

CVA1

Notice of voluntary arrangement taking effect



Companies House

TUESDAY



A30 13/03/2018 #34
COMPANIES HOUSE

1 Company details

Company number 01364037

Company name in full Kenny Brothers (Civil Engineering) Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Supervisor's name

Full forename(s) James

Surname Sleight

3 Supervisor's address

Building name/number 4 Carlton Court

Street Brown Lane West

Post town Leeds

County/Region

Postcode LS12 6LT

Country

4 Supervisor's name ^①

Full forename(s) John

Surname Twizell

① Other supervisor
Use this section to tell us about
another supervisor.

5 Supervisor's address ^②

Building name/number 4 Carlton Court

Street Brown Lane West

Post town Leeds

County/Region

Postcode LS12 6LT

Country

② Other supervisor
Use this section to tell us about
another supervisor.

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6 Date CVA took effect

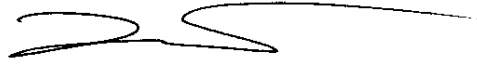
Date

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7 Report of consideration of proposal

☒ I attach a copy of the report of consideration of the proposal

8 Sign and date

Supervisor's signature	Signature X  X																	
Signature date	<table border="1"><tr><td>d</td><td>1</td><td>d</td><td>2</td><td>m</td><td>0</td><td>m</td><td>3</td><td>y</td><td>2</td><td>y</td><td>0</td><td>y</td><td>1</td><td>y</td><td>8</td></tr></table>	d	1	d	2	m	0	m	3	y	2	y	0	y	1	y	8	
d	1	d	2	m	0	m	3	y	2	y	0	y	1	y	8			

Company Number: 01364037

In the High Court of Justice The Business & Property Courts in Leeds no. 171 of 2018

IN THE MATTER OF THE INSOLVENCY ACT 1986

AND

Kenny Brothers (Civil Engineering) Limited

REPORT OF THE CONSIDERATION OF A PROPOSAL

I, James Sleight of Geoffrey Martin & Co, 4 Carlton Court, Brown Lane West, Leeds, LS12 6LT, Joint Nominee of Kenny Brothers (Civil Engineering) Limited ("the Company"), acted as Chair of the meetings of creditors and members held as follows:

Meeting of creditors

Held on: 7 March 2018
At: 10:30am
Platform: Telephone conference platform

Meeting of members

Held on: 7 March 2018
At: 11:30am
At: the offices of Geoffrey Martin & Co, 4 Carlton Court, Brown Lane West, Leeds, LS12 6LT

I hereby report that the Proposal for a Company Voluntary Arrangement was approved by the creditors and the members with modifications.

Meeting of creditors

1. HM Revenue & Customs proposed various modifications, and details of those that the director consented to are at **Appendix I**. There were no other modifications proposed by creditors.
2. A vote of the creditors was taken on the following resolution:

“That the proposal for a voluntary arrangement with modifications is accepted”

Details as to how each creditor voted is set out at **Appendix II**.

3. It was noted that those voting in favour of the resolution to approve the proposal as modified exceeded the requisite majority necessary to pass the resolution, namely 75% or more in value of the creditors present in person or by proxy and voting on the resolution.
4. The chair noted that, to the best of his knowledge, none of the creditors voting at the meeting were connected with the Company.
5. The chair declared the resolution passed and that the proposal for a CVA was approved with modifications, as detailed at **Appendix I**.

6. No committee of creditors was appointed.

Meeting of members

1. Members did not propose any modifications to the proposal.
2. A vote of the members was taken on the following resolution:

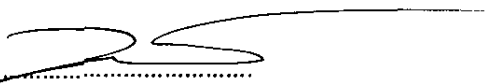
‘That the proposal for a voluntary arrangement as modified by creditors is accepted’

Details as to how each member voted is set out at **Appendix III**.

3. It was noted that those voting in favour of the resolution to approve the proposal as modified exceeded the requisite majority necessary to pass the resolution, namely in excess of one half in value of the members present in person or by proxy and voting on the resolution.
4. The chair declared the resolution passed and that the proposal for a CVA was approved with modifications, as detailed at **Appendix I**.

Other matters

5. It is considered that the Company’s main centre of business is Longford House, Ledbury Road, Failsworth, Manchester, M35 0PB which is its registered office and principal place of business. The EU Regulations in insolvency proceedings shall apply to the voluntary arrangement, being "main" proceedings as defined by the Regulations since its registered office or principal place of business in the prior 3 months has not changed and is located in the UK.


