

Rule 1.26A/1.54

The Insolvency Act 1986

R.1.26A(4)(a)/ R.1.54

Notice to Registrar of Companies of
Supervisor's Progress Report

Pursuant to Rule 1.26A(4)(a) or
Rule 1.54 of the
Insolvency Rules 1986

For Official Use

To the Registrar of Companies

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Company Number

OC394928

Name of Company

Pelco (Distribution) LLP

/ We

Chris McKay, Townshend House, Crown Road, Norwich, NR1 3DT

Chris Williams, Townshend House, Crown Road, Norwich, NR1 3DT

supervisor(s) of a voluntary arrangement taking effect on

17 February 2016

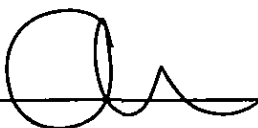
Attach my progress report for the period

17 February 2016

to

16 February 2017


Number of continuation sheets (if any) attached

Signed 

Date 17/2/17

McTear Williams & Wood Limited
Townshend House
Crown Road
Norwich
NR1 3DT

Ref: PELC1672/CMCK/CKW/HDW

For Official Use	
Insolvency Section	Post Room
	
"Q61P9TCI"	
QIQ	07/03/2017 #3
COMPANIES HOUSE	

TUESDAY

Contact Hayley Watson
Direct dial 01603 877851
Email hayleywatson@mw-w.com

Your ref
My ref pelc1672/pf-e

**Townshend House
Crown Road
Norwich
NR1 3DT
Office 01603 877540
Fax 01603 877549**



To all known creditors

16 February 2017

Dear Sirs

Pelco (Distribution) LLP (under a LLP voluntary arrangement) ("the LLP") In the Norwich County Court

Further to my appointment as joint supervisor of the above on 17 February 2016 this is my final report to creditors.

1 Receipts and payments

I enclose as Appendix 1 a copy of my final receipts and payments account for the period 17 February 2016 to 16 February 2017. These are shown net of VAT.

2 Overview

The proposal estimated that there would be funds available for unsecured creditors of £54,000 giving an estimated dividend of 33 pence in the pound. As set out below the final outcome of the voluntary arrangement is that unsecured creditors were paid a first and final dividend of 33 pence in the pound on 9 May 2016.

3 Action since previous report

Since my previous report I have collected in the funds due from the LLP and the UEA in respect of the lump sum contribution. I have agreed creditors' claims and paid a first and final dividend of 33 pence in the pound and I have completed my other statutory compliance work.

CAMBRIDGE

IPSWICH

LONDON

NORWICH

4 Assets

4.1 Cash at bank

The proposal stated that the LLP had cash at bank of approximately £24,000 which would be paid into the arrangement following its approval. On 12 April 2016 funds of £17,375.55 were received from the LLP due to a retention of approximately £7,000 held back by LLP to cover ongoing costs.

4.2 Lump sum payment

The proposal stated that the UEA would make a voluntary contribution that was satisfactory to pay the costs of the arrangement and a dividend to unsecured creditors of 33 pence in the pound. On 27 April 2016 funds of £37,626 were received from the UEA.

5 Creditors' claims

5.1 Unsecured creditors

The proposal showed 17 creditors totalling approximately £142,000. Claims totalling £142,177 were received and agreed. A first and final dividend of 33 pence in the pound was paid to unsecured creditors on 9 May 2016.

6 Case control and strategy

Following my appointment as supervisor I assign overall responsibility for the case to a case manager who is assisted by other staff as appropriate. At the commencement of the case I agree a written case strategy with the case manager. Monthly case progression meetings are held between the case manager and myself and six weekly case progression meetings are held between senior managers and the case administrators. In addition formal strategy and statutory reviews are undertaken nine months following appointment and then annually (for more complex cases these are also done three months following appointment).

