

Rule 1.26/  
1.54

**The Insolvency Act 1986**  
Notice to Registrar of  
Companies of Supervisor's  
Abstract of Receipts and  
Payments  
Pursuant to Rule 1.26(2)(b) or  
Rule 1.54 of the  
Insolvency Rules 1986

# R.1.26(2)(b)/ R.1.54

For Official Use

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|  |  |  |
|--|--|--|

To the Registrar of Companies

Company Number

3357010

Name of Company

J F Wilson Shopfitters Ltd

I / We

Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
NE2 1TJ

supervisor(s) of a voluntary arrangement taking effect on

24 October 2003

present overleaf my/our abstract of receipts and payments for the period from

24 October 2005

to

24 October 2006

Number of continuation sheets (if any) attached

☐

Signed



Date

15/12/06

Robson Laidler LLP  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
NE2 1TJ

Ref: W202/

For Official Use

Insolvency Section | Post Room



A38

\*AQZW3LK3\*

22/12/2006

716

COMPANIES HOUSE

| RECEIPTS   |  | £         |
|--|--|-----------|
| Brought forward from previous Abstract (if any)            |  | 13,861.96 |
| Bank Interest Net of Tax                                   |  | 140.07    |
| Carried forward to<br>* continuation sheet / next abstract |  | 14,002.03 |
| PAYMENTS   |  | £         |
| Brought forward from previous Abstract (if any)            |  | 5,127.16  |
| Bank Charges   |  | 47.30     |
| Supervisors Remuneration                                   |  | 1,500.00  |
| VAT  |  | 262.50    |
| Carried forward to<br>* continuation sheet / next abstract |  | 6,936.96  |

\* Delete as  
appropriate

\* Delete as  
appropriate

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the supervisor since he was appointed.

**COUTTS & FINDLATER LIMITED  
(COMPANY VOLUNTARY ARRANGEMENT)  
SUNDERLAND COUNTY COURT NO. 236 OF 2003**

**J F WILSON SHOPFITTERS LIMITED  
(COMPANY VOLUNTARY ARRANGEMENT)  
SUNDERLAND COUNTY COURT NO. 235 OF 2003**

**SUPERVISOR'S ANNUAL REPORT TO THE CREDITORS  
ISSUED IN ACCORDANCE WITH RULE 1.26 OF THE  
INSOLVENCY RULES 1986**

**DATED 16 DECEMBER 2006**

**Robson Laidler LLP  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
NE2 1TJ**

**COUTTS & FINDLATER LIMITED  
(COMPANY VOLUNTARY ARRANGEMENT)  
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**TABLE OF CONTENTS**

**SECTION**

- A. INTRODUCTION**
- B. VOLUNTARY CONTRIBUTIONS AND DEBTORS**
- C. UNSECURED CREDITORS**
- D. SUPERVISOR'S OBSERVATIONS**
- E. OFFICE HOLDER'S REMUNERATION**

**APPENDICIES**

- 1. SUMMARY OF RECEIPTS AND PAYMENTS**
- 2. TIME COST ANALYSIS**

**COUTTS & FINDLATER LIMITED  
(COMPANY VOLUNTARY ARRANGEMENT)  
SUNDERLAND COUNTY COURT NO. 236 OF 2003**

**J F WILSON SHOPFITTERS LIMITED  
(COMPANY VOLUNTARY ARRANGEMENT)  
SUNDERLAND COUNTY COURT NO. 235 OF 2003**

**A. INTRODUCTION**

I was appointed Supervisor of the Company Voluntary Arrangements at a meetings of creditors convened pursuant to Section 3 of the Insolvency Act 1986 on 24 October 2003.

**B. VOLUNTARY CONTRIBUTIONS AND DEBTORS**

The Companies have to date made total contributions of £47,000.00 in relation to voluntary contributions as detailed at Appendix 1, being the summary of Receipts and Payments.

You will recall from my previous report that the Companies suffered a dramatic reduction in orders during the first nine months of 2005, but that they had started to see an increase in invitations to tender and a gradual increase in new orders by the end of that year. Throughout the period the director had attempted to find financial backers to assist in the redevelopment of the Companies freehold property. A significant number of meetings took place, although once a financial backer became aware of the Company Voluntary Arrangements their initial interest began to dwindle. The director and I believe that this reluctance to progress with a deal is due to a belief by these backers that, should the Company Voluntary Arrangements fail then they would be able to purchase the property for a greatly reduced figure. Despite these set backs the director continued to seek potential financial backers for the proposed redevelopments of the property.

