

# Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

08570818

Name of Company

Seaview Developments (South West) Limited

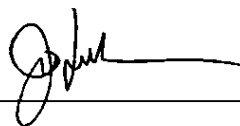
I / ~~We~~

Jeremiah Anthony O'Sullivan, 2nd Floor Stratus House, Emperor Way, Exeter Business Park, Exeter, EX1 3QS

the liquidator~~s~~ of the company attach a copy of my/~~our~~ Progress Report under section 192 of the Insolvency Act 1986.

The Progress Report covers the period from 01/04/2016 to 31/03/2017

Signed



Date

26.5.17

Bishop Fleming LLP  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

Ref: SE10364/MR

SATURDAY



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COMPANIES HOUSE

# **Liquidator's Annual Progress Report to Members**

**Seaview Developments (South West) Limited  
- In Liquidation**

**26 May 2017**

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## **SEAVIEW DEVELOPMENTS (SOUTH WEST) LIMITED - IN LIQUIDATION**

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# **SEAVIEW DEVELOPMENTS (SOUTH WEST) LIMITED - IN LIQUIDATION**

## **1 Introduction and Statutory Information**

- 1.1 I, Jeremiah Anthony O'Sullivan of Bishop Fleming LLP, 2nd Floor Stratus House, Emperor Way, Exeter Business Park, Exeter, EX1 3QS, was appointed as Liquidator of Seaview Developments (South West) Limited (the **Company**) on 1 April 2016. This report provides an update on the progress in the liquidation for year ended 31 March 2017 (**the Period**).
- 1.2 The trading address of the Company was The Old Coach House, Perkins Village, Exeter, Devon, EX5 2JG.
- 1.3 The registered office of the Company was changed to Bishop Fleming, 2nd Floor Stratus House, Emperor Way, Exeter Business Park, Exeter, EX1 3QS and its registered number is 08570818.

## **2 Progress of the Liquidation**

- 2.1 At Appendix A, I have provided an account of my Receipts and Payments for the Period, with a comparison to the Declaration of Solvency values.
- 2.2 The principal area in this liquidation in respect of which time has been spent has been the realisation of the Company's assets as disclosed in the Directors' sworn Declaration of Solvency details of which are provided below.
- 2.3 I have also been required to undertake statutory activities such as reporting to Companies House, advertising, bonding, etc. which do not directly benefit creditors but which are statutory obligations under the provisions of the Insolvency Act 1986.

### **2.4 Freehold Land & Property**

- 2.5 The value of the Company's freehold property at Plot 6 St Clares, Seaton [6 Axeclyff View] was agreed by the Directors and Shareholders to be £190,000 and the property was distributed in specie to the Shareholders at that value on 4 April 2016.
- 2.6 The formal transfer of the property into the Shareholders' joint names was subsequently registered at the Land Registry by the Company's solicitors.

### **2.7 Bank Account**

- 2.8 The balance on the Company's current account as at the date of liquidation was £456,976.81 and this sum was subsequently received into the liquidation account.

### **Cash at Bank – Construction Bonds**

- 2.9 A cash bond of £25,297 was lodged with the Company's bankers prior to liquidation in support of its property development obligations. The bond becomes repayable after one year from the date of liquidation subject to any valid claims that may be made against it.

### **Cash held by 3<sup>rd</sup> Party**

- 2.10 The sum of £30,972 is held by East Devon District Council with regard to the Company's obligations under s.106 of the Town and Country Planning Act 1990.

### **Solicitor's Refund**

- 2.11 An amount of £18 has been received into the liquidation account from the Company's solicitors in respect of a credit balance held.

## **SEAVIEW DEVELOPMENTS (SOUTH WEST) LIMITED - IN LIQUIDATION**

### **Shareholders' loans re cash distribution**

- 2.12 An initial distribution to Shareholders on 1 April 2016 included an in specie cash distribution of £340,000 made in advance of the cash in the Company's bank account being received into the liquidation account, and in advance of the realisation of the cash held by the Company's bankers in respect of the Construction Bonds.
- 2.13 Subsequently, a total of £315,000 was paid to the Shareholders on account of the distribution, leaving a balance of £25,000 outstanding and currently shown as a loan in the attached Receipts and Payments Account. The loan will be repaid to the Shareholders on maturity of the Construction Bond.
- 2.14 Except for the Construction Bond and the cash held by 3<sup>rd</sup> party, all other asset realisations are completed.

