

CVA3

Notice of supervisor's progress report in voluntary arrangement



Companies House

WEDNESDAY



A913VLD6

A23

18/03/2020

#134

COMPANIES HOUSE

1 Company details

Company number 0 5 7 6 6 1 0 8

Company name in full The Flooring Co (UK) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Supervisor's name

Full forename(s) Michael Robert

Surname Fortune

3 Supervisor's address

Building name/number 1580 Parkway

Street Solent Business Park

Post town Whiteley, Fareham

County/Region Hampshire

Postcode P O 1 5 7 A G

Country

4 Supervisor's name^①

Full forename(s) Carl Derek

Surname Faulds

① Other supervisor

Use this section to tell us about
another supervisor.

5 Supervisor's address^②

Building name/number 1580 Parkway

Street Solent Business Park

Post town Whiteley, Fareham

County/Region Hampshire

Postcode P O 1 5 7 A G




Country

② Other supervisor

Use this section to tell us about
another supervisor.

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6	Date of voluntary arrangement																	
Date	<table border="1"><tr><td>d</td><td>2</td><td>d</td><td>4</td><td>m</td><td>0</td><td>m</td><td>2</td><td>y</td><td>2</td><td>y</td><td>0</td><td>y</td><td>1</td><td>y</td><td>7</td></tr></table>	d	2	d	4	m	0	m	2	y	2	y	0	y	1	y	7	
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7	Period of progress report																	
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8	Progress report																	
	<input checked="" type="checkbox"/> I attach a copy of the progress report																	
9	Sign and date																	
Supervisor's signature	<table border="1"><tr><td>Signature</td><td><div>X</div><div></div><div>X</div></td></tr></table>	Signature	<div>X</div> <div></div> <div>X</div>															
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**Voluntary Arrangement of
The Flooring Co (UK) Limited
Joint Supervisors' Summary of Receipts & Payments**

Statement of Affairs £	From 24/02/2019 To 23/02/2020 £	From 24/02/2017 To 23/02/2020 £

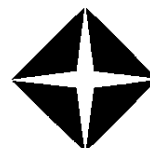
Note:

A dividend of 15p in the £ was declared to creditors totalling £180,474.02 on 11th June 2018.

A dividend of 10p in the £ was declared to creditors totalling £180,474.02 on 22nd March 2019.



Carl Derek Faulds
Joint Supervisor



1580 Parkway
Solent Business Park
Whiteley
Fareham
Hampshire
PO15 7AG

Telephone: 01489 550 440
Fax: 01489 550 499
Email: post@portbfs.co.uk
Web: www.portbfs.co.uk

TO THE MEMBERS AND CREDITORS

MF/CF/SW/CSR/ CD/AJ/T8772

13th March 2020

Annual progress report to members and creditors

The Flooring Co (UK) Limited – company voluntary arrangement

Supervising court	Hastings County Court	Court reference number	20 of 2017
Full registered name	The Flooring Co (UK) Limited	Registered number	05766108
Registered office	Bank Chambers Main Road Biggin Hill Westerham Kent TN16 3BA	Trading address	Unit 1 56-58 Factory Lane Croydon CR0 3RL
Name of supervisors and licensing bodies	Michael Robert Fortune	Insolvency Practitioners Association	
	Carl Derek Faulds	Insolvency Practitioners Association	
Date of appointment	24th February 2017	Appointer	Members and Creditors
Supervisors' address	1580 Parkway, Solent Business Park, Whiteley, Fareham, Hampshire, PO15 7AG E-mail creditors@portbfs.co.uk		
Allocation of supervisors' powers	All the powers and functions of a supervisor are exercisable by either or both of the appointed supervisors		
Rights with regard to remuneration and expenses	Creditors can access a guide setting out their rights with regard to remuneration and expenses by visiting https://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees		
Period of report	24th February 2019 to 23rd February 2020		
Date of original proposals	30th January 2017	Details of any subsequent amendments	None



Portland Business & Financial Solutions Ltd. Registered No. 3830668.
Directors: Carl D Faulds, Mike Fortune, Steve Godwin, Nicola Layland.
All our Licensed Insolvency Practitioners are authorised by the Insolvency Practitioners Association.
Please be advised we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.
A copy of our Privacy Policy setting out how we manage your personal data can be found on our website.