7 Remuneration disbursements and expenses

7.1 Remuneration and disbursements

At the creditors' meeting held on 17 February 2016 creditors resolved that my remuneration as supervisor be fixed by reference to time properly spent in attending to matters arising in the voluntary arrangement. In addition creditors resolved that category 2 disbursements in respect of photocopying, mileage and storage be charged at the approved rates.

I have received a fee of £2,000 in respect of my nominee's fee.

My total time costs to date are £7,359. Since the period of my last report and in accordance with the above my remuneration and category 2 disbursements charged are as summarised below.

Figure 1: Summary of time costs, remuneration charged and category 2 disbursements

Period 17 February 2016 to 16 February 2017	Time and disbursement costs recorded £	Hours	Remuneration and category 2 disbursements charged £
Time costs	7,359	35	5,770
Category 2 disbursements - photocopying	12		12
	7,371	35	5,782

Source: Supervisor's records

Attached at Appendix 2 is a summary of my firm's time costs for the period 17 February 2016 to 16 February 2017 the period covered by this report. A schedule of routine work typically undertaken is attached as Appendix 4 and in the period covered by this report I have dealt with the items that have been ticked.

I have spent additional time dealing with the following more complex or time consuming matters as follows:

- Meetings and discussions with the members regarding potential investors and considering a potential extension to the arrangement if an investor could be found.
- Unsecured creditors: In addition to the statutory reporting, entering in to correspondence with creditors about their claims, prospects and paperwork required. Reviewing creditor claims and calling for further evidence as required. Considering the merits of each claim. Accepting or rejecting each claim and corresponding with rejected claims. Dealing with disputed claims which would materially affect the dividend to other creditors and paying a dividend to creditors.

The relevant creditors' guide to supervisors' fees in a voluntary arrangement which came into force in October 2015 and this firm's practice fee and disbursement recovery policy can be found on our website www.mw-w.com by clicking on creditor portal and then fees and costs or a copy can be requested from this office. Disbursements are recovered at cost. Our current charge out rates are director £375, associate £325, senior manager/manager £250-£275, assistant manager/senior professional £190-£225, administrator/assistant £150, trainee £75. Our charge out rates are reviewed annually and since 1 January 2003 have increased as detailed in our policy document.

7.2 Voluntary arrangement expenses

There have been no major areas of expenditure incurred in the period of this report and there are no accrued expenses.

7.3 Further information

Within 21 days from receipt of this report creditors may request further information about the remuneration and expenses set out in the report. The request must be made in writing and made either by a secured creditor or an unsecured creditor or creditors that total at least 5% in value of unsecured creditors or the permission of the Court. Other than in specific circumstances, which if applicable we would explain, we will provide this within 14 days.

I am required to inform you that I am bound by the Insolvency Code of Ethics and further information on this, complaints procedures and other statutory regulatory matters can also be found on our website by clicking on creditor portal and then regulatory matters.

8 Completion

As the voluntary arrangement has now been finalised I enclose the notice of completion which formalises my release from the office of supervisor.

If you have any queries please contact either myself or Hayley Watson at the above address.

Yours faithfully



Chris McKay
Joint Supervisor

Enclosure

**Voluntary Arrangement of
Pelco (Distribution) LLP
To 16/02/2017**

S of A £		£	£
	ASSET REALISATIONS		
24,000.00	Cash at Bank	17,375.55	
30,000.00	Lump sum payment	37,626 00	
		<hr/>	55,001.55
	COST OF REALISATIONS		
(2,000.00)	Pre appointment fees approved	2,000.00	
(5,000.00)	Appointment takers fees	5,770.00	
	Photocopying	11.80	
	Stationery & Postage	34.69	
	Bordereau	220.00	
	Bank Charges	46.56	
		<hr/>	(8,083.05)
	UNSECURED CREDITORS		
(142,000.00)	Unsecured cred - Trade and expense	46,918.50	
		<hr/>	(46,918.50)
<hr/>			<hr/>
(95,000.00)			NIL
	REPRESENTED BY		<hr/>
			NIL
			<hr/>