### **3 Creditors' Claims**

#### ***Unsecured Creditors***

- 3.1 I have received claims totalling £136,478.14 from 13 creditors. I have yet to receive claims from 1 creditor whose debt amounts to £30,972 plus interest as per the Directors' Declaration of Solvency. This is expected to be set off against the Cash Held by 3<sup>rd</sup> Party referred to above. The Directors have made a Declaration of Solvency to the effect that all of the Company's debts will be paid in full, together with statutory interest, within 12 months of the commencement of the Liquidation.

### **4 Distributions to Members**

- 4.1 The following distribution to Members has been made since the date of my appointment:
- An interim dividend of £5,300 per Ordinary share on 4 April 2016

### **5 Liquidator's Remuneration**

- 5.1 The members approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation. The agreed fees were not to exceed £1,750 plus VAT and disbursements without the approval of a majority of the members.
- 5.2 My time costs for the Period are £5,196.25. This represents 22.35 hours at an average rate of £232.49 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation.
- 5.3 I would confirm that £1,750 plus disbursements of £nil has been drawn to date on account of these costs.
- 5.4 Attached as Appendix C is additional information in relation to the Liquidator's fees.
- 5.5 A copy of 'A Shareholders' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.bishopfleminginsolvency.co.uk/r3](http://www.bishopfleminginsolvency.co.uk/r3), selecting the guide applicable to the insolvency commencement date in this case – 1 April 2016.

**6 Liquidator's Expenses and Disbursements**

- 6.1 The following expenses and disbursements have been incurred since my appointment as Liquidator:

	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Statutory advertising	231.00	-	231.00
Specific penalty bond	-	240.00	240.00
External storage of books & records			
Bank charges [re Construction Bonds]	460.68	-	600.00

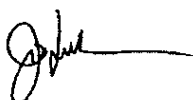
**7 Members' Rights**

- 7.1 Within 21 days of the receipt of this report, members with either at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company or with the permission of the court, may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- 7.2 Any members with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company may within 8 weeks of receipt of this progress report, make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

**8 Next Report**

- 8.1 I am required to provide a further report on the progress of the liquidation within two months of the end of the second anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write again with my proposed final account.

Yours faithfully



**J A O'sullivan**  
Liquidator

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**Seaview Developments (South West) Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**  
**To 31/03/2017**

Dec of Sol £		£	£
	<b>ASSET REALISATIONS</b>		
190,000.00	Freehold Property - 6 Axecliff View	190,000.00	
	Sundry Refunds - Michelmores	18.00	
456,989.00	Cash at Bank	456,976.81	
	Shareholders' loans re cash distribution	25,000.00	
25,297.00	Cash at Bank - Construction Bonds	NIL	
	Bank Interest Gross	62.86	
30,972.00	Cash held by 3rd party	NIL	
			672,057.67
	<b>COST OF REALISATIONS</b>		
	Declaration of Solvency Fee	1,250.00	
	Liquidator's Fees	1,750.00	
	Statutory Advertising	231.00	
	Bank Charges re Bond	460.68	
			(3,691.68)
	<b>UNSECURED CREDITORS</b>		
(200.00)	Trade & Expense Creditors - Utilities	385.14	
(134,568.00)	HM Revenue & Customs (Corp Tax)	134,568.00	
(1.00)	HM Revenue & Customs (VAT)	NIL	
(1,560.00)	Provision for accountancy costs	1,525.00	
(500.00)	Provision for legal costs	NIL	
(30,972.00)	EDDC re S106	NIL	
			(136,478.14)
	<b>DISTRIBUTIONS</b>		
	Ordinary Shareholders	530,000.00	
			(530,000.00)
<b>535,457.00</b>			<b>1,887.85</b>
	<b>REPRESENTED BY</b>		
	VAT on Payments		45.00
	Lloyds Commercial Current Account		934.81
	Vat Control Account		908.04
			<b>1,887.85</b>

**Seaview Developments (South West) Limited**  
**Summary of the Liquidator's Time Costs**  
**for the period from 1 April 2016 to 31 March 2017**