While discussions continued I did not deem it appropriate to fail the arrangements, as the Companies only major asset is the property, which had been slowly redeveloped during the period. Had the arrangements been failed and the Companies wound up, the property would have become vacant and require 24 hour security to prevent vandalism until it was sold.

As you are aware, the original proposals contained a clause allowing for the sale of the property in the third year of the arrangements. The director you recall from my previous report sought a variation to the proposals, as he had found an investor who was aware of the Company Voluntary Arrangements and was willing to purchase the freehold property. The sale proceeds would be sufficient to discharge the liability of the Bank who have security over the property and also to enable a dividend of 70p in the £ to be paid to creditors together with costs. The funds are to be paid into the arrangements immediately upon completion. The creditors eventually agreed to the variation on 3 July 2006. The director is continuing finalise the sale of the property.

The Companies have also contributed £8,031.21 in respect of book debts as detailed at Appendix 1.

### **C. UNSECURED CREDITORS**

The following claims have been received from unsecured creditors:

|                                | Claims | Total<br>£ |
|--------------------------------|--------|------------|
| Coutts & Findlater Limited     | 41     | 239,782.21 |
| J F Wilson Shopfitters Limited | 12     | 51,244.85  |

Following my previous reports, I obtained the creditors approval to amend the proposals to exclude those creditors who did submit claims by 31 December 2004. In addition the Rules in respect to the agreement of proofs of debt as defined in Rules 4.73 – 4.94 of the Insolvency Rules 1986 were also incorporated into the proposal. In this respect the following claims have been excluded:

|                                | Claims | Total<br>£ |
|--------------------------------|--------|------------|
| Coutts & Findlater Limited     | 12     | 5,807.05   |
| J F Wilson Shopfitters Limited | 2      | 547.59     |

### **D. SUPERVISOR'S OBSERVATIONS**

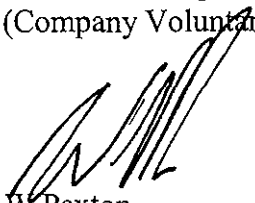
The outcome of the Company Voluntary Arrangements is dependant upon the creditors views on the director's variation as detailed above. Should the variation be accepted then a dividend of 70p in the £ will become available to the unsecured creditors.

### **E. OFFICE HOLDER'S REMUNERATION**

The proposals provide that my remuneration will be limited to £13,500.00 for the duration of the arrangements. To date, I have drawn £8,664.60 in relation to my remuneration. In accordance with the current Statement of Insolvency Practise 9, I enclose at appendix II a schedule of the time incurred and the average cost.

If you require any further information or would like to discuss any aspect of this report please do not hesitate to contact me.

Yours faithfully  
For and on behalf of  
Coutts & Findlater Limited  
(Company Voluntary Arrangement)  
J F Wilson Shopfitters Limited  
(Company Voluntary Arrangement)



W Paxton  
Supervisor

**Receipts & Payments Account**

| <b>Receipts</b>         | <b>£</b> | <b>£</b>        |
|-------------------------|----------|-----------------|
| Voluntary Contributions |          | 34,175.00       |
| Debtors                 |          | 7,235.97        |
| Interest                |          | <u>1,733.69</u> |
|                         |          | 43,144.66       |

**Payments**

|                             |                             |                         |
|-----------------------------|-----------------------------|-------------------------|
| Insolvency Bond             | (330.00)                    |                         |
| Bank Charges                | (152.13)                    |                         |
| Valuation Fee               | (200.00)                    |                         |
| Supervisors Remuneration    | (4,500.00)                  |                         |
| Supervisors Disbursements   | (79.40)                     |                         |
| Nominess Fees               | (1,500.00)                  |                         |
| VAT                         | (1,156.65)                  |                         |
|                             | <u>                    </u> | <u>(7,918.18)</u>       |
|                             |                             | 35,226.48               |
| Supervisors Balance at Bank |                             | <u><u>35,226.48</u></u> |

**Receipts & Payments Account**

| <b>Receipts</b>             | <b>£</b>          | <b>£</b>               |
|-----------------------------|-------------------|------------------------|
| Voluntary Contributions     |                   | 12,825.00              |
| Debtors                     |                   | 795.24                 |
| Interest                    |                   | <u>391.79</u>          |
|                             |                   | 14,012.03              |
| <b>Payments</b>             |                   |                        |
| Insolvency Bond             | (120.00)          |                        |
| Bank Charges                | (149.53)          |                        |
| Supervisors Remuneration    | (4,164.60)        |                        |
| Supervisors Disbursements   | (9.80)            |                        |
| Nominess Fees               | (1,500.00)        |                        |
| VAT                         | (993.03)          |                        |
|                             | <u>          </u> | <u>(6,936.96)</u>      |
|                             |                   | 7,075.07               |
| Supervisors Balance at Bank |                   | <u><u>7,075.07</u></u> |