.....
James Sleight
Chair of the meetings and
Joint Supervisor of the
Company Voluntary Arrangement of
Kenny Brothers (Civil Engineering) Limited

Dated: 7 March 2018

**Modifications proposed by Voluntary Arrangements Service (VAS) on behalf of H M Revenue
& Customs in respect of:-**

KENNY BROTHERS (CIVIL ENGINEERING) LTD

If any of the modifications are not accepted then the VAS vote(s) must be taken as a rejection.

EFFECT

1. **(Interpretation)** Any modification to the entire proposal approved by creditors and accepted by the company shall wholly supersede any contradictory terms or implied provisions in the proposal. Any conflicting modifications proposed by creditors shall be fully resolved prior to approval of the proposal in order that the Intention of the modification is given priority and effect.
2. **(Variation)** No variation shall be proposed following approval of the arrangement that would cause or have the effect of varying or removing modifications imposed by HMRC in support of the proposal without the express agreement of the HMRC Voluntary Arrangements Service.
3. **(Variation)** The company shall not, within 12 months of approval of the arrangement, propose a variation that will reduce the yield to creditors below that forecast unless the Supervisor can provide clear evidence that the resolution results from changed trading circumstances that could not have been foreseen when the proposal was made to creditors. The Supervisor's evidence together with supporting financial information and notice of a creditors' vote shall be circulated to creditors giving at least 14 days clear notice. No variation fee shall be drawn without creditors' approval.

HMRC CLAIM(S)

4. **(HMRC claim)** The HMRC claim in the arrangement will include PAYE/NIC together with assessed tax, levy or duty (VAT) due to the day before the meeting to approve the arrangement (or the commencement of the prior administration) and CTSA / assessed tax for the accounting period(s) ended on or before the date of approval of the arrangement (or date of commencement of the prior administration).
5. **(Time limit)** No time limit for lodging claims shall apply to HMRC.
6. **(Post approval returns and liabilities)** All statutory returns and payments due to HMRC post approval of the arrangement shall be provided on or before their due date.
7. **(Outstanding returns)** Should any statutory accounts and returns be overdue at the date of the creditors' meeting they shall be provided to HMRC within one calendar month of the approval date together with any other information required in support of the return.
8. **(Dividend prohibition)** No non preferential distribution will be made until the HMRC Final Claim has been made and the supervisor has admitted the claim for dividend purposes.
9. **(Expenses of arrangement)** CTSA / VAT due on realisation of assets included in the arrangement will be regarded as an expense of realising the asset payable out of the net sale proceeds.
10. **(Tax-Overpayments)** Set-off of refunds due from the Crown against debts due to the Crown will be in accordance with statute and established legal principles.

Any repayment due to the company for periods for which claims arise under the arrangement, when so ever they may arise, shall firstly be offset against HMRC's claims in the arrangement.

Any remaining surplus shall be similarly applied to the claims of other Crown departments and should any surplus remain it shall be repaid to the company.

Any repayments due to the company for periods that arise after the arrangement shall be applied to any post approval HMRC liability with any surplus being repaid to the company.

GENERAL

11. **(Co debtors)** The release of the company from its debts by the terms of CVA shall not operate as a release of any co-debtor for the same debts.
12. **(Increased claims)** Where the total value of creditor's claims exceeds by 10% or more of the stated value of their affairs supplied by the company for the purposes of this proposal this will constitute a breach of the arrangement. In the event of such a breach the supervisor shall ascertain from creditors what they wish to do in the context of the arrangement overall.
13. **(Termination)** The arrangement shall terminate upon:
 - (a) The making of a winding up order against the company, the passing of a winding up resolution or the company going into administration.
 - (b) (where there is express authority for the supervisor so doing) the supervisor issuing a certificate of termination.
14. **(Arrangement trusts)** Upon termination of the arrangement the trusts expressed or implied shall cease, save that assets already realised shall (after provision for supervisor's fees and disbursements) be distributed to arrangement creditors.
15. **(Non-compliance)** Failure to comply with any express term of the arrangement shall constitute a breach of the company's obligation under the arrangement. The supervisor shall work with the company to remedy any breach of obligation. Rule 1.19 shall apply where any variation is proposed.

If any breach of obligation is not remedied within 30 days of its occurrence this shall constitute default of the CVA that cannot be remedied and the supervisor shall petition for a winding up order.

