

Section 106

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

To the Registrar of Companies

S.106

Company Number

5457466

Name of Company

River Medway Developments Limited

I/We

Mark Reynolds, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE

Note The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~/summoned for 28 November 2014 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 give notice that a meeting of the creditors of the company was duly ~~held on~~/summoned for 28 November 2014 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 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

The meeting was held at 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE

The winding up covers the period from 21 October 2010 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

- 1 That the Liquidators final report and account be accepted
- 2 That the Liquidator be released from office

Signed _____ Date 28 November 2014

Valentine & Co
3rd Floor
Shakespeare House
7 Shakespeare Road
London
N3 1XE

Ref R332/MSR/AR

SATURDAY



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29/11/2014

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COMPANIES HOUSE

River Medway Developments Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 21 October 2010 To 28 November 2014

S of A £		£	£
	SECURED ASSETS		
3,500,000 00	Freehold Property (Power Hub)	<u>NIL</u>	NIL
	SECURED CREDITORS		
(6,955,032 00)	Bank of Scotland plc	<u>NIL</u>	NIL
	ASSET REALISATIONS		
Uncertain	Land & Railway Arch	NIL	
	Book Debts	44,525 23	
	Funds held on behalf of LPA Receivers	49,188 73	
	Bank Interest Gross	<u>48 86</u>	93,762 82
	COST OF REALISATIONS		
	Pre-Appointment Fees/Expenses	8,000 00	
	Office Holders Fees	16,739 19	
	Office Holders Expenses	420 50	
	Agents/Valuers Fees (2)	13,896 66	
	Legal Fees (1)	450 00	
	Corporation Tax	11 35	
	Net VAT Paid On Behalf of LPA Recie	45,588 73	
	Statutory Advertising	<u>70 00</u>	(85,176 43)
	PREFERENTIAL CREDITORS		
	Employee Arrears/Hol Pay	<u>1,086 39</u>	(1,086 39)
	FLOATING CHARGE CREDITORS		
	Bank of Scotland plc (Floating Charge)	<u>7,500 00</u>	(7,500 00)
	UNSECURED CREDITORS		
(93,356 00)	Trade & Expense Creditors	NIL	
(381,107 00)	Directors' Loans	NIL	
(263,247 00)	Associated Company Loan	<u>NIL</u>	NIL
	DISTRIBUTIONS		
(10,000 00)	Ordinary Shareholders	<u>NIL</u>	NIL
(4,202,742.00)			(0.00)
	REPRESENTED BY		
			<u><u>NIL</u></u>

**Liquidator's Final Report
to Creditors and Members**

**River Medway Developments Limited
- In Liquidation**

28 November 2014

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- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9 (SIP 9)

1 Introduction

- 1 1 I, Mark Reynolds, of Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE, was appointed as Liquidator of River Medway Developments Limited (the Company) on 21 October 2010. This report provides a summary of the outcome of the liquidation of the Company which has now been completed.
- 1 2 The principal trading address of the Company was Power Hub Business Centre, St Peters Street, Maidstone, Kent, ME16 0ST.
- 1 3 The registered office of the Company was changed to c/o Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE and its registered number is 5457466.
- 1 4 The liquidation commenced on October 2010 with no realisable assets and anticipated liabilities of £4,202,742.

2 Progress of the Liquidation

- 2 1 The Company's primary asset, being freehold land, is subject to a fixed and floating charge in favour of Bank of Scotland, who appointed Roland Morgan and Rosalind Goode of GVA Grimley Limited as Law of Property Act Receivers ("LPA Receivers") on 23 April 2010. Following the sale of the land, no surplus was available to the liquidation.
- 2 2 The sum of £49,188.73 has been received from the LPA Receivers, of which £45,588.73 was paid to HM Revenue & Customs in respect of VAT.
- 2 3 The sum of £44,525.23 was received from Baltic Wharf (Maidstone) Limited in respect of book debts owed to the Company.
- 2 4 All funds received within the liquidation are placed in a specifically designated interest bearing account and the gross interest received to date totals £48.86.
- 2 5 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 28 November 2014 with a comparison to the Statement of Affairs values, together with a cumulative account since my appointment, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator.
- 2 6 Further information on the Liquidator's remuneration can be found in section 5 below.

