

The Insolvency Act 1986

# **Notice of court order ending administration**

# **2.33B**

Name of Company  <b>Coastal Bulk Shipping Limited</b>	Company number  <b>00540448</b>
In the  <b>High Court of Justice, The Strand, London</b> <small>[full name of court]</small>	Court case number  <b>134 of 2009</b>

- (a) Insert name(s) and address(es) of administrator(s) I/We (a) William Matthew Humphries Tait of BDO LLP, 2 City Place, Beehive Ring Road, West Sussex, RH6 0PA and David Harry Gilbert of BDO LLP, 55 Baker Street, London W1U 7EU
- (b) Insert name and address of registered office of company having been appointed administrator(s) of (b) Coastal Bulk Shipping Limited whose registered office is situated at 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA
- (c) Insert date of appointment On (c) 6 January 2009 by (d) the directors
- (d) Insert name of applicant/appointor
- (e) Insert date hereby give notice that the court has ordered that the administration shall end on (e) 22 December 2009 and a copy of the court order is attached.

I/We attach to this notice a copy of the final progress report.

Signed

  
 Joint/administrator(s)

Dated

30 December 2009

## **Contact Details:**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

BDO LLP, 2 City Place, Beehive Ring Road,	
Gatwick, West Sussex, RH6 0PA.	
Our Ref 2844/SL/0139447/C15	Tel 01293 591 000
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



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02/01/2010

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COMPANIES HOUSE

SATURDAY



Tel: +44 (0)1293 591000  
Fax: +44 (0)1293 591001  
www.bdo.co.uk

2 City Place  
Beehive Ring Road  
Gatwick  
West Sussex RH6 0PA

30 December 2009

Our Ref 2844/SL/0139447/A6

Please ask for  
Sarah Lotz  
01293 591048

## **TO ALL KNOWN CREDITORS**

Dear Sirs

### **Coastal Bulk Shipping Limited (in Administration) - "CBS / the Company"**

I refer to my previous correspondence to creditors in respect of the above.

In accordance with Rules 2.47 and 2.110 of The Insolvency Rules 1986, I enclose my final progress report, commenting on matters arising during the implementation of the Administrators' approved proposals. This report should be read in conjunction with the Administrators' previous reports to creditors.

#### **1 Statutory Information.**

- 1.1 The Joint Administrators are William Matthew Humphries Tait of BDO LLP, 2 City Place, Beehive Ring Road, West Sussex, RH6 0PA and David Harry Gilbert of BDO LLP, 55 Baker Street, London W1U 7EU and they were appointed in respect of the above company on 6 January 2009. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986 the Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.
- 1.2 The Administrators were appointed by the Directors, pursuant to Paragraph 22 of schedule B1 of the Insolvency Act 1986. The administration proceedings are dealt with in the High Court and the court case number is 134 of 2009.
- 1.3 The Company's registered office is situated at 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA and the registered number is 00540448.
- 1.4 Attached at Appendix I is a summary of the statutory information held at Companies House.



- 2.10 The office building remains to be sold.
- 2.11 The office building is currently on the market at £325,000. Since the initial valuation was prepared, Edward Symmons believe that market values for buildings of this condition, use and current location, may have fallen in value.
- 2.12 Edward Symmons are of the opinion that the office building is likely to take a minimum of 12 months to sell. As a consequence, it is necessary for the office holders to remain in office to achieve an orderly disposal of the freehold office building. I comment in more detail below.

**Chattel Assets**

- 2.13 During the period, a further £17,200 was realised for the sale of the warehouse contents and stock.
- 2.14 The Company's plant and machinery, marine spares, motor vehicles, warehouse contents, stock and office equipment has now been fully realised, and the values achieved are fully in accordance with our agent's recommendations. The combined realisations of the chattel assets total £82,979.

**Fuel bunkers**

- 2.15 The fuel bunkers were sold by the Admiralty Marshal, with sale proceeds of £15,643 being received by the Administrators from Her Majesty's Court Services.

**Book debts**

- 2.16 A total of £35,845 has been realised by the Administrators in respect of book debts.

**Gross Interest**

- 2.17 During the period, a further £3,330 of gross interest has been received on the funds held in the Administration bank account.