Time Entry - SIP9 Time & Cost Summary

Appendix 2 (1 of 2)

PELC1672 - Pelco (Distribution) LLP
 Project Code: POST
 To: 16/02/2017

Classification of Work Function	Directors	Associates & Managers	Assistant Mgrs & Sr professionals	Case Administrators	Assistants & Trainees	Total Hours	Time Cost (£)	Average Hourly Rate (£)	
Admin & Planning	2.40	4.50	8.70	1.20	4.30	21.10	4,058.00	192.32	
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Creditors	5.00	0.50	4.90	0.30	1.60	12.30	2,738.50	222.64	
Investigators	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Realisation of Assets	1.50	0.00	0.50	0.00	0.00	2.00	562.50	281.25	
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total Hours	8.90	5.00	14.10	1.50	5.90	35.40	7,359.00	207.88	
Total Fees Claimed								5,770	
Total Disbursements Claimed								266.40	

Time Entry - SIP9 Time & Cost Summary Category 2 Disbursements

PELC1672 - Pelco (Distribution) LLP
Project Code: POST
To: 16/02/2017

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associates has an interest.

Transaction Date	Type and Purpose	Amount
13/05/2016	PHOTOCOPIING	11.80
Total		11.80

Routine work undertaken

Time spent on casework is recorded in 6 minute units under the following categories:

Statutory and compliance	Carried out in period of report
▪ Collating initial information to enable us to carry out our statutory duties including creditor information, details of assets and other information.	✓
▪ Providing initial statutory notifications of our appointment to the Registrar of Companies, clients, creditors, other stakeholders and advertising our appointment.	✓
▪ Issuing press releases and posting information on our website.	✓
▪ Preparing statutory receipts and payment accounts.	✓
▪ Arranging bonding.	✓
▪ Ensuring compliance with all statutory obligations within the relevant timescales.	✓
Strategy documents, checklist and reviews	
▪ Formulating, monitoring and reviewing case strategy and meetings with internal and external parties to agree the same.	✓
▪ Briefing staff on the case strategy and matters in relation to various work streams.	✓
▪ Regular reviews of progress and case management including team update meetings and calls.	✓
▪ Reviews, correspondences and other work.	✓
▪ Reviewing matters affecting the outcome	✓
▪ Allocating and managing staff/case resourcing and reviews.	✓
▪ Agreeing content of engagement letters with other professionals and taking advice and liaising generally.	✓
▪ Documenting strategy decisions.	✓
Cashiering	
▪ Setting up bank accounts and dealing with the LLP's pre-appointment accounts.	✓
▪ Preparing and processing voucher for the payment of post appointment invoices.	✓

- **Creating remittances and sending payments to settle post appointment invoices.** R
- **Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks.** L
- **Reconciling post-appointment bank accounts.** R

Tax

- **Gathering initial information from the LLP's records in relation to taxation.** L
- **Submitting initial notifications to HM Revenue & Customs.** L
- **Reviewing the LLP's pre-appointment corporation tax and VAT position.** L
- **Analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations.** L
- **Analysing VAT related transactions.** L
- **Dealing with post appointment tax returns and compliance.** L

Shareholders

- **Providing notification of our appointment.** R
- **Responding to enquiries from shareholders.** R
- **Providing copies of statutory reports to the shareholders.** R

General

- **Reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9.** R
- **Locating relevant LLP books and records, arranging for their collection, listing records and dealing with ongoing storage.** L

Trading

- **Preparing cash flow statements to monitor the cash position** L
- **Attending to supplier and customer queries and correspondence.** L

- Raising, approving and monitoring purchase orders and setting up control systems for trading. ┌
- Negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions in order to ensure continued support. ┌
- Securing petty cash on site and monitoring spend. ┌
- Dealing with issues in relation to stock and other assets required for trading. ┌
- Communicating and negotiating with customers regarding ongoing supplies including agreeing terms and conditions. ┌
- Monitoring stock and stock reconciliations. ┌
- Dealing with hauliers to ensure ongoing services. ┌
- Ensuring ongoing provision of emergency and other essential services to site. ┌