3 Investigations

- 3 1 In accordance with Statement of Insolvency Practice 2 (**SIP2**), a review of the Company's books and records was conducted in order to identify any unusual or exceptional transactions
- 3 2 During the investigation, particular attention was paid to identifying any possible antecedent transactions such as preference payments, transactions at an undervalue and transactions defrauding creditors. Additionally, it was considered whether there was evidence of wrongful trading and/or misfeasance, for which an action could be brought against the director(s)
- 3 3 In accordance with the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 4 (**SIP4**), I have submitted a report on the conduct of the Directors of the Company to the Department of Business Innovation & Skills. As this is a confidential report, I am not able to disclose the content
- 3 4 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report

4 Outcome for Creditors

Secured Creditors

- 4 1 Bank of Scotland plc holds a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness was estimated at £6,955,031.69 and a claim has since been received in the sum of £4,616,518.92. The Bank appointed Roland Morgan and Rosalind Goode of GVA Grimley Limited as Law of Property Act 1925 Receivers (LPA Receivers) on 23 April 2010. There was a shortfall to the Bank, following the sale of the land by the LPA Receivers
- 4 2 I can confirm that, due to the realisations made in the liquidation, a first and final dividend of 0.16 pence in the pound was paid to the floating chargeholder on 14 August 2014, equating to £7,500
- 4 3 The Company granted a floating charge to Bank of Scotland on 12 July 2005. Under the provisions of s176A of the Insolvency Act 1986, I was required to create a fund out of the Company's net floating charge property for unsecured creditors

- 4 1 From this net property, the value of the unsecured creditors' fund was calculated to be less than £10,000 after taking into account the costs of the liquidation. Therefore, in accordance with Section 176A(3)(a) of the Insolvency Act 1986, the prescribed part was disapplied.

Preferential Creditors

- 4 2 In accordance with Section 386 of The Insolvency Act 1986 and Schedule 6 Category 5 of the Act, debts in respect of employees' remuneration and holiday pay, subject to limitations of statute, rank as preferential creditors and in priority to the claims from other unsecured creditors.
- 4 3 The employees made claims under the provisions of the Employment Rights Act 1986 which have been met substantially by the Redundancy Payments Service, who now have a subrogated claim, in place of the employees for an element of the total claim.
- 4 4 I received a preferential claim from the Redundancy Payments Service in the sum of £939.03. The employees have excess preferential claims totalling £147.36.
- 4 5 I can confirm that preferential creditors were paid in full on 13th June 2013.

Unsecured Creditors

- 4 6 I received claims totalling £111,946.01 from 13 creditors.
- 4 7 I can confirm that the realisations are insufficient to declare a dividend to the unsecured creditors.

5 Liquidator's Remuneration

- 5 1 The Creditors 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.
- 5 2 My time costs for the period from 21 October 2013 are £8,585. This represents 29.30 hours at an average rate of £293 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 can advise that since my last progress report on the liquidation, I have drawn £4,839.19 plus VAT.
- 5 3 Also attached as Appendix B is a cumulative Time Analysis for the period from 21 October 2010 to 28 November 2014 which provides details of my total time costs since the date of

my appointment My time costs for the period from 21 October 2010 to 28 November 2014 are £20,611 25 This represents 79 90 hours at an average rate of £257 96 per hour

5 4 I confirm that the amount of £16,739 19 plus VAT has been drawn in total and that no further fees will be taken

5 5 The time spent on this case since my appointment relates to the following matters