**Payments**

- 2.18 The payments shown are largely self-explanatory, and for the purpose of this report I would not propose to rehearse in detail my comments on individual payments made during the course of the administration.
- 2.19 Should Creditors require further explanation on any individual item, the Administrators are content to provide more detail.
- 2.20 For the purpose of this report, I would note the following:

### **3 Steps Taken During the Administration**

#### **General**

3.1 The following strategy was implemented immediately upon appointment;

- The initiation of accounting cut off at date of appointment;
- Employee and sub-contractor head count reduction and other cost saving measures;
- Laying-up vessels in 'nests' of three or more, which allowed for reduced crewing and mooring requirements;
- Offering the provision of technical services on an allocated total cost basis to the owners of leased vessels;
- Extensive investigations into the prospects of sale of the business as a going concern; and
- Specialist ship brokers, chattel and property agents were appointed to assist and advise the Joint Administrators in the disposal of the Company's assets. The chattel and property agents attended Buttercrook Wharf upon the appointment in order to undertake an inventory and valuation of the Company's assets.

#### **Ship management fees**

- 3.2 Prior to my appointment, the Company leased three vessels from a third party. The leases associated with these vessels were terminated, in line with contract terms, on the appointment of the Administrators. On appointment, the Administrators approached the owners of the vessels to offer the ongoing provision of technical services, whilst the potential for selling the business and assets of the Company as a going concern was fully explored.
- 3.3 In addition, prior to the appointment, the Company had provided crew and technical services for a vessel owned by an associated company, which was operating under a bareboat charter. Immediately upon appointment, the Administrators renegotiated the terms of the ship management agreement to ensure that pricing reflected total costs of the provision of the ship management services.
- 3.4 By the end of February 2009, it had become apparent that the sale of the business as a going concern would not be successful. Accordingly, the ship management agreements were terminated. The agreements ran from the date of the appointment

## **5 Exit from Administration**

- 5.1 As of the end of February, the first objective of the statutory purpose of administration, being that of “rescuing the Company as a going concern”, was considered to be unachievable.
- 5.2 As a result, the focus of the administration turned to the second and third objectives. I would refer creditors to the Administrators’ first report and proposals to creditors, prepared pursuant to paragraph 49 of Schedule B1 of the Insolvency Act 1986, for further commentary.
- 5.3 The proposed exit from administration, as set out in the Administrators’ report and proposals to creditors, was by way of Creditors’ Voluntary Liquidation pursuant to Paragraph 83 Schedule B1 of the Insolvency Act 1986.
- 5.4 The sole remaining asset to realise in the administration is that of the freehold office building, which is subject to the Bank’s fixed charge. There are no funds available under the floating charge to satisfy the claims of non-preferential creditors. Future realisations achieved from the sale of the freehold property will solely be available for distribution to the Bank.
- 5.5 Accordingly, there will be no funds available for distribution to unsecured creditors, and exit by way of Creditors’ Voluntary Liquidation pursuant to Paragraph 83 Schedule B1 of the Insolvency Act 1986 is not appropriate.
- 5.6 The only viable option available to the Administrators was for CBS to move from administration to Compulsory Liquidation. The Administrators therefore made an application to Court under Section 140 of the Insolvency Act 1986 for the administration to cease to have effect and for the Company to be wound up by the Court and for the Administrators to be appointed as Joint Liquidators.
- 5.7 The Company was wound up by the Court on 22 December 2009 and David Harry Gilbert and William Matthew Humphries Tait were appointed as the Joint Liquidators. The Joint Liquidators will notify creditors of their appointment under separate cover.

## **6 Outcome to Creditors**

### **Secured creditor**

- 6.1 The Bank of Scotland Plc (“the Bank”), as secured creditor, is anticipated to suffer a shortfall on recoveries under its fixed charge.
- 6.2 In order for the realisation of the freehold property to be properly dealt with in the proposed liquidation, the Administrators have made a provision from fixed charge

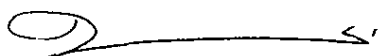
**8 Disbursements**

- 8.1 Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. Since my last report, the sum of £409 has been drawn in respect of category 1 disbursements for investigations undertaken by BDO Investment Management Limited in respect of pension issues.
- 8.2 There are further disbursements, totalling £3,776, to defray from asset realisations. These additional costs relate to further work undertaking by BDO Investment Management Limited, statutory bonding and travel expenses.
- 8.3 Some Administrators recharge expenses, for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require approval of creditors before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP is not to charge any category 2 disbursements.

