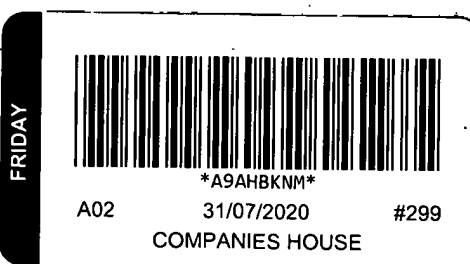


LIQ03

Notice of progress report in voluntary winding up



Companies House



1 Company details

Company number 0 2 2 1 7 6 0 5

Company name in full Sovereign Harbour Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Gerald Clifford

Surname Smith

3 Liquidator's address

Building name/number FRP Advisory Trading Limited

Street 2nd Floor

170 Edmund Street

Post town Birmingham

County/Region

Postcode B 3 2 H B

Country

4 Liquidator's name ①

Full forename(s) Arvinder Jit

Surname Singh

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number FRP Advisory Trading Limited

Street 2nd Floor

170 Edmund Street

Post town Birmingham

County/Region

Postcode B 3 2 H B

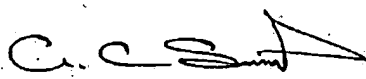
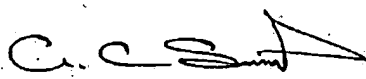
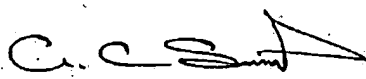
Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report																	
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7	Progress report																	
	<input checked="" type="checkbox"/> The progress report is attached																	
8	Sign and date																	
Liquidator's signature	<table border="1"><tr><td>Signature</td><td></td></tr><tr><td>X</td><td></td></tr></table>	Signature		X		X												
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3	1	0	7	2	0	2	0											

LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

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

Contact name **Gerald Clifford Smith**

Company name **FRP Advisory Trading Limited**

Address **2nd Floor**

170 Edmund Street

Post town **Birmingham**

County/Region

Postcode **B 3 2 H B**

Country

DX **cp.birmingham@frpadvisory.com**

Telephone **0121 710 1680**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Sovereign Harbour Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Declaration of Solvency £		From 11/07/2019 To 10/07/2020 £	From 11/07/2019 To 10/07/2020 £
	ASSET REALISATIONS		
6,750,000.00	Book Debts - Intercompany	10,359,960.00	10,359,960.00
	Dist. Sovereign Harbour Waterfront H	2,464,980.00	2,464,980.00
	Dist. Eastbourne Harbour Ltd	750,000.00	750,000.00
		<u>13,574,940.00</u>	<u>13,574,940.00</u>
	DISTRIBUTIONS		
(100,000.00)	Ordinary Shareholders - in specie	13,574,940.00	13,574,940.00
		<u>(13,574,940.00)</u>	<u>(13,574,940.00)</u>
6,650,000.00		NIL	NIL
	REPRESENTED BY		
			NIL



2nd Floor
170 Edmund Street
Birmingham B3 2HB
Tel: +44 (0)121 710 1680
frpadvisory.com

TO SHAREHOLDERS AND ALL UNPAID CREDITORS

Your ref:

Our ref: S2334BIR/MVL088/RS/KWB/J

Please Contact: Karen Webb

Telephone Number: 0121 710 1695

Email Address: Karen.Webb@frpadvisory.com

Date: 31 July 2020

Dear Sirs

**SOVEREIGN HARBOUR LIMITED - IN LIQUIDATION ("THE COMPANY")
COMPANY NO: 02217605**

LIQUIDATORS' PROGRESS REPORT PURSUANT TO SECTION 92A OF THE INSOLVENCY ACT 1986 AND RULE 18.3 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

Further to my appointment as Joint Liquidator on 11 July 2019 I report on the progress of the liquidation for the period 11 July 2019 to 10 July 2020 ("the Period").

This report has been prepared from information available at the time of its preparation. Due to the global outbreak of Covid-19 and the UK's response to this, in particular working from home and consequently limited access to physical files or other information, it is possible that we may not have all the information required to ensure this report is both complete and accurate. If there are any errors and/or omissions, we will endeavour to correct these where possible in our next report to you.

I attach:

- **Appendix A** – Receipts and payments account for the Period;
- **Appendix B** – Details of FRP Advisory Trading Limited's (formerly FRP Advisory LLP) ("FRP") time costs and disbursements for the Period; and
- **Appendix C** – Statement of expenses incurred in the Period.