**Coutts & Findlater Limited (In Liquidation)**

**Supervisors time and charge out summary**

| Classification of Work function                    | Hours   |           |                    |                  |                | Time Cost £ | Average hourly rate £ |
|--|---------|-----------|--------------------|------------------|----------------|-------------|-----------------------|
|  | Partner | Manager   | Admini-<br>strator | SupportS<br>taff | Total<br>Hours |             |                       |
| Administration, Planning, Statutory and Cashiering | 8.8     | 132.7     | 4.5                | 14.6             | 160.6          | 24,649.00   | 153.48                |
| Trading  |         | 0.8       |                    |                  | 0.8            | 104.00      | 130.00                |
| Realisation of Assets                              | 3.1     | 2.4       |                    |                  | 5.5            | 1,034.00    | 188.00                |
| Tax  |         | 2.1       |                    |                  | 2.1            | 147.00      | 70.00                 |
| Bookkeeping  |         |           | 49.1               |                  | 49.1           | 1,673.20    | 34.08                 |
| Creditors  | 3.5     | 5.7       |                    |                  | 9.2            | 1,574.00    | 171.09                |
| Total Hours  | 15.4    | 143.7     | 53.6               | 14.6             | 227.3          |             | 128.38                |
| Total time charged                                 | 3152.00 | 23,501.00 | 1841.00            | 687.20           | 0.00           | 29,181.20   |                       |
| Time Written off                                   |         |           |                    |                  |                | 21,281.20   |                       |
| Total fees claimed                                 |         |           |                    |                  |                | 4,500.00    |                       |
| Total WIP  |         |           |                    |                  |                | 3400.00     |                       |

J F Wilson Shopfitters Limited (Company Voluntary Arrangement)

Appendix II  
(page 2 of 2)

Supervisors time and charge out summary

| Robson Laidler LLP  |         |          |                    |                   |                |   |
|---|---------|----------|--------------------|-------------------|----------------|---|
| Hours   |         |          |                    |                   |                |   |
| Classification of Work function   | Partner | Manager  | Admini-<br>strator | Support Staf<br>f | Total<br>Hours | Time Cost £<br>Average<br>hourly rate £ |
| Administration, Planning,<br>Statutory and Cashiering (inc<br>Tax & VAT work) | 1.5     | 17.3     | 3.5                | 5.7               | 28.0           | 138.63                                  |
|   |         | 2.0      |                    |                   | 2.0            | 130.00                                  |
|   |         |          |                    |                   | 0.0            |   |
|   |         | 6.0      |                    |                   | 6.0            | 157.81                                  |
| Total Hours   | 1.5     | 25.3     | 3.5                | 5.7               | 36.0           |   |
| Total time charged  | 300.00  | 4,300.00 | 42.00              | 446.60            |                | 141.35                                  |
| Time Written off  |         |          |                    |                   |                | 924.00                                  |
| Work in Progress carried forward  |         |          |                    |                   |                |   |
| Total fees claimed  | 300.00  | 4,300.00 | 42.00              | 446.60            |                | 4,164.60                                |

## VOLUNTARY ARRANGEMENTS -

### A CREDITORS' GUIDE TO INSOLVENCY PRACTITIONERS' FEES

#### 1. Introduction

- 1.1 In a voluntary arrangement, as in other types of insolvency, the amount of money available for creditors is likely to be affected by the level of costs, including the remuneration of the insolvency practitioner appointed to implement the arrangement. This guide explains how fees are fixed in voluntary arrangements, how the creditors can affect the level of fees, and the information which should be made available to them regarding fees.

#### 2. The voluntary arrangement procedure

- 2.1 Voluntary arrangements are available to both companies and individual debtors. Company voluntary arrangements are often referred to as CVAs, and individual voluntary arrangements as IVAs.
- 2.2 The procedure is similar for both CVAs and IVAs and enables the company or individual to put a proposal to their creditors for a composition in satisfaction of their debts or a scheme of arrangement of their affairs. A composition is an agreement under which creditors agree to accept a certain sum of money in settlement of the debts due to them. A CVA may be used as a stand-alone procedure or as an exit route from an administration. It may also be used where a company is in liquidation, but this is extremely rare. The proposal will be made by the directors, the administrator or the liquidator, depending on the circumstances. A proposal for an IVA may be made by a debtor whether or not he is already subject to bankruptcy proceedings. The proposal will be considered by creditors at a meeting convened for that purpose. The procedure is extremely flexible and the form which the voluntary arrangement takes will depend on the terms of the proposal agreed by the creditors. In both CVAs and IVAs the proposal must provide for an insolvency practitioner to supervise the implementation of the arrangement. Until the proposal is approved by the creditors, the practitioner is known as the nominee. If the proposal is approved, the nominee (or if the creditors choose to replace him, his replacement) becomes the supervisor.

