul style="list-style-type: none"><li>▪ The Partnership will make monthly contributions of £15,000 for 60 months to the Supervisors commencing on 15 June 2016</li><li>▪ The Partnership will make additional contributions if trading performance is better than forecast</li><li>▪ The Proposal constitutes a composition in satisfaction of the Partnership's debts and approval of it will result in creditors accepting the dividends paid to them in full and final settlement of their claims against the Partnership</li></ul>

Variations to the Arrangement since approval

There have been no variations to the Proposal. Whilst a variation of the Arrangement was proposed in 2018 in relation to our fees, creditors rejected it. Further particulars can be found in our previous annual report dated 9 July 2019.

Dividends paid to creditors

Preferential

- 1<sup>st</sup> and final preferential dividend totalling £1,000 in relation to a claim for arrears of wage calculated at 100 pence in the pound was paid on 19 April 2017

Unsecured

- 1<sup>st</sup> interim unsecured dividend totalling £127,434.77 calculated at a rate of 6.42 pence in the pound was paid on 12 December 2017
- 2<sup>nd</sup> interim unsecured dividend totalling £128,297.67 calculated at a rate of 6.46 pence in the pound was paid on 30 January 2019
- 3<sup>rd</sup> interim unsecured dividend totalling £129,847.38 calculated at a rate of 6.54 pence in the pound was paid on 2 October 2020

Anticipated further dividend

We anticipate being in a position to pay a final unsecured dividend to creditors in approximately six months.

### 3. INTRODUCTION

- 3.1 The Rules require that we send the Company, its creditors (bound by the Arrangement) and its members details of all receipts and payments of money that we have received or paid whilst we have been acting as Supervisors of the Arrangement.
- 3.2 In addition to accounting for the receipts and payments, we are required to report each year on the progress of the Arrangement and the prospects for its full implementation.
- 3.3 This is our fifth annual report, which should be read in conjunction with the previous annual reports circulated by the Supervisors.

### 4. ABSTRACT OF RECEIPTS AND PAYMENTS

Please find at Appendix 1 an abstract which shows the receipts and payments during the period of this report as well as cumulative figures showing the receipts and payments since the date of our appointment.

**Receipts**

**PVA Contributions**

In accordance with the Arrangement, we have received from the LLP 12 monthly payments of £15,000 totalling £180,000.

**Payments**

**Unsecured dividend**

An unsecured dividend in the sum of £129,847 was declared to creditors on 2 October 2020. This represents a dividend of 6.54 pence in the pound.

## 5. PROGRESS DURING THE PERIOD OF THIS REPORT

- 5.1 You will recall that the terms of the Arrangement as modified provided for the following:
- 5.1 We can confirm that for the period 19 May 2016 to 18 May 2021, 58 contributions totalling £870,000 have been received. In accordance with the terms of the Arrangement, the LLP have deferred 2 payments in the first year of the Arrangement.
- 5.2 We can further confirm that at the time of drafting this report (and after the anniversary that this report relates to), the final £30,000 has been paid by the LLP, meaning that all contributions due have now been received.
- 5.3 As creditors will be aware from previous progress reports, the claim of the LLP's former landlord is yet to be finalised. During the period, we have continued to liaise with the landlord in relation to their claim with a view to paying a full and final dividend to all creditors to enable steps to be taken to bring the Arrangement to a close. At this stage negotiations are still ongoing but we hope to resolve the position shortly.
- 5.4 **What work has been done in the past year, why was that work necessary and what has been the financial benefit (if any) to creditors?**

Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the past year and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the past year only. Our previous reports contain details of the work undertaken since our appointment.

### General case administration and planning

We are required to maintain records to demonstrate how the case has been administered and to document the reasons for any decisions that materially affect the case. Time charged to this category has included work of this nature, together with sundry tasks such as:

- Maintaining our specialist insolvency practitioners' system which contains pertinent Information relating to the LLP
- Conducting a review of internal records
- Reviewing trading performance against forecasts produced

### Compliance with the Insolvency Act, Rules and best practice

We are required to comply with the provisions of the Act and the Rules, together with best practice laid down within the profession, for instance the Statements of Insolvency Practice.