**9 Conclusions**

- 9.1 As the office holders, we will continue to seek the disposal of the freehold property for the benefit of the Bank.
- 9.2 The Administrators' final fees will be defrayed from funds in hand. In addition, the final associated costs of the administration will also be settled from funds available.
- 9.3 The Administrators made an application to Court for the administration to end and for the Company to be wound up and for the Administrators to be appointed as Joint Liquidators. The Company was wound up on 22 December 2009 by order of the High Court number 22012 of 2009.

Yours faithfully  
For and on behalf of  
Coastal Bulk Shipping Limited



D H Gilbert  
**Joint Administrator**

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William Matthew Humphries Tait and David Harry Gilbert were appointed Joint Administrators on 6 January 2009. The Joint Administrators act as agents and contract without personal liability. Matthew Tait and David Gilbert are authorised to act as Licensed Insolvency Practitioners by the Insolvency Practitioners Association.

**COASTAL BULK SHIPPING LIMITED**

**STATUTORY INFORMATION SHEET**

**Date of Incorporation** 11/11/1954

**Company Number** 00540448

**Trading Name** Coastal Bulk Shipping Limited

**Previous Company Names** Laphorn Shipping Limited until 27/10/2006  
R. Laphorn and Company Limited until 01/12/2003

**Country of Incorporation** United Kingdom

**Registered Office** 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA  
Formerly at Buttercrock Wharf, Hoo, Rochester, Kent.B52, ME3 9LQ

**Trading Address** As per registered office

<b>Directors</b>	<b>Appointed</b>	<b>Resigned</b>
Timothy Robert Lowry	17/11/2003	To Date
John Foster Yeoman	25/07/2006	To Date
Richard John Laphorn	Unknown	31/05/2006
Christopher John Laphorn	Unknown	31/05/2006

<b>Company Secretary</b>		
Terence John Beak	Unknown	17/04/2007
David Theobald	17/04/2007	To Date

**Authorised Share Capital**

	<b>£</b>
15,000 Ordinary shares of £1 each	15,000
9,000,000 Redeemable preference A shares of £1 each	9,000,000
252,000 Redeemable preference B shares of £1 each	252,000
	<u>9,267,000</u>

**Issued and Paid Up Share Capital**

	<b>£</b>
15,000 Ordinary shares of £1 each	15,000
9,000,000 Redeemable preference A shares of £1 each	9,000,000
252,000 Redeemable preference B shares of £1 each	252,000
	<u>9,267,000</u>

**Shareholders**

	<b>Ordinary Shares</b>	<b>Preference A Shares</b>	<b>Preference B Shares</b>
Fourwind Holdings Limited	15,000	9,000,000	252,000
	<u>15,000</u>	<u>9,000,000</u>	<u>252,000</u>



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**Coastal Bulk Shipping Limited**  
Summary of Receipts & Payments Account



**Coastal Bulk Shipping Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 06/07/2009 To 22/12/2009	From 06/01/2009 To 22/12/2009
Brokers Commission	27,000.00	40,500.00
Telephone & Internet	NIL	596.05
Stationery & Postage	NIL	4.95
Storage Costs	57.95	3,872.88
Costs recharged by River Bulk	NIL	33,567.37
Statutory Advertising	NIL	1,355.88
Rates	2,607.59	5,232.44
Other Property Expenses	1,340.44	3,715.34
Insurance of Assets	6,970.76	9,750.29
Wages & Salaries	NIL	29,229.48
Bank Charges	NIL	463.93
Agents Disbursements	3,947.63	4,964.61
Car lease payments	NIL	604.54
	(125,027.56)	(350,986.96)
	<u>459,996.66</u>	<u>639,378.00</u>

REPRESENTED BY

Input VAT and Paid HMCE	22,617.02
Bank 1 - Current	633,334.31
Output VAT & Refunds HMCE	(16,573.33)
	<u>639,378.00</u>

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William Matthew Humphries Tait  
Joint Administrator