#### 3. Fees, costs and charges - statutory provisions

- 3.1 The fees, costs, charges and expenses which may be incurred for the purposes of a voluntary arrangement are set out in the Insolvency Rules 1986 (rule 1.28 for CVAs and rule 5.33 (previously 5.28) for IVAs). They are:
- any disbursements made by the nominee prior to the arrangement coming into effect, and any remuneration for his services agreed between himself and the company (or the administrator or liquidator, as the case may be) or the debtor (or the official receiver or trustee, where the debtor is subject to bankruptcy proceedings);
  - any fees, costs, charges or expenses which:
    - are sanctioned by the terms of the arrangement (see below), or
    - would be payable, or correspond to those which would be payable, in an administration, winding up or bankruptcy (as the case may be).
- 3.2 The rules also require the following matters to be stated or otherwise dealt with in the proposal (rule 1.3 for CVAs and rule 5.3 for IVAs):
- The amount proposed to paid to the nominee (as such) by way of remuneration and expenses, and
  - The manner in which it is proposed that the supervisor of the arrangement should be remunerated and his expenses defrayed.

Details of the charge out rates of staff employed by Robson Laidler LLP are as follows:

| Staff Grade           | Charge Out Rate Per Hour<br>£ |
|-----------------------|-------------------------------|
| Partner               | 230.00                        |
| Senior Manager        | 190.00                        |
| Manager 1             | 155.00                        |
| Manager 2             | 140.00                        |
| Manager 3             | 135.00                        |
| Administrator/Cashier | 120.00                        |
| Clerical Support      | 50.00                         |

#### 4. The role of the creditors

- 4.1 It is for the creditors' meeting to decide whether to agree the terms relating to remuneration along with the other provisions of the proposal. The creditors' meeting has the power to modify any of the terms of the proposal (with the consent of the debtor in the case of an IVA), including those relating to the fixing of remuneration. The nominee should be prepared to disclose the basis of his fees to the

meeting if called upon to do so. Although there are no further statutory provisions relating to remuneration in voluntary arrangements, the terms of the proposal may provide for the establishment of a committee of creditors and may include among its functions the fixing of the supervisor's remuneration.

## **5. What information should the creditors receive?**

- 5.1 Whether the basis of the supervisor's remuneration is determined at the meeting which approves the arrangement or by a committee of creditors, the supervisor, or proposed supervisor should provide details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.
- 5.2 *Where the supervisors' fees are to be agreed by a committee of creditors during the course of the arrangement, the supervisor should provide sufficient supporting information to enable the committee to form a judgment as to whether the proposed fee is reasonable having regard to all the circumstances of the case, and should always provide an up to date receipts and payments account. Where the fee is to be charged on a time basis the supervisor should disclose the amount of time spent on the case and the charge-out value of the time spent, together with such additional information as may reasonably be required having regard to the size and complexity of the case and the functions conferred on the supervisor under the terms of the arrangement. The additional information should comprise a sufficient explanation of what the supervisor has achieved and how it was achieved to enable the value of the exercise to be assessed and to establish that the time has been properly spent on the case.*
- 5.3 Where the basis of the remuneration of the supervisor as set out in the proposal does not require any further approvals by the creditors or any committee of creditors, the supervisor should specify the amount of remuneration he has drawn in accordance with the provisions of the proposal in his subsequent reports to creditors on the progress of the arrangement. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the arrangement was approved. He should also provide such additional information as may be required in accordance with paragraph 5.2.
- 5.4 Where the supervisor proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the supervisor's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

## **6. Provision of information – additional requirements**

- 6.1 In any case where the nominee or supervisor is appointed on or after 1 April 2005 he must provide certain information about the time spent on the case, free of charge, upon request by specified persons. The persons entitled to ask for this information are –
- any creditor in the case;
  - where the arrangement relates to a company, any director or contributory of that company; and
  - where the arrangement relates to an individual, that individual.
- 6.2 The information which must be provided is –
- the total number of hours spent on the case by the insolvency practitioner or staff assigned to the case;
  - for each grade of staff, the average hourly rate at which they are charged out;
  - the number of hours spent by each grade of staff in the relevant period.
- 6.3 The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the nominee's or supervisor's appointment, or where he has vacated office, the date that he vacated office.