

Section 106

The Insolvency Act 1986

Return of Final Meeting in a
Creditors' Voluntary Winding Up
Pursuant to Section 106 of the
Insolvency Act 1986

S106

For Official Use

To the Registrar of Companies

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Company Number

03863230

Name of Company

Silvertown Quays Limited


±We

Gary N Lee
340 Deansgate
Manchester
M3 4LY

Neil John Mather
32 Cornhill
London
EC3V 3BT

give notice

- 1 that a general meeting of the company was ~~held on~~/summoned for 19 August 2011 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of and that the same was done accordingly / no quorum was present at the meeting
- 2 that a meeting of the creditors of the company was duly held on / ~~summoned~~ for 19 August 2011 pursuant to section 106 of the Insolvency Act 1986 for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company disposed of and that the same was done accordingly / ~~no quorum was present at the meeting~~

Signed 

Date 19 August 2011

Begbies Traynor (Central) LLP
340 Deansgate
Manchester
M3 4LY

Ref SI023CVL/GNL/NJM/DJ/CM

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Insolvency Sect

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COMPANIES HOUSE

Silvertown Quays Limited (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation pursuant
to Section 106 of the Insolvency Act 1986 and Rule
4.126 of the Insolvency Rules 1986

Period: 5 July 2010 to 19 August 2011

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Silvertown Quays Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Insolvency Act 1986 on 5 July 2010
"the liquidators", "we", "our" and "us"	Gary N Lee of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s)	Silvertown Quays Limited
Company registered number	03863230
Company registered office	Begbies Traynor, 340 Deansgate, Manchester, M3 4LY
Former trading address	58 Acacia Road, London , NW8 6AG

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	5 July 2010
Date of liquidators' appointment	5 July 2010
Changes in liquidator (if any)	There has been no changes in the liquidator

4. PROGRESS SINCE APPOINTMENT

Attached at Appendix 1 is our abstract of receipts and payments for the period from 5 July 2010 to 19 August 2011

Receipts

Deposit for Costs

An amount of £20,868 was provided by the Company's directors to cover the costs of Liquidation

Bank Interest

Bank interest earned during the period amounts to £15 53

Payments

Statutory Advertising

An amount of £378 90 has been paid to our advertising agents for advertising the Liquidators appointment.

Meeting Room Hire

A payment of £250 has been paid in relation to the hire of a meeting room which was used for the initial meeting of creditors held on 5 July 2010

Liquidators Disbursements

Disbursements of £570 51 have been paid during this period. A breakdown of these disbursements are detailed in the narrative summary attached at Appendix 3.

Statement of Affairs

An amount of £10,000 has been drawn by the Liquidators for assisting the director in the preparation of the statement of affairs and convening the meeting of members and creditors.

5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report which was presented at the initial meeting of creditors held on 5 July 2010.

Secured creditor

The Bank of Scotland are owed a total balance of £78,273,268. Included in this amount is an undrawn bank guarantee representing a contingent liability in the sum of £14,000,000.

There are insufficient funds available to enable a dividend to be made to the secured creditors.

Preferential creditors

There are no known preferential claims.

Unsecured creditors

Unsecured creditors were estimated at £3,027,192. There are insufficient funds available to enable a dividend to the unsecured creditors.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

We have not made a distribution of the prescribed part because the value of the prescribed part is less than the minimum prescribed by the Insolvency Act 1986 (Prescribed Part) Order 2003 and we consider, in accordance with Section 176A(3) of the Act, that the costs of distributing this amount would be disproportionate to the benefits to the unsecured creditors.

Unsecured creditors

As we have previously advised by letter dated 6 July 2010, we confirm that no dividend is available for unsecured creditors as no funds have been realised. Consequently we have not taken steps to formally agree the claims of unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act on 5 July 2010 by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation. We are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report.

Our time costs for the period from **5 July 2010 to 10 June 2011** amount to £10,129 which represents 52 50 hours at an average rate of £192 92 per hour

The following further information in relation to our time costs and disbursements is set out at **Appendix 2** -

- Narrative summary of time costs incurred
- Table of time spent and charge-out value for the period **5 July 2010 to 10 June 2011**
- Begbies Traynor (Central) LLP's policy for re-charging disbursements
- Begbies Traynor (Central) LLP's charge-out rates

We have drawn the total sum of £9,680 on account in accordance with the approval obtained, leaving unbilled time costs of £449

7. UNREALISABLE ASSETS

There are no unrealisable assets

8. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated prior to the meeting of creditors convened pursuant to Section 98 of the Act, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

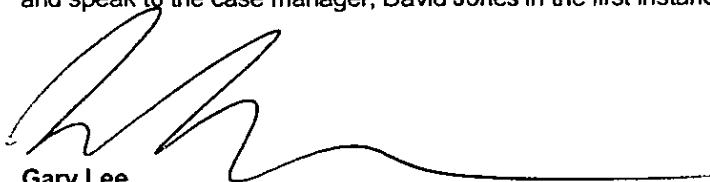
9. CONCLUSION

This report and account of receipts and payments will be laid before final meetings of the Company and the creditors to be held on **19 August 2011** in accordance with Section 106 of the Act. Formal notice of the meetings and a proxy form are enclosed with the covering letter accompanying this report.

The meetings are a formal requirement of liquidation procedure and are a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later. Unless creditors otherwise resolve, pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office.