South West Office
Discovery Court, 551-553 Wallisdown Road,
Poole, Dorset BH12 5AG
Tel: 01202 712 810

London Office
90 Long Acre, Covent Garden,
London WC2E 9RZ
Tel: 020 7925 2651
Fax: 020 7925 2652

We have recently passed the anniversary of our appointment as joint supervisors on 24th February 2017. We are therefore providing you with a report on the progress of the arrangement.

Progress to date in realising assets

We enclose a summary of our receipts and payments account during the year and for the case in total. We have provided comparisons of the realisations with the original director projections in the proposals, which we hope you will find helpful.

The proposals and modifications require the company to make payments of £2,500 per month into the arrangement for a period of five years and that a minimum dividend of 71p in the pound is to be paid to unsecured creditors. We previously reported that one of the monthly contributions was underpaid by £42 and a contribution of £2,500 was paid shortly after the anniversary date, these amounts are subsequently recorded in the receipts and payments for this period. The monthly contributions have been monitored during the last 12 months and we have received £30,042 which includes the payments of £2,542 as referred to above. As at the date of the anniversary, we had received contributions totalling £87,500 as opposed to £90,000 which should have been paid at the date of the anniversary. We received a further contribution of £2,500 shortly after the anniversary and as such the monthly contributions are up to date.

We previously reported that one of the modifications to the proposals required the director to repay his overdrawn loan account within 12 months of approval of the arrangement. The proposals show that the amount due by the director is £23,630. Shortly after the commencement of the CVA, we received evidence to substantiate the director's claim that the amount due by him had been reduced to £18,418 due to payments made by him shortly prior to the acceptance of the CVA. During the first year of the arrangement, we received payments totalling £14,500 and the balance of £3,918 was paid shortly after the first anniversary.

The proposals set out that any annual top-up payments will be assessed by the supervisors following a review of the annual accounts by the supervisors taking into account the level of post tax profits, working capital requirements of the business and projections for future business. We have reviewed the company's most recent accounts for the year ending 31st March 2019 and can confirm that the company made a small profit. As the profit is not significant a top-up payment is not due.

During the period we have received bank interest of £90 bringing the total interest received to date to £202.

Fixed charge creditors

There are no fixed charge creditors of the company.

Preferential creditors

There are no preferential creditors of the company.

Floating charge creditors

There are no floating charge creditors of the company.

Prescribed part

As there are no floating charge creditors the provision for the prescribed part does not apply.

Unsecured creditors

We have submitted the necessary returns to HM Revenue and Customs.

We have responded to creditor correspondence and confirmed claims where we have been requested to do so.

Where new claims have been received these have been verified and agreed, and a catch-up dividend has been paid accordingly.

The claims of the unsecured creditors were estimated by the directors at £217,000 and these have been agreed at £180,474. We have to date paid dividends totalling 25p in the £. We are now able to pay a third dividend of 10p in the £. A cheque has been sent to you under separate cover. If you do not receive a cheque this is due to the fact that you did not submit a claim in the arrangement, despite receiving a notice to do so, and therefore have been excluded from the dividend.

Supervisors' fees, disbursements and expenses

At the first meeting of creditors held on 24th February 2017 it was agreed that we be authorised to draw our remuneration based on our time costs.

We are now required to provide creditors with details relating to those time costs and the disbursements that we have incurred. This is analysed on the attached schedule, along with a schedule of our current charge-out rates and disbursements policy, and the totals are summarised below.

	(£) From 24/02/2019 to 23/02/2020	(£) From 24/02/2017 to 23/02/2020
Time costs	5,025	17,988
Amount paid	11,500	16,500

Our time costs have exceeded the projected costs stated within the CVA proposals, as we spent considerable time in the first year of the arrangement corresponding with the director with regard to his overdrawn director loan account, verifying the balance due and obtaining payment in line with the terms of the CVA.

In the attached analysis, we have recorded time in the following categories of work that we have handled:-

- **Asset realisations** – Taking appropriate measures to realise the assets of the company, as more fully explained under the heading 'Progress to date in realising assets'.

