

Rule 4 34-  
CVL

The Insolvency Act 1986

Form 4.20

**Statement of Company's Affairs**

Pursuant to Section 95/99 of the  
Insolvency Act 1986

**S.95/99**

To the Registrar of Companies

For official use

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Company Number

06072558

Name of company

Insert full  
name of  
company

Towers Property Development Limited

Insert full  
name(s) and  
address(es)

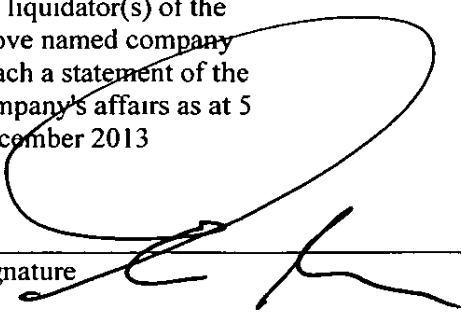
I/We

Ian Richardson and Nicholas S Wood  
Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

the liquidator(s) of the  
above named company  
attach a statement of the  
company's affairs as at 5  
December 2013

Insert date

Signature



Date

13 Dec 2013

Presenter's  
name, address  
and reference  
(if any)

Ian Richardson  
Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB  
IZR/DJF/RZW/T00953/9

Insolvency

FRIDAY

For Official Use



A04 13/12/2013 #260  
COMPANIES HOUSE

## Statement of Affairs

Statement as to affairs of

Towers Property Development Limited

on the 5 December 2013 the date of the resolution for winding up

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## Statement of truth

I believe that the facts stated in this Statement of Affairs are true

Full Name CARLOS ALEJANDRO RAUL AMAYA - TORRES

Signed 

Dated 5/12/13

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Towers Property Development Limited  
Statement Of Affairs as at 5 December 2013

**A - Summary of Assets**

Assets	Book Value £	Estimated to Realise £
<b>Assets subject to fixed charge:</b>		
<b>Assets subject to floating charge:</b>		
<b>Uncharged assets:</b>		
Cash at Bank	5,659 86	5,659 86
Director's Loan Account	37,716 00	Uncertain
<b>Estimated total assets available for preferential creditors</b>		<b>5,659 86</b>

Signature \_\_\_\_\_ Date \_\_\_\_\_

5/12  


Towers Property Development Limited  
Statement Of Affairs as at 5 December 2013

A1 - Summary of Liabilities

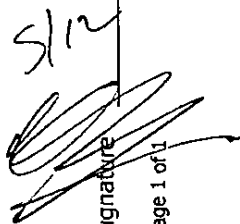
		Estimated to Realise £
<b>Estimated total assets available for preferential creditors (Carried from Page A)</b>		5,659 86
<b>Liabilities</b>		
Preferential Creditors -		NIL
<b>Estimated deficiency/surplus as regards preferential creditors</b>		5,659 86
Debts secured by floating charge pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		NIL
		5,659 86
Estimated prescribed part of net property where applicable (to carry forward)		NIL
Based on floating charge assets of Nil		
<b>Estimated total assets available for floating charge holders</b>		5,659 86
Debts secured by floating charges post 15 September 2003		
Natwest Bank plc	18,702 92	
		18,702 92
<b>Estimated deficiency/surplus of assets after floating charges</b>		(13,043 06)
Estimated prescribed part of net property where applicable (brought down)		NIL
<b>Total assets available to unsecured creditors</b>		NIL
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
HM Revenue & Customs - Corporation Tax	3,944 71	
HM Revenue & Customs - PAYE/NIC	2,151 21	
Brighton & Hove City Council	30,000 00	
Trade Creditors	27,648 36	
Carlos Amaya Torres	24,705 00	
Barry Osborn	18,500 00	
		106,949 28
<b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)</b>		(106,949 28)
Shortfall in respect of F C's post 14 September 2003 (brought down)		13,043.06
<b>Estimated deficiency/surplus as regards creditors</b>		(119,992 34)
Issued and called up capital		
Ordinary Shareholders	400 00	
		400 00
<b>Estimated total deficiency/surplus as regards members</b>		(120,392 34)