CONTRIBUTIONS / REVIEWS

16. **(Payments)** The company is to make no fewer than 60 monthly voluntary contributions of not less than £4,500.00 during the term of the arrangement.
17. **(Annual contribution review)** The supervisor is to conduct a full review, at each anniversary of the arrangement, based upon the month end immediately preceding the anniversary of the arrangement of the company's business income and expenditure. To enable the supervisor to perform this function management accounts to include Profit and Loss for the preceding 12 months shall be furnished to the supervisor together with the relevant balance sheet and cash flow projection for the following 12 month period within one month of the anniversary. The supervisor shall obtain an increase in voluntary contributions of not less than 50% of any rise in net income after provision for tax.
18. **(Duration)** The duration of the arrangement shall not exceed 63 months without the prior approval of a 75% majority in value of creditors' claims voting on the resolution.
19. **(Contributions)** Should any voluntary contribution fall 30 days into arrears or fall below the amount specified in the arrangement and remain so after 30 days this shall constitute a failure of the arrangement and the Supervisor shall petition for the compulsory winding up of the company.

DIRECTORS AND SHAREHOLDERS

20. **The directors of the company shall not:**
 - a) declare or pay any dividend to themselves or the shareholders of the company for the duration of the voluntary arrangement.
 - b) increase the remuneration of any person involved in the management of the business, whether by way of increase in salary, payment, bonus or benefit.
 - c) enter into any contract or undertaking for the sale of the business nor dispose of the goodwill or of any assets or goodwill forming part of or essential to its continuing trade.

- d) create or extend any mortgage, debenture, charge or security over any part of the company/business except for those that subsist at the date of the proposal. This shall not affect any commercial factoring or similar arrangement.

COMPLETION

- 21. The arrangement shall not be capable of successful completion until all unsecured, non-preferential creditors claiming in the arrangement have received a minimum dividend of 67 pence in the pound (p/£).

FEES

- 22. **(Winding up fees)** On the day of the creditors meeting which approves the proposal the company shall pay over to the nominee in cleared funds sufficient for winding up proceedings against the company. Should the full amount of cleared funds not be received by the time of the meeting of creditors this shall be deemed non-acceptance of this modification and as such HMRC's vote shall be counted as one for rejection of the proposal.
- 23. The supervisor shall confirm in their report of the meeting of creditors that sufficient funding has been received.
- 24. **(Liquidation costs provision)** The supervisor shall retain sufficient funds for winding up proceedings against the company and such funds will rank ahead of any other expense of the arrangement. For the avoidance of doubt this shall include unpaid nominee's fees and expenses as at the date of the meeting of creditors at which the proposal is approved. Funds set aside under this provision shall not be used to fund a creditors' voluntary liquidation and shall remain an asset of the arrangement. Funds retained by the supervisor to enable winding up proceedings to be taken shall be distributed to creditors upon satisfactory completion of the arrangement subject to a limit of 100 pence in the pound being achieved.

Kenny Brothers (Civil Engineering) Limited - Proposed Company Voluntary Arrangement ("the Company")

Schedule of Creditor Proxies Received

Creditor	Vote in Favour £	Vote Against £	Proxy Holder	Modifications	Date Received	Percentage Vote %
Aggregate Industries UK Limited	37,869.97		Chair of the meeting	None	20/02/2018	13.10%
Allied Construction Supplies Limited	3,605.57		Chair of the meeting	None	05/03/2018	1.25%
The Bearing Mart Limited	189.30		Chair of the meeting	None	01/03/2018	0.07%
Gunn JCB Limited		4,094.20	Chair of the meeting	None	05/03/2018	1.42%
HM Revenue & Customs	243,246.00		Chair of the meeting	Attached	01/03/2018	84.17%
Total	284,910.84	4,094.20				100%
		289,005.04				

Votes in Favour	£284,910.84	98.58%
Votes to Reject	£4,094.20	1.42%
Abstained votes	£0.00	0.00%
Total	£289,005.04	100.00%

NB: The Company has no connected creditors, therefore only one vote was required

Kenny Brothers (Civil Engineering) Limited - Proposed Company Voluntary Arrangement ("the Company")

Schedule of Member Proxies Received

Member	Vote in Favour (shares)	Vote Against (shares)	Proxy Holder	Modifications	Date Received	Percentage Vote %
James Kenny	25.00		Chair of the meeting	None	07/03/2018	25.25%
James Kenny	25.00		Chair of the meeting	None	07/03/2018	25.25%
James Kenny	25.00		Chair of the meeting	None	07/03/2018	25.25%
Caroline Kenny	24.00		Chair of the meeting	None	07/03/2018	24.24%
Total	99.00	0.00				100%
Votes in Favour	£99.00	100.00%				
Votes to Reject	£0.00	0.00%				
Abstained votes	£0.00	0.00%				
Total	£99.00	100.00%				

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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	James Sleight
Company name	Geoffrey Martin & Co
Address	4 Carlton Court Brown Lane West
Post town	Leeds
County/Region	
Postcode	L S 1 2 6 L T
Country	
DX	
Telephone	0113 2445141



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