



Supervisor's Progress Report

For the period 9 April 2014 to 8 April 2015

In the Matter of Camboriu Restaurants Limited - In
Administration

And in the Matter of the Insolvency Act 1986

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1 Introduction

- 1.1 Following the appointment of Ian William Wright as Administrator of Camboriu Restaurants Limited (the Company) on 31 January 2014, the Administrator sought offers for the business as a going concern. Of the five offers received, the one which provided the best return to creditors was structured on the basis that the Company exits administration via a Company Voluntary Arrangement (CVA). The proposal for the CVA was approved on 9 April 2014.

2 Background to CVA

- 2.1 The Company operates the Tropeiro chain of restaurants and currently trades from leased premises at Argyle Street, Glasgow, Grosvenor Street, Chester, King Street, Nottingham and Leopold Square, Sheffield. The Company had also traded from Golden Square, Aberdeen Botchergate, Carlisle and Lace Market, Nottingham.
- 2.2 Following administration significant interest in the Tropeiro business was expressed from a number of parties including the director, Mr Borgert, himself. Relevant sales information was prepared and issued to all parties who had expressed an interest and a closing date for indicative offers was set for 12.00 noon on 14 February 2014.
- 2.3 Five offers were received at the closing date, two of which stood out as being significantly better than the rest. These offers, both from third parties, were of significantly different structure. One was an offer to acquire the business and assets and the other involving a change of ownership and directorship with company exiting administration by way of a CVA (the CVA offer).
- 2.4 Having reviewed the offers in detail it was clear that the CVA offer, on the basis that the CVA was approved, would provide the better outcome for creditors.

3 Outcome to Creditors

- 3.1 The Proposal made represented an enhanced return to creditors than would otherwise be available by virtue of a sale of the business and assets or assets only. They offered the Company a realistic route to survival and achieve the purpose of administration.
- 3.2 The Estimated Outcome Statement attached at Appendix E illustrates the likely outcome for unsecured creditors compared to the highest offer received for the business and assets alone.
- 3.3 The anticipated dividend was 24p in the £ in the CVA compared to 17 p in the £ on a sale of the business and assets. This did not take account of any profit generated during the administration period. This remains unchanged as at the date of this report.

4 Progress and conduct of the CVA

- 4.1 Following approval of the proposals, the Administrator continued to trade and manage the Company until such time as the transfer of Volnei Borgert's shares to Rugeley Limited and the appointment of new directors to Camboriu Restaurants Limited had been completed.

Leases

- 4.2 The company has now finalised the necessary transfers of the leases or reached agreement with the landlords as appropriate in respect of the trading premises at Argyle Street, Glasgow, Grosvenor Street, Chester and King Street Nottingham. Sheffield continues in the company's name. The company failed to reach agreement with the landlord of Golden Square, Aberdeen and no longer trades from that site.

Trading

- 4.3 Despite the loss of the Aberdeen restaurant, the company has traded successfully since the approval of the CVA proposal. Due to difficulties in opening new bank accounts, the company has been operating by way of the Supervisor's banking facility. This allows the supervisor to have daily visibility on trading performance.

Contributions

- 4.4 The company is up to date with its contributions from income of £10,000 per month.
- 4.5 In the event the Company is able to make additional payments to reduce the number of monthly instalments it will do so.
- 4.6 Due the banking arrangements noted above, the supervisor is able to review the Company's financial position effectively on an ongoing basis to ensure that the Company is able to fulfil its obligations under the proposal.

Supervisor's Receipts and Payments

- 4.7 Form 1.3 incorporating the supervisor's receipts and payments for the first 12 months of the CVA is attached d at appendix A

Prospects for full Implementation of the CVA

- 4.8 The company remains on target to successfully implement the terms of the CVA as proposed.

Duration

- 4.9 The CVA shall continue for a period of not more than 31 months, or such further period as creditors allow, as proposed.
- 4.10 In the event that the total payable by the company from income of £300,000 is paid in an earlier period than 30 months, the duration may be shortened to that earlier period.

Termination

- 4.11 The CVA shall continue in full force until it automatically terminates upon payment of the final dividend to creditors.

Failure

- 4.12 The CVA will have deemed to have failed if the Company falls more than one month in arrears of payment of the £10,000 monthly contribution, or such other period as creditors allow.

5 Secured creditors

- 5.1 All secured creditors have been paid by the Administrator.

6 Hire purchase/Leasing agreements

- 6.1 The Company has negotiated with the relevant hire purchase/lease creditors over ongoing payment of rentals due.