Although the meetings are rarely attended, if any creditor wishes to attend the meeting, it would assist us in making the necessary administrative arrangements if you would inform the case manager by telephone. This is particularly important for any creditor wishing to attend who considers that the proposed venue is inconvenient. In that event we will consider reconvening the meetings at an alternative venue to be agreed. Any such request should be made within the next seven days so that we may inform all creditors of the revised arrangements. Alternatively, if you wish a proxy to attend on your behalf, the proxy form should be returned by 12 noon on the business day before the meeting.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, David Jones in the first instance, who will be pleased to assist

A handwritten signature in black ink, appearing to be 'Gary Lee', with a long horizontal flourish extending to the right.

Gary Lee
Joint Liquidator

Dated 19 August 2011

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 5 July 2010 to 19 August 2011

SILVERTOWN QUAYS LIMITED LIQUIDATORS' ACCOUNT OF RECEIPTS AND PAYMENTS FOR THE PERIOD FROM 5 JULY 2010 TO 19 AUGUST 2011

Estimated to realise per Statement of Affairs £		To Date 05/07/2010 to 10/06/11 £	11/06/2011 to 19/08/11 £	Total £
RECEIPTS				
0 00	Deposit for Costs	20,868 00	-	20,868 00
0 00	Bank Interest	15 53	-	15 53
<u>0 00</u>		<u>20,883 53</u>	<u>-</u>	<u>20,883 53</u>
PAYMENTS				
	Statement of Affairs	10,000 00	-	10,000 00
	Liquidators Fees	5,000 00	4,680 97	9,680 97
	Liquidators Disbursements	570 51	-	570 51
	Meeting Room Hire	250 00	-	250 00
	Statutory Advertising	302 40	76 50	378 90
	Corporation Tax	-	3 15	3 15
		<u>16,122 91</u>	<u>4,760 62</u>	<u>20,883 53</u>
REPRESENTED BY:-				
	Balance at bank	<u>4,760 62</u>	<u>(4,760 62)</u>	<u>-</u>

Receipts and payments are shown net of VAT

TIME COSTS AND DISBURSEMENTS

Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,

Begbies Traynor (Central) LLP's charge-out rates,

Narrative summary of time costs incurred,

Table of time spent and charge-out value for the period from **5 July 2010 to 10 June 2011**

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting, Car mileage is charged at the rate of [40] pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Manchester office as at the date of this report are as follows -

Grade of staff	Charge out Rate (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	100

The rates applying to the Manchester office prior to 1 May 2011 were as follows -

Grade of staff	Charge out Rate (£ per hour)
Partner 1	395
Partner 2	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Junior Administrator	100
Support	100

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in 6 minute units.

SILVERTOWN QUAYS LIMITED – IN LIQUIDATION

NARRATIVE SUMMARY OF WORK PERFORMED BY THE LIQUIDATOR AND HIS STAFF

Administration and Planning

- General case Administration
- The preparation and filing of standard letters
- Setting up and organising filing system
- Completing 3 monthly review and 6 monthly reviews
- Banking cheques and posting journals
- Reconcile bank account
- Drafting final report and other documents and forms
- Providing update to secured creditor
- Preparing and drafting progress report and accompanying forms and documents
- Reclaiming VAT on a timely manner
- Raising invoices in relation to fees
- Reviewing strategy of case going forward with staff
- Filing
- Bank reconciliations
- Drafting draft final progress report
- Drafting documents to accompanying the draft final report
- Circularising initial report to creditors

Investigations

- Submitting D-Form
- Reviewing working paper files

Realisations of Assets

- Liaising with director in relation to assets of the Company

Creditors

- Reviewing claims of secured creditors

Other matters

- Internal meetings and discussions relating to the planning of case
- Calculating tax liability incurred during the period of Liquidation

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME: SILVERTOWN QUAYS LIMITED
CASE TYPE: CREDITORS' VOLUNTARY LIQUIDATION
OFFICE HOLDERS Gary N Lee AND Stephen L Conn
DATE OF APPOINTMENT 5 JULY 2010

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 **Complexity of the case**
Please refer to draft final progress report

1.3 **Exceptional responsibilities**
There are no exceptional responsibilities

1.4 **The office holders effectiveness**
Please refer to the draft final progress report

1.5 **Nature and value of property dealt with by the office holders**
Please refer to the draft final progress report

1.6 **Anticipated return to creditors**
There are insufficient funds available to enable a dividend to any class of creditor in this matter

1.7 **Time costs analysis**
An analysis of time costs incurred between 5 July 2010 and 10 June 2011 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only

1 8 Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to the Liquidators' appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors at the Section 98 meeting

1 9 The views of the creditors

This is the first progress report to creditors

1 10 Approval of fees

Please refer to the draft final progress report in relation to approval of fees

1 11 Approval of Expenses and Disbursements

Please refer to the final draft progress report for approval of expenses and disbursements

1 12 Category 2 Disbursements

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of my appointment

Begbies Traynor	
Type and purpose	Amount £
Travel Expenses	536 51
Companies House Searches	11 00
Bond	45 00
TOTAL	592.51

Disbursements treated as Category 2 disbursements

There are no Category 2 disbursements in this matter

1 13 Other professionals employed & their costs

There have been no other professional costs in this matter

1 14 Staffing and management

Please refer to the time cost summary for staff used in this case

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at **Appendix 2**

2 2 The rates charged by the various grades of staff who may work on a case are attached at **Appendix 2**

3. SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

3 2 Narrative of work undertaken is attached at **Appendix 2**