Asset realisations

- Collating information from the LLP's records regarding the assets. ┌
- Liaising with agents regarding the sale of assets. ┌
- Reviewing outstanding debtors and agreeing debt collection strategy. ┌
- Liaising with LLP credit control staff and communicating with debtors. ┌
- Seeking legal advice in relation to book debt collections. ┌
- Reviewing the inter-LLP debtor position between the LLP and other group companies. ┌

Property matters

- Reviewing the LLP's leasehold properties including review of leases. ┌
- Communicating with landlords regarding rent, property occupation and other issues. ┌
- Performing land registry searches. ┌

Sale of business

- Planning the strategy for the sale of the business and assets including instruction and liaison with professional advisers. ┌

- Collating relevant information and drafting information memorandum in relation to the sale of the LLP's business and assets and advertising the business for sale
- Dealing with queries from members in respect of interested parties and managing the information flow to potential purchasers.
- Managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties.
- Carrying out discussions with members regarding sale negotiations with interested parties.

Health and safety

- Ensuring that legal and licensing obligations are complied with.
- Ongoing health and safety compliance.

Open cover insurance

- Arranging ongoing insurance cover for the LLP's business and assets.
- Liaising with the post appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place.
- Assessing the level of insurance premiums.

Employees

- Dealing with queries from employees regarding various matters relating to their employment.
- Dealing with statutory employment related matters including statutory notices to employees and making statutory submissions to the relevant government departments.
- Administering the LLP's payroll including associated taxation and other deductions and preparing PAYE and NIC returns.
- Communicating and corresponding with HM Revenue & Customs.
- Dealing with issues arising from employee redundancies including statutory notifications and liaising with the Redundancy Payments Service.
- Managing claims from employees.

Pensions

- Collating information and reviewing the LLP's pension schemes.
- Calculating employee pension contributions and review of pre-appointment unpaid contributions

- *Ensuring compliance with our duties to issue statutory notices* R
- *Communicating with employees' representatives concerning the effect of the administration on pensions and dealing with employee queries.* ┌

Clients, creditors and claims

- *Drafting and circulating our proposals.* R
- *Convening and preparing for the meeting of clients and creditors.* R
- *Creating and updating the list of clients and unsecured creditors.* R
- *Responding to enquiries from clients and creditors regarding submission of their claims.* R
- *Reviewing completed forms submitted by clients and creditors, recording claim amounts and maintaining claim records.* R
- *Agreeing secured/preferential/client/unsecured claims.* R
- *Drafting our progress report.* R

Investigations/directors

- *Reviewing LLP and directorship searches and advising the directors of the effect of the insolvency.* ┌
- *Liaising with management to produce the Statement of Affairs and filing this document with the Registrar of Companies.* ┌
- *Arranging for the redirection of the LLP's mail.* ┌
- *Reviewing the questionnaires submitted by the Directors of the LLP.* ┌
- *Reviewing pre-appointment transactions.* ┌
- *Reporting on the director's conduct to the Insolvency Service.* ┌

To all members and creditors

**Pelco (Distribution) LLP (under a company voluntary arrangement)
In the Norwich County Court**

**Notice of completion of the arrangement (pursuant to rule 1.29 and 1.54 of the
Insolvency Rules 1986)**

Notice is hereby given to all members and creditors bound by the above voluntary arrangement that the said arrangement has been fully implemented and is complete.

My final report summarising all receipts and payments and explaining any difference in the actual implementation of the arrangement as compared with the approved proposal is attached.

I confirm that there have been no subsequent transactions or events and all bank accounts are now closed. This notice formalises our release from the office of joint supervisor as our duties under the arrangement are complete. The director's obligations and duties are also at an end.

Dated this 16th day of February 2017



Chris McKay
Joint Supervisor of Pelco (Distribution) LLP