7 Future HMRC obligations

- 7.1 Ongoing payment obligations to HMRC are being met.

8 Dividends

Dividend entitlement

- 8.1 Creditors shall not be entitled to receive any payment or dividend under the terms of the Proposal unless they are bound by it and their claim has been accepted by the Supervisor.

Payment of Dividends

- 8.2 All dividends to be paid under the CVA shall be paid by bank transfer or by crossed cheque, sent by post, addressed to the relevant creditors at their respective addresses shown in the books of the Company or on the proof of debt submitted. Neither the Supervisor nor the Company shall be responsible for any loss in transmission. The transfer of funds or encashment of any such cheque shall be a good discharge by the Company for the monies represented thereby.

Dividend Distribution

- 8.3 The supervisor intends to pay an interim dividend when all claims have been submitted. Accordingly can all creditors who have not yet submitted claims please now do so.

9 Fees and expenses

- 9.1 The Supervisor has drawn fees to date of £13,298.00 and outlays of £432.68, all in accordance with the proposals.
- 9.2 A copy of Statement of Insolvency Practice 9 (England & Wales) incorporating "A Creditors' Guide to Voluntary Arrangement fees" can be downloaded from the WRI Associates website in the document download section of the Corporate Services page. (If you would prefer this to be sent to you in hard copy please contact this office and a copy will be forwarded to you.

10 Release of Supervisor

- 10.1 On the termination of the CVA, the Supervisor is released by each creditor from all liabilities and obligations in respect of acts and omissions of his, or otherwise, in relation to his conduct as Supervisor. Each creditor shall, and hereby does, waive all claims or rights which he may have against the Supervisor in respect of such matters.

11 End of arrangement

- 11.1 The CVA shall automatically terminate upon payment of the final dividend to creditors.

Ian Wright
Supervisor

Form 1.3

Appendix A

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

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To the Registrar of Companies

Company Number

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Name of Company

Camboriu Restaurants Limited

I / We

Ian William Wright, Third Floor, Turnberry House, 175 West George Street, Glasgow, G2 2LB

supervisor(s) of a voluntary arrangement taking effect on

09 April 2014

Attach my progress report for the period

09 April 2014

to

08 April 2015

Number of continuation sheets (if any) attached

1

Signed



Date

3 June 2015

WRI Associates Ltd
Third Floor
Turnberry House
175 West George Street
Glasgow
G2 2LB

Ref: CAM014V/IWW/SPM/SPM

For Official Use

Insolvency Section

Post Room

**Voluntary Arrangement of
Camboriu Restaurants Limited**

Statement of Affairs	From 09/04/2014 To 08/04/2015
ASSET REALISATIONS	
Income banked on behalf of Company	2,432,992.01
Bank Interest Gross	602.24
Suspense Account	(2,269,911.81)
CVA contributions	120,000.00
	<u>283,682.44</u>
COST OF REALISATIONS	
Specific Bond	576.00
Office Holders Fees	13,298.00
Office Holders Expenses	432.68
	<u>(14,306.68)</u>
	<u>269,375.76</u>
REPRESENTED BY	
Current A/c	269,375.76
	<u>269,375.76</u>

Note:



Ian William Wright
Supervisor

Additional information in relation to the Supervisor's Appendix B remuneration pursuant to Statement of Insolvency Practice 9

1 Policy

Detailed below is WRI Associates policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

1.1 Staff allocation and the use of sub-contractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet specific requirements of the case.

The constitution of the case team will depend on the anticipated size and complexity of the assignment and the various requirements of the assignment

With regards to support staff, we should advise that time spent by cashiers in relation to specific tasks on an assignment is charged.

As a "Boutique" insolvency practice, much of the work is carried out by our insolvency practitioners. In recognition of this, different rates are applied taking into account the complexity and risk attached to the work being undertaken.

1.2 Disbursements

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by the Administrator and his staff.

Category 2 disbursements do require prior approval by creditors before they are paid. If they are incurred, they will be drawn in accordance with the Administrator's proposals. Category 2 disbursements that may be incurred are as follows:

- Photocopying – charged at the rate of fifteen pence per sheet for notifications and reports to creditors and other copying;
- Printing – charged at the rate of fifteen pence per sheet

2 Charge-out rates

A schedule of charge-out rates effective from 1 January 2014 is detailed below.

Description	Hourly Rate £
Director/Appointee	110.00/220.00/300.00
Director	100.00/175.00/200.00
Manager	115.00/137.50
Administrator	80.00/82.50
Cashier	60.00