Time charged to this category has included work of this nature, including, but not limited to:

- Adhering to banking procedures relating to the preparation of bank account reconciliations, receipts and payments vouchers



- Monitoring the bond level upon receiving income into the case to ensure the level is sufficient
- Preparing, reviewing, finalising and circulating our previous annual report and its appendices

#### Realisation of assets

Whilst no assets were included in the Arrangement, the terms provided for monthly contributions to be made and time has been spent monitoring receipt of contributions.

#### Dealing with all creditors' claims (including employees), correspondence and distributions

We are required to deal with the claims of creditors during the entire course of our appointment, which includes recording all claims in our specialist insolvency practitioners system and assisting creditors with their enquiries.

Time charged to this category has included work of this nature along with the calculation and payment of the third interim dividend.

#### Other matters which includes meetings, tax, litigation, pensions and travel

A nominal amount of time charged to this category has included a review of the LLP's tax position.

## 6. PROSPECTS FOR FULL IMPLEMENTATION OF THE ARRANGEMENT

- 6.1 We are pleased to be able to confirm that the LLP appears to be on target to complete the Arrangement in accordance with the terms approved by creditors.
- 6.2 As outlined at 5.2 above, once the claim of the landlord has been finalised we hope to be in a position to pay a final dividend to creditors which will enable the Arrangement to be brought to a close.
- 6.3 We can confirm that the LLP has paid all monies due under the terms of the Arrangement.

## 7. ESTIMATED OUTCOME FOR CREDITORS

- 7.1 Details of the position regarding the claims received by creditors throughout the course of the Arrangement have been provided in previous progress reports. Any claims received but not yet adjudicated upon will be adjudicated upon prior to any final dividend being declared.
- 7.2 As the final claim of the landlord is yet to be agreed, we are unable to accurately estimate the final dividend payable to creditors as it will be entirely dependant on the level of their claim. As outlined above, we will continue to liaise with the landlord in relation to their claim and will take steps to pay a final dividend to creditors once their final claim has been agreed. For the avoidance of doubt sufficient funds have been held in reserve to enable a catch up dividend to be paid to the landlord once their claim has been agreed.

## 8. JOINT SUPERVISORS' REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by reference to the time properly given by us (as Supervisors) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters arising in the Arrangement. Our fees are currently limited to £30,000.

Our time costs for the period from 19 May 2020 to 18 May 2021 amount to £16,196.50 which represents 73.9 hours at an average rate of £219.17 per hour. An analysis of time costs incurred in this period is attached at Appendix 2 showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type. It is intended that the Time Costs Analysis and the information contained in this report will provide sufficient information to enable creditors to consider the level of those fees in the context of the case.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- Begbies Traynor (Central) LLP's charging policy
- Time Costs Analysis for the period 19 May 2020 to 18 May 2021
- Cumulative Time Costs Analysis for the period from 19 May 2016 to 18 May 2021

For the period from 19 May 2020 to 18 May 2021 we have not drawn any fees by way of remuneration.

We confirm that to 18 May 2021, we have drawn the total sum of £25,000 by way of remuneration drawn.

A copy of 'Voluntary Arrangements – A Creditors' Guide to Insolvency Practitioners' Fees (E&W) 2010' which provides guidance on creditors' rights can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides) Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

### **Supervisors' disbursements**

- 8.1 No Category 1 or Category 2 disbursements have been drawn during the period of this report.

## 9. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

There are no assets that remain to be realised in the Arrangement.