Signature \_\_\_\_\_ Date \_\_\_\_\_

5/12  



**FRP Advisory LLP**  
**Towers Property Development Limited**  
**B - Company Creditors**

Key	Name	Address	£
CB00	Blue Spire South LLP	201 Dyke Road, Hove, East Sussex, BN3 1TL	133.00
CC00	Channel Glazing	70 Beaconsfield Road, Brighton, BN1 6DD	6,581.75
CC01	Carlos Amaya Torres	44 Old Shoreham Road, Hove, East Sussex, BN3 6GF	24,705.00
CD00	Data Locator Group	First Floor, Iveco House, Station Road, Watford, Herts, WD17 1SR	1,080.00
CE00	Ellis and Partners	32 New Road, Brighton, BN1 1UG	17,918.64
CF00	Focus 4U	C/O Thomas Higgins Partnership, Pre-Issue Section, Capitol Buildings, 10 Seaview Road, Wallasey, CH45 4TH	1,934.97
CF01	Focus 4U	Europa House, Southwick Square, Southwick, West Sussex, BN42 4FJ	0.00
CH00	HM Revenue and Customs	Insolvency Claims Handling Unit (ICHU), Room BP 2032, Longbenton, Newcastle upon Tyne, NE98 1ZZ	0.00
CH01	HM Revenue and Customs	CT Operations SO773, PO Box 29997, Glasgow, G70 5AB	3,944.71
CH02	HM Revenue and Customs	Crown House, 11 Regent Hill, Brighton, East Sussex, BN1 3ER	2,151.21
CN00	Natwest Bank Plc	Credit Management Services, Business Recoveries, PO Box 569, Adwick Park, Manvers, Rotherham, S63 3FB	18,702.92
CO00	Barry Osborn	Cresthill, 79 Beaconsfield Villas, Brighton, BN1 6HF	18,500.00
CT00	Brighton & Hove City Council	2nd Floor, Bartholomew House, Bartholomew Square, Brighton, BN1 1JE	30,000.00
<b>13 Entries Totalling</b>			<b>125,652.20</b>

  
 Signature  
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**FRP Advisory LLP**  
**Towers Property Development Limited**  
**C - Shareholders**

Key	Name	Address	Pref	Ord	Other	Total
HO00	Mr Barry Paul Osborn	Cresthill, 79 Beaconsfield Villas, Brighton, BN1 6HF	0	100	0	100
HT00	Mr Carlos Amaya Torres	44 Old Shoreham Road, Hove, East Sussex, BN3 6GF	0	200	0	200
HO01	Mrs Kay Osborn	Cresthill, 79 Beaconsfield Villas, Brighton, BN1 6HF	0	100	0	100
<b>3 Entries Totalling</b>						<b>400</b>

  
 Signature \_\_\_\_\_  
 Page 1 of 1

**TOWERS PROPERTY DEVELOPMENT LIMITED ('THE COMPANY')  
DIRECTOR'S REPORT TO BE PRESENTED AT THE MEETING OF CREDITORS**

**HISTORY OF THE COMPANY**

**Background Information**

The Company was incorporated on 29 January 2007 to purchase land its research indicated was likely to gain planning permission. The Company sought to offer individual investors affordable plots of land on the basis that should planning permission be granted a profit could be made from the resale or development of these plots.

There was a political atmosphere and statements made by the Government indicating that consideration was being given to relaxing planning laws with a view to encouraging new developments. In particular the Government sought to advance a Localism Bill that with Royal Assent would become the Localism Act. The Department for Communities and Local Government stated the Act was to grant new rights and powers to communities and individuals, and allow for a more democratic and effective planning system. This would help address the shortage of housing experienced in the South East of England.

Housing Minister Grant Shapps stated the Localism Bill would sweep away top-down building targets, and in their place give local people the power build the homes that their communities needed. He said decision-making powers on housing would be returned to local councils and communities through a new Community Right to Build. Under this initiative, communities will be able to come together and give the green light to new homes, shops and businesses, without the need for formal planning permission, as long as there is 50 per cent community support in a local referendum.

The Company was formed to purchase land in order to take advantage of these changes. It was unable to provide its customers with a guarantee that planning permission would be obtained for the plots it sold, but the circumstances seemed to be present that such permission might be obtained in the future. As such purchases were made on a speculative basis.

In 2011 Brighton and Hove Trading Standards took action against the Company alleging misconduct and that it had not fully complied with legislation applicable to its business. The allegations included that the risks involved in purchasing plots of land and the likelihood of a return had not been correctly communicated to purchasers or had been misrepresented. The case was settled out of Court and therefore judgment was never granted on the merits of the case. The Company agreed to pay some of the legal costs incurred by Trading Standards on the understanding it was likely the case would then be discontinued.

The result of the settlement was that the case proceeded no further and the Company has continued to dispute the allegations made. The dispute between the Company and Trading Standards resulted in adverse publicity for the business making it considerably more difficult for the Company to trade. Following the agreement to pay some of the legal costs incurred by Trading Standards, the Company's financial position deteriorated to a point whereby the director believed it would be difficult for the business to continue trading. This has left the Company unable to pay the £92,000 of costs agreed. Pursuant to the terms of a Court Order, the director Carlos Torres, has as the second defendant paid £62,000 to Brighton and Hove City Council in part settlement of the Court Order.