**Hours**

<b>Classification of work function</b>	<b>Partner</b>	<b>Manager</b>	<b>Other Senior Professionals</b>	<b>Assistants &amp; Support Staff</b>	<b>Cashier</b>	<b>Total Hours</b>	<b>Time Costs £</b>	<b>Average Hourly rate £</b>
Statutory & Compliance Planning	0.90	9.65	-	1.45	-	12.00	2,683.50	223.63
Realisation of Assets	0.10	3.80	-	-	-	3.90	930.75	238.65
Creditors & Members	1.00	5.45	-	-	-	6.45	1,582.00	245.27
Total hours and time costs from 1 April 2016 to 31 March 2017, and average rate.						22.35	5,196.25	232.49



**Additional Information in Relation to Liquidator's Fees**

**1 Staff allocation and the use of subcontractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

**2 Professional Advisers**

- 2.1 On this assignment we have used the professional advisers listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
QBE Insurance (Europe) Limited (insurance)	Scale premiums

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

**3 Liquidator's Disbursements**

- 3.1 Category 1 disbursements do not require approval by members. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of 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 personnel in connection with the case.
- 3.2 Category 2 disbursements do require approval by members. These disbursements can include costs incurred by Bishop Fleming LLP for the provision of services which include an element of recharged overhead, for example, room hire or document storage.
- 3.3 Details of the Liquidator's disbursements and expenses incurred to date can be found in the body of the report.

**4 Charge-out rates**

A schedule of Bishop Fleming LLP's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There have been no material increases in charge-out rates since that date, although rates have been reviewed annually on 1 July each year. A schedule of our current rates is attached, together with a summary of our charge out rates in the past 5 years.

## **Bishop Fleming LLP Business Recovery & Insolvency**

### **Information to Creditors**

#### **Charge out rates and policy regarding the recharge of Disbursements**

<b>Charge out Rates ( £ per hour)</b>	<b>Business Recovery &amp; Insolvency Staff</b>	<b>Other Staff</b>
Insolvency Practitioner / Partner	£325	£220 - £245
Senior Manager	£240	£135 - £225
Manager	£185 - £200	£85 - £130
Other Senior Professionals	-	£90 - £130
Support Staff	£120 - £140	£40 - £95

Most of the work on the assignment will be undertaken by specialist staff in the Business Recovery & Insolvency department, but some tasks will be performed by other staff in the General Practice, Corporate Finance, Taxation, Payroll and Administration departments where appropriate, which will be charged out at their normal rates.

Time is usually charged in units of 0.1 hour (i.e. 6 minutes) but the minimum unit of time that may be recorded is 0.017 of an hour (1 minute).

#### **Disbursements**

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

##### Category 1 Disbursements

These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff.

Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

##### Category 2 Disbursements

These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expense, the basis on which the charge is being made.

#### **Bishop Fleming LLP proposes to recover category 2 disbursements as follows:**

- Insolvency Practitioner and staff mileage re-imbursement at HMRC approved 'AMAP' rates – currently 45p / mile plus 5p / mile for each additional Bishop Fleming LLP passenger
- Faxes at 40p per sheet and Photocopying at 10p per sheet, based on comparative commercial rates.

All costs are subject to VAT, where applicable.

# **Bishop Fleming LLP Business Recovery & Insolvency Information to Creditors**

## **Summary of Charge Out Rates in the past 5 years**

**Charge Out Rates ( £ per hour)      9 July 2012      1 July 2013      7 July 2014      6 July 2015      11 July 2016**

### Business Recovery & Insolvency Staff

Insolvency Practitioner / Partner	£275	£285	£295	£295	£325
Senior Manager	£205	£215	£225	£235	£240
Manager	£150 - £170	£160 - £180	£165 - £190	£195	£185 - £200
Other Senior Professionals	£135 - £140	£145	£150	£160	-
Support Staff	£95 - £110	£95 - £120	£110 - £125	£120 - £135	£120 - £140

### Other Staff

Partner	£180 - £300	£180 - £300	£180 - £300	£180 - £300	£220 - £245
Senior Manager	£110 - £225	£110 - £225	£110 - £225	£110 - £225	£135 - £225
Manager	£85 - £170	£85 - £170	£85 - £170	£85 - £170	£85 - £130
Other Senior Professionals	£45 - £150	£45 - £150	£45 - £150	£45 - £150	£90 - £130
Support Staff	£20 - £110	£20 - £110	£20 - £110	£20 - £110	£40 - £95

Charge out rates were reviewed annually in early July. The new charge out rates were effective from the dates shown

For periods prior to 1 June 2014 charge out rates refer to Bishop Fleming, from 1 June 2014 they refer to Bishop Fleming LLP