### **What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?**

We anticipate that the following works will be undertaken in the period from 19 May 2021 to full implementation of the Arrangement:

#### General case administration and planning

- Photocopying
- Virtual filing of documents
- Conducting periodical reviews to ensure case progression

- Responding to general (non-specific) queries
- Maintaining our specialist insolvency practitioner's system

#### Compliance with the Act, Rules and best practice

- Monitoring the level of our bond
- Preparing, reviewing and finalising our final report
- Adhering to best practice closure procedures

#### Realisation of assets

- Monitoring receipt of final contributions (as outlined above these have now been received but any time incurred in dealing with those contributions will be reflected in our next report)

#### Dealing with all creditors' claims (including employees), correspondence and distributions

- Adjudicating on unsettled creditors' claims, including the claim of the landlord as outlined above
- Declaring and paying a final dividend

#### Other matters which includes meetings, tax, litigation, pensions and travel

- Considering tax matters

#### **How much will this further work cost?**

We anticipate that this further work may cost somewhere in the region of £10,000 to £15,000. As outlined above we have previously requested an increase to our proposed fee of £30,000 but this was rejected by creditors. As a result any future time incurred will likely be written off as irrecoverable.

#### **Expenses**

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above is expected to comprise of solely minimal costs associated with storing records pertaining to the LLP. Such costs are not expected to exceed £50 plus VAT.

## **10. OTHER RELEVANT INFORMATION**

#### **Use of personal information**

Please note that in the course of discharging our duties as supervisors, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

## 11. CONCLUSION

We will report again in approximately 1 years' time or at the conclusion of our administration of the Arrangement, whichever is the sooner.

A handwritten signature in black ink, appearing to be 'DW' or similar, written in a cursive style.

**Dean Watson**  
Joint Supervisor

Dated: 14 July 2021

# JOINT SUPERVISORS' ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 19 May 2020 to 18 May 2021, together with a cumulative Receipts and Payments Account for the period 19 May 2016 to 18 May 2021.

Statement of Affairs £	From 19/05/2020 To 18/05/2021 £	From 19/05/2016 To 18/05/2021 £
ASSET REALISATIONS		
Bank Interest Gross	NIL	2,031.42
100,000.00 Book Debts	NIL	NIL
2,500.00 Computer Equipment	NIL	NIL
10,000.00 Fixtures & Fittings	NIL	NIL
10,000.00 Leasehold Property	NIL	NIL
2,500.00 Motor Vehicles	NIL	NIL
PVA Contributions	180,000.00	870,000.00
100,000.00 Work In Progress	NIL	NIL
	180,000.00	872,031.42
COST OF REALISATIONS		
Agents/Valuers Fees	NIL	3,050.00
Legal Fees	NIL	2,500.00
Nominees fee	NIL	7,500.00
Office Holders Expenses	NIL	392.00
Supervisor fees	NIL	25,000.00
	NIL	(38,442.00)
PREFERENTIAL CREDITORS		
Employees re Arrears/Hol Pay	NIL	1,000.00
	NIL	(1,000.00)
FLOATING CHARGE CREDITORS		
(262,758.00) Handelsbanken	NIL	NIL
	NIL	NIL
UNSECURED CREDITORS		
(233,439.00) Accruals	NIL	NIL
(1,300,000.00) Employee Redundancy Claims	NIL	NIL
(163,963.00) Former Members	NIL	NIL
(223,547.00) HMRC (PAYE)	NIL	NIL
(385,439.00) HMRC (VAT)	NIL	NIL
(1,000,000.00) Landlord Claims	NIL	NIL
(1,025,999.00) Loans	NIL	NIL
(821,727.00) Trade Creditors	129,847.38	385,579.82
	(129,847.38)	(385,579.82)
<b>(5,191,872.00)</b>	<b>50,152.62</b>	<b>447,009.60</b>

## **JOINT SUPERVISORS' TIME COSTS AND EXPENSES**

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 19 May 2020 to 18 May 2021 and
- c. Cumulative Time Costs Analysis for the period from 19 May 2016 to 18 May 2021.

# BEGBIES TRAYNOR CENTRAL LLP'S CHARGING POLICY

## **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>2</sup> requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

## **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

## **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories:

*Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.

*Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

## **BEGBIES TRAYNOR CHARGE-OUT RATES**

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the Manchester office as at the date of this report are as follows

<b>: Grade of staff</b>	<b>Charge-out rate (£ per hour) 1 December 2018 – until further notice</b>
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Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Prior to 1 December 2018, the following rates applied:	<b>Charge-out rate (£ per hour)</b>
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### **Grade of staff**

Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	60 - 110



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