After considering the Company's circumstances and the options available to it, the director approached FRP Advisory LLP in order to assist with the process of placing the Company into creditors' voluntary liquidation.

In summary, the director attributes the failure of the Company to the following:-

1. an agreement to pay the legal costs incurred by Trading Standards in bringing legal action against the Company;
2. negative publicity arising as a result of the dispute between the Company and Trading Standards.

## STATUTORY INFORMATION

**Company Number:** 06072558  
**Date of Incorporation:** 29 January 2007  
**Nature of Business:** Buying and selling of real estate  
**Change of Company Name:** Not applicable

### Share Capital:

Authorised Share Capital. 100,000 Ordinary Shares of £1 each.

Issued and fully paid and held as follows:

<b>Name of Shareholders:</b>	<b>Number</b>
Carlos Amaya Torres	200
Barry Paul Osborn	100
Kay Osborn	100

<b>Director:</b>	<b>Date Appointed</b>	<b>Date Resigned</b>
Carlos Amaya Torres	29/01/2007	Not applicable

<b>Company Secretary:</b>		
Daphne Ann Rolfe	01/04/2007	Not applicable

**Registered Office:** 201 Dyke Road, Hove, BN3 1TL

**Debenture:** Debenture created on 24 June 2011  
Registered on 6 July 2011  
Fixed and floating charge over all monies

### Extracts from Accounts:

<b>Period/Year ended</b>	<b>Turnover</b>	<b>Gross Profit</b>	<b>Director's Remuneration</b>	<b>Dividends Paid</b>	<b>Net Profit/(Loss)</b>	<b>Shareholders' Funds</b>
	£	£	£	£	£	£
Year Ended 31 December 2011	416,098	159,191	5,715	Nil	(217,847)	(109,225)
Year Ended 31 December 2010	809,034	342,606	Nil	110,000	194,656	66,475
Year Ended 31 December 2009	696,742	305,129	Nil	130,000	164,477	27,153

**Signed by:** 

**Date:** 5 December 2013



Insolvency Act 1986

Towers Property Development Limited  
Estimated Statement Of Affairs as at 5 December 2013

	Book Value £	Estimated to Realise £	£
<b>ASSETS</b>			
Cash at Bank	5,659 86		5,659 86
Director's Loan Account	37,716.00		<u>Uncertain</u>
			5,659 86
<b>LIABILITIES</b>			
<b>PREFERENTIAL CREDITORS -</b>			
			<u>NIL</u>
			5,659 86
<b>DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003</b>			
<b>OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS</b>			
			<u>NIL</u>
			5,659 86
<b>Estimated prescribed part of net property where applicable (to carry forward)</b>			
			<u>NIL</u>
			5,659 86
<b>DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003</b>			
Natwest Bank plc		18,702 92	
			<u>18,702 92</u>
			<u>(13,043 06)</u>
<b>Estimated prescribed part of net property where applicable (brought down)</b>			
			<u>NIL</u>
			NIL
<b>Unsecured non-preferential claims (excluding any shortfall to floating charge holders)</b>			
HM Revenue & Customs - Corporation Tax		3,944 71	
HM Revenue & Customs - PAYE/NIC		2,151 21	
Brighton & Hove City Council		30,000 00	
Trade Creditors		27,648 36	
Carlos Amaya Torres		24,705 00	
Barry Osborn		<u>18,500 00</u>	
			<u>106,949 28</u>
<b>Estimated deficiency/surplus as regards non-preferential creditors</b>			
<b>(excluding any shortfall in respect of F C's post 14 September 2003)</b>			
			(106,949 28)
<b>Shortfall in respect of F C's post 14 September 2003 (brought down)</b>			
			<u>13,043 06</u>
			(119,992 34)
<b>Issued and called up capital</b>			
Ordinary Shareholders		400 00	
			<u>400 00</u>
<b>TOTAL SURPLUS/(DEFICIENCY)</b>			<u>(120,392 34)</u>

**TOWERS PROPERTY DEVELOPMENT LIMITED ('THE COMPANY')  
NOTES TO THE DIRECTOR'S STATEMENT OF AFFAIRS**

**1. Cash at Bank - £5,659**

FRP Advisory LLP has been forwarded a sum of £5,659 on behalf of the Company.