- Attending to correspondence and telephone calls with creditors
- Recording and acknowledging creditors' claims
- Investigations into the affairs of the Company
- Preparation and submission of statutory report to the Secretary of State
- Obtaining bonding and completing bond reviews to enable the Liquidator to continue to act
- Cashiering and updating insolvency computer system
- Quarterly review and statutory compliance which includes submissions to Companies House
- Liaising with debt collection agent / collection of book debts
- Liaising with solicitors/counsel

5 6 The time spent on this case during the period of this Final Progress Report relates to the following matters

- Attending to correspondence and telephone calls with creditors
- Investigations into the affairs of the Company
- Obtaining bonding and completing bond reviews to enable the Liquidator to continue to act
- Cashiering and updating insolvency computer system
- Reviews of case
- Statutory compliance which includes submissions to Companies House
- Liaising with solicitors/counsel regarding the validity of the fixed and floating charge held by Bank of Scotland plc

- 5.7 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.valentine-co.com > Technical Resources > Creditors' Guides to Fees
- 5.8 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade
- 5.9 Since 21 October 2013 the following Category 2 disbursements have been reimbursed
- *Post appointment Circulars* 26 @ £2 25 = £58 50
 - *Annual/Final Circulars* 104 @ £1 75 = £182 00

6 Liquidator's Expenses

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

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
AUA Insolvency Risk Services	Specific Bonding Insurance	180 00	180 00	0 00
Palewell Ads	Statutory Advertising	70 00	70 00	0 00
Courts Advertising	Statutory Advertising	75 00	0 00	75 00
Baltic Wharf (Maidstone) Limited	Book debt collection	13,896 66	13,896 66	0 00
SBP Law Solicitors	Legal advice in respect of fixed and floating charge	450 00	450 00	0 00

7 Conclusion

- 7.1 This report together with final meetings of members and creditors will conclude my administration. Details of the final meetings and resolutions to be considered have been circulated with this report

Yours faithfully



Mark Reynolds

Liquidator

Enc

Appendix A

**Receipts and Payments Account for Period from 21 October 2013 to 28 November 2014
and Cumulative Receipts and Payments Account from 21 October 2010 to 28 November 2014**

River Medway Developments Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 21/10/2013 To 28/11/2014	From 21/10/2010 To 28/11/2014
3,500,000 00	SECURED ASSETS Freehold Property (Power Hub)	NIL NIL	NIL NIL
(6,955,032 00)	SECURED CREDITORS Bank of Scotland plc	NIL NIL	NIL NIL
Uncertain	ASSET REALISATIONS Land & Railway Arch	NIL	NIL
	Book Debts	NIL	44,525 23
	Funds held on behalf of LPA Receivers	NIL	49,188 73
	Bank Interest Gross	17 38	48 86
		17 38	93,762 82
	COST OF REALISATIONS Pre-Appointment Fees/Expenses	NIL	8,000 00
	Office Holders Fees	4,839 19	16,739 19
	Office Holders Expenses	420 50	420 50
	Agents/Valuers Fees (2)	NIL	13,896 66
	Legal Fees (1)	450 00	450 00
	Corporation Tax	11 35	11 35
	Net VAT Paid On Behalf of LPA Recie	NIL	45,588 73
	Statutory Advertising	70 00	70 00
		(5,791 04)	(85,176 43)
	PREFERENTIAL CREDITORS Employee Arrears/Hol Pay	NIL NIL	1,086 39 (1,086 39)
	FLOATING CHARGE CREDITORS Bank of Scotland plc (Floating Charge)	7,500 00 (7,500 00)	7,500 00 (7,500 00)
(93,356 00)	UNSECURED CREDITORS Trade & Expense Creditors	NIL	NIL
(381,107 00)	Directors' Loans	NIL	NIL
(263,247 00)	Associated Company Loan	NIL	NIL
		NIL	NIL
(10,000 00)	DISTRIBUTIONS Ordinary Shareholders	NIL NIL	NIL NIL
(4,202,742.00)		(13,273 66)	(0.00)
	REPRESENTED BY		NIL