This work has provided a financial benefit to the creditors as sufficient funds are available from the realisations to enable a distribution to creditors.

- **Administration and planning** - Internal management of the case to ensure it is completed in an efficient manner and in accordance with good practice. Maintaining the estate accounts and ensuring compliance and statutory filing requirements.

Whilst this work provides no financial benefit to the creditors it is required by statute.

- **Reporting** – Communicating with creditors about initial appointment and preparing and distributing reports.

Whilst this work provides no financial benefit to the creditors it is required by statute.

- **Creditors' claims** – Corresponding with creditors about their claims, as more fully described under the 'Creditor claims and dividends' above.

Where work is undertaken to agree claims in order to distribute funds to creditors this is for the financial benefit of the creditors. Whilst the other work provides no financial benefit to the creditors it is required by statute.

We have drawn a fee of £5,000, as approved at the initial meeting of creditors for our costs as nominees.

We hope that the contents of this report have provided you with a clear and detailed explanation of the conduct of the arrangement. If you should have any queries or require further explanation please do not hesitate to contact us.

Michael Fortune
Joint Supervisor

Attachments

- Summary of receipts and payments
- SIP9 time analysis (period)
- SIP9 time analysis (total)
- Summary of disbursements
- Schedule of charge out rates

**Voluntary Arrangement of
The Flooring Co (UK) Limited
Joint Supervisors' Summary of Receipts & Payments**

Statement of Affairs £		From 24/02/2019 To 23/02/2020 £	From 24/02/2017 To 23/02/2020 £
	ASSET REALISATIONS		
23,630.00	Director loan account	NIL	18,417.87
150,000.00	Contributions	30,042.00	87,500.00
Uncertain	Top up payments	NIL	NIL
	Bank interest gross	89.65	201.65
		<u>30,131.65</u>	<u>106,119.52</u>
	COST OF REALISATIONS		
	Specific bond	NIL	460.00
	Nominee's remuneration	NIL	5,000.00
	Nominee's disbursements	NIL	65.97
	Supervisors' remuneration	11,500.00	16,500.00
	Supervisors' disbursements	256.13	354.33
	Travel expenses	NIL	27.40
	Bank charges	NIL	5.00
		<u>(11,756.13)</u>	<u>(22,412.70)</u>
	TRADE & EXPENSE CREDITORS		
(129,090.00)	Trade and expense accounts	9,563.33	23,277.11
		<u>(9,563.33)</u>	<u>(23,277.11)</u>
	HM REVENUE & CUSTOMS		
(26,000.00)	PAYE and NI Contributions	8,736.56	21,841.40
(56,580.00)	VAT	NIL	NIL
(5,400.00)	Corporation tax	NIL	NIL
		<u>(8,736.56)</u>	<u>(21,841.40)</u>
	UNSECURED CREDITOR		
Uncertain	Landlord	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(43,440.00)		75.63	38,588.31
	REPRESENTED BY		
	Current account		38,588.31
			<u>38,588.31</u>

Note:

A dividend of 15p in the £ was declared to creditors totalling £180,474.02 on 11th June 2018.
A dividend of 10p in the £ was declared to creditors totalling £180,474.02 on 22nd March 2019.

Time Entry - SIP9 Time & Cost Summary

T8772 - The Flooring Co (UK) Limited
Project Code: POST
From: 24/02/2019 To: 23/02/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning	0.00	0.40	0.30	6.40	7.10	895.50	126.13
Creditors	2.30	1.10	1.10	2.60	7.10	1,576.50	222.04
Fixed charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of assaels	0.00	2.10	3.10	1.50	6.70	1,286.00	191.94
Reporting	0.30	2.20	2.20	2.00	6.70	1,267.00	189.10
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.60	5.80	6.70	12.50	27.60	5,025.00	182.07