**2. Director's Loan Account – Book Value of £37,716**

The latest accounts available are those prepared for the year to 31 December 2011. These show a balance of £37,716 outstanding pursuant to a director's loan account. Over the course of 2012 Carlos Torres and Barry Osborn have put further monies into the Company and details of their claims are given below. A review of the position will need to be conducted to determine any movements on the loan account since December 2011

As a result of the Court Order, a sum of £62,000 was paid by the director to Brighton & Hove City Council. The director is seeking to set-off this sum against the outstanding director's loan account. Legal advice obtained has indicated it may only be possible for the director to set-off half of the £62,000 on the grounds that the Company and the director are jointly liable for the £62,000. Further legal advice will need to be obtained regarding the potential for the director to exercise set-off

**3. Tangible Fixed Assets & Stocks**

The Company's accounts for the year to 31 December 2011 show tangible fixed assets consisting of fixtures and fittings, a motor vehicle, office equipment and stock. The fixtures and fittings and office equipment were fully written down in those accounts. In 2012 the motor vehicle was sold for around £500 and after applying depreciation would have had a minimal value. The stock refers to land owned by the Company all of which has been sold.

**4. HM Revenue & Customs – Corporation Tax £3,945 & PAYE/NIC £2,151**

The Company's records show a liability of £2,151 has accrued for PAYE and NICs up to 5 April 2012 and a liability of £3,945 accrued during the 2011 financial year in respect of Corporation Tax. The commencement of action against the Company by Brighton & Hove City Council towards the end of 2011 resulted in trade reducing to a low level. As the Company's records are not fully up to date there will be some additional liabilities for PAYE, but losses and the cessation of trading mean the Company anticipates these will be small.

**5. Brighton & Hove City Council - £30,000**

Case number HC11CO3259 was brought against the Company in the High Court Chancery Division and listed as Brighton & Hove City Council v Towers Property Development Limited & Mr C Amaya-Torres.

The defendants, Towers Property Development Limited & Mr C Amaya-Torres, were subject to a Court Order that the Company pay £92,000 to the Council failing which Carlos Torres would pay £62,000 and the Company would become liable for the balance.

Following the expiry of a deadline for these payments, Carlos Torres has paid £62,000 to Brighton & Hove City Council, and the Company therefore has a liability for the balance of £30,000.

## **6. Additional Claims Not Shown In The Company Records**

Following a letter being sent to the Company's creditors to inform them of the meeting of creditors, details of a number of claims have been received that are not listed in the Company's records. The director believes these sums relate to claims made by individuals who purchased land from the Company. The validity of these claims is disputed by the Company. As the statement of the Company's affairs is based upon the Company's records they have not been included. The duly appointed liquidator will need to investigate the position to establish the validity of these claims.

## **7. Trade & Expense Creditors**

Trade and expense creditors have been recorded from information provided by the Company and from creditors' claims received at the offices of FRP Advisory. This list may be subject to amendment and/or alteration through the course of the liquidation. Trade creditors are summarised as follows:

<b>Name</b>	<b>Amount Owed</b>
	<b>£</b>
Ellis and Partners	17,918.64
Channel Glazing	6,581.75
Focus 4U	1,934.97
Data Locator Group	1,080.00
Blue Spire South LLP	133.00
<b>Total</b>	<b><u>27,648.36</u></b>

## **8. Carlos Torres - £24,705**

The director paid £62,000 to Brighton & Hove City Council on behalf of the Company. This payment was made pursuant to a Court Order and as referred to above, legal advice obtained based on an initial review of the Court Order indicates Carlos Torres may be entitled to claim 50% of the sum he paid to Brighton & Hove City Council from the Company as second defendant.

In addition to the above, over the course of 2012 Carlos Torres has paid a sum of £7,505 into the Company in order to support its trading and withdrawn £13,800. The balance of £31,000 outstanding to him from the Company has therefore been reduced by £6,295.

## **9. Barry Osborn - £18,500**

Similar to the monies credited by Carlos Torres, Barry Osborn has also over the course of 2012 paid a sum of £18,500 into the Company in order to support its continuing trading.

The director has supplied bank statements showing both his monies and those from Barry Osborn being credited to the Company's account.

## **10. Cost of Liquidation**

The director's estimated statement of affairs does not include the costs of liquidation or the costs associated with the realisation of the Company's assets.

**TOWERS PROPERTY DEVELOPMENT LIMITED**  
**ESTIMATED DEFICIENCY ACCOUNT AS AT 5 DECEMBER 2013**

	£	£
Profit and Loss reserves as at 31 December 2011		(109,625)
<b>Less extraordinary items as a result of winding up</b>		
Assets written down for Statement of Affairs:		
No assets to write down	0	
	<hr/>	0
Employee Claims (notice pay and redundancy)		0
<b>Estimated trading profit/(loss) for the period 1 January 2012 to 5 December 2013</b>		<b>(10,367)</b>
Reduction in value as regards shareholding		(400)
<b>Total Estimated Deficiency as per Statement of Affairs at 5 December 2013</b>		<b><u>(120,392)</u></b>

The net balance outstanding on the director's loan account is uncertain as is the recovery of any sum outstanding. For this reason no reference has been made to it in the deficiency account.