Appendix B

Time Analysis for Period from 21 October 2013 to 28 November 2014 and Cumulative Time Analysis from 21 October 2010 to 28 November 2014

Administration & Planning	Includes case planning, statutory returns, maintenance of bank accounts and estate records, matters relating to tax, general correspondence, legal advice, meetings, employee matters, Court application for extension, legal advice regarding Agency issues
Investigations	Includes Statutory duty of investigation into Company's affairs under Statement of Insolvency Practice (SIP2)
Realisation of Assets	Includes dealing with the sale of the business and the assets of the Company, dealing with Solicitors, collecting book debts
Creditors	Includes correspondence with preferential and unsecured creditors, pensions and employees
Trading	Includes time on site, dealing with matters arising relating to ordering and the supply of goods, completion of WIP, supervision of staff

Time Entry - SIP9 Time & Cost Summary

R332 - River Medway Developments Limited
Project Code POST
From 21/10/2013 To 28/11/2014

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	12.60	0.00	0.00	7.60	20.20	5,775.00	285.89
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	7.60	0.00	0.00	1.50	9.10	2,810.00	308.79
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	20.20	0.00	0.00	9.10	29.30	8,585.00	293.00
Total Fees Claimed							16,739.19
Total Disbursements Claimed							0.00

Time Entry - SIP9 Time & Cost Summary

R332 - River Medway Developments Limited
Project Code POST
From 21/10/2010 To 28/11/2014

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	18 10	4 30	6 50	17 50	46 40	10 910 50	235 14
Case Specific Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	11 55	1 95	4 55	1 50	19 55	5 708 25	291 98
Investigations	3 20	0 00	5 50	0 00	8 70	2 300 00	264 37
Realisation of Assets	4 25	0 00	1 00	0 00	5 25	1 692 50	322 38
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	37 10	6 25	17 55	19 00	79 90	20,611 25	257 96
Total Fees Claimed						16,739 19	
Total Disbursements Claimed						0 00	

Appendix C

Additional Information In Relation To Liquidator's Fees Pursuant To Statement Of Insolvency Practice 9 (SIP 9)

Policy

Detailed below is Valentine & Co policy in relation to

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

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 the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Senior and Administrator. The exact constitution of the team will depend on the size and complexity of the assignment and on larger, more complex cases, several staff may be allocated to meet the demands of the case.

With regard to support staff, time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, will this be charged.

We have not utilised the services of any sub-contractors in this case.

Professional Advisors

On this assignment we have used the professional advisors 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
SBP Law Solicitors (legal advice)	Hourly rate and disbursements
James Owen & Co (valuation and disposal advice)	% of realisations plus disbursements

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.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement generally comprise of external supplies or incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel, external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Disbursement rates are charged as follows - Post liquidation creditors' circulars including director's reports, creditor questionnaire and claims forms £2.25 each, Annual meeting circulars £1.75 each, final meeting circulars £1.75 each. Room hire, where applicable £10.00 per hour. Insurance and bonding is recharged to the Company/insolvent estate at 100% of sum billed to the office holder from the provider of the surety or broker. Travel charges, where any staff of office holder of Valentine & Co utilises their own vehicle are charged at 40 pence per mile. Other travel charges are recharged at 100% of the fare/cost incurred by the office holder, his staff or relevant party. Subsistence and any other miscellaneous disbursements, where appropriately incurred, are charged/recharged at 100% of the cost incurred by the office holder, his staff or relevant party. Valentine & Co reserve the right to alter their charge rates without notice from time to time.

On this case the following Category 2 disbursements have been incurred

Type and purpose	£
Post appointment Circulars 26 @ £2.25	58.50
Annual/Final Circulars 104 @ £1.75	182.00

Charge-out Rates

Details of the firm's current charge out rates are as follows (effective from 18 April 2011)		(Per hour) £
Managing Director		425
Other Director / Consultants		325-375
Manager		285
Senior Administrator		200
Administrator		100-150
Junior/Support		50-100

Please note that this firm records its time in minimum units of 6 minutes