Time Entry - SIP9 Time & Cost Summary

T8772 - The Flooring Co (UK) Limited
Project Code: POST
From: 24/02/2017 To: 23/02/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning	0.20	1.20	0.90	18.30	20.60	2,615.50	126.97
Creditors	3.00	10.10	9.60	12.60	35.30	6,832.50	193.56
Fixed charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of assets	0.00	10.70	6.70	4.90	22.30	4,643.00	208.21
Reporting	0.80	6.00	5.40	9.50	21.70	3,896.50	179.56
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	4.00	28.00	22.60	45.30	99.90	17,987.50	180.06

The Flooring Co (UK) Limited
SIP9 disbursements

Category 2 Disbursements		Accrued 24/02/2019 to 23/02/2020 £	Paid 24/02/2019 to 23/02/2020 £	Accrued 24/02/2017 to 23/02/2020 £	Paid 24/02/2017 to 23/02/2020 £
Postage and stationery	3 times postage	66.78	198.54	265.44	265.44
Photocopying and printing	10p per copy	15.40	46.00	48.00	46.00
Mileage	HM Revenue & Customs agreed rate	3.26	11.59	26.11	25.89
Room hire	£120 per meeting	-	-	-	-
Storage (Portland archive)	£50 per box per year	-	-	-	-
Facsimile	£1 per page	-	-	17.00	17.00
Company searches	2 times cost	-	-	-	-
Virtual meeting/conference call	£20 per meeting or call	-	-	-	-
Banking fee	£10 per case	-	-	-	-
		85.44	256.13	356.55	354.33

Portland Business & Financial Solutions

Fees and disbursements policies

Fee policy

In line with most practices, we normally calculate our fees on the basis of the time spent by each member of staff. We are prepared to calculate fees as a percentage of realisations or as a fixed fee by special arrangement only where the circumstances warrant it. Where the assignment relates to an insolvency appointment, we are normally required to obtain a resolution from creditors approving the basis of calculation.

Staff of the appropriate grades, are allocated to each task on each assignment, according to the size and complexity of the matter, and they record their time in six minute units. Where the fee is to be calculated on the basis of time spent, cost rates for each grade are then used to evaluate the fee. The effectively hourly rates are currently as follows:-

	Cost per hour	
	Current rate from 1 Dec 2017	1 Oct 2014 to 30 Nov 2017
	£	£
Director / office holder	340	325
London Principal	340	325
Associate	310	325
Client director / Senior manager	280	265
Case manager	220	210
Senior insolvency administrator	185	175
Case administrator	145	
Administrator	115	110
Cashiers	115	110
Support staff	80	75

The rates are reviewed periodically, typically every 1-2 years, and could therefore increase during any particular assignment.

Disbursement policy

Category 1 – no approval required

Where expenses are incurred through third parties specifically in respect of the assignment, they are recharged to the case as incurred, for example statutory advertising, external room hire, fidelity bond, rail travel and external storage. These are defined as category 1 disbursements in SIP9 and approval is not required.

Category 2 – approval required

Other expenses can be recharged to the assignment based on a share or allocation of a cost that Portland incurs centrally. These are defined as category 2 disbursements in SIP 9 and approval is required. Typically such expenses and the method of allocation are as follows:-

Postage and stationery	-	Three times postage cost
Photocopying and printing	-	10p per copy
Facsimile	-	£1 per page
Mileage	-	HM Revenue and Customs agreed rate
Room hire	-	£120 per meeting
Storage (Portland archive)	-	£50 per box per year
Company searches	-	Two times cost
Virtual meeting/conference call	-	£10 per meeting/call
Banking fee	-	£10 per case
Debt collection fees*	-	Details below

* Portland Legal Debt Collection Limited, trading as Debtcol, is an associated company of Portland Business & Financial Solutions. Where it is deemed appropriate, having considered the cost effectiveness and expertise required this firm may be instructed to pursue outstanding debts. Commercial fees will be agreed on a percentage of realisation basis taking into account the complexity and age of the debt. Rates will be agreed on a commercial basis and will range between 5-25%. Specific recharges for necessary disbursements are recharged at cost.

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 Derek Faulds
Company name	Portland Business & Financial Solutions
Address	1580 Parkway
	Solent Business Park
Post town	Whiteley, Fareham
County/Region	Hampshire
Postcode	P O 1 5 7 A G
Country	
DX	
Telephone	01489 550 440



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 or email 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