1. Progress of the liquidation

I summarise below details of work undertaken during the Period:

- Receiving a distribution in specie relating to an intercompany book debt from Sovereign Harbour Waterfront Holdings Limited – in liquidation totalling £2,464,980;
- Receiving a distribution in specie relating to an intercompany book debt from Eastbourne Harbour Limited – in liquidation totalling £750,000;
- Distributing in specie intercompany book debts to the shareholder;
- Liaising with shareholders and directors of the Company as and when required in particular in relation to the intercompany debt due to the Company;
- Liaising with the accountants to confirm all tax matters have been dealt with;
- Filing of documents with Companies House to meet statutory requirements;
- Carrying out internal periodic file reviews;
- Maintaining statutory and case progression task lists/diaries and updating accordingly; and

- Liaising with HM Revenue and Customs ("HMRC") in respect of tax matters.

Outstanding matters to complete following this Period are summarised below:

- Requesting tax clearance from HMRC;
- Preparing the final report; and
- Delivering the final account to the Registrar of Companies in due course and close the liquidation.

Attached at **Appendix A** is a receipts and payments account detailing the transactions for the Period.

2. Dividends to creditors

Preferential creditors

There are no preferential creditors in this matter as indicated in the Declaration of Solvency ("DoS").

Unsecured creditors

According to the DoS, there are no unsecured creditors in this matter.

For completeness, I advertised a 'Notice for creditors to submit their claims' in the London Gazette with a last date for proving being 11 August 2019. No claims were received.

3. Distribution to shareholders

The DoS showed an asset realisation of £6,750,000 in relation to intercompany book debts. However, following a review of the wider group's inter-company balances by the directors, the following amendments were made to the Company's balance sheet:

	Amount per DoS	Revised amount
	£	£
Book debts (intercompany and investments)	6,750,000	10,359,960

Subsequently, a capital distribution was made to the Company's shareholder on 1 July 2020. This was in the form of a distribution in specie of an intercompany debt of £13,574,940. This includes the book debts received from Sovereign Harbour Waterfront Holdings Limited and Eastbourne Harbour Limited amounting to £3,214,980.

This represents a return of £135.7494 per ordinary share on shareholdings of 100,000 ordinary shares.

There will be no further distribution to the Company's shareholder following this final distribution.

4. Liquidators' remuneration, disbursements and expenses

The members passed a resolution that the Joint Liquidators' remuneration should be calculated on a time cost basis in the region of £5,000 exclusive of VAT. To date, we have incurred costs of £6,938 and we anticipate total costs to conclude the case to be in the region of £6,500 exclusive of VAT. The Liquidators are unable to draw fees based on time costs exceeding the total amount as agreed with the shareholders. The additional costs primarily relate to the additional work relating to finalise the inter-company debtor position that were not previously anticipated and for dealing with statutory requirements in relation to passing the first anniversary.

An initial sum of £2,500 plus disbursements of £265.01 both exclusive of VAT was invoiced and paid in full by a third party. The invoice was paid directly to FRP and is therefore not reflected at **Appendix A**. The remainder of the Liquidators' remuneration will be invoiced in due course.

The Joint Liquidators' time costs are based on computerised records of all time spent on the administration of this case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP charge out rates are attached together with a breakdown of our time costs and disbursement incurred during the period of this report, in accordance with Statement of Insolvency Practice 9.

The Liquidator's disbursements are a recharge of actual costs incurred by the Liquidator in dealing with this matter. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the Period are set out in **Appendix B**.

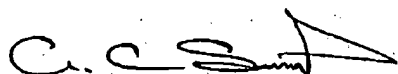
I also attach at **Appendix C** a statement of expenses that have been incurred during the Period. It is currently expected that the expenses incurred or anticipated to be incurred are not likely to exceed the details provided prior to the determination of the basis of the Liquidators' remuneration.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Liquidator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Liquidator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Liquidator and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

Shareholders have a right to request further information from the Liquidator and further have a right to challenge the Liquidator's remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix C** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <https://creditors.frapadvisory.com/info.aspx> and select the one for liquidation. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

If you have any queries about this report or the progress of this matter, please do not hesitate to contact my office.

Yours faithfully



Gerald Smith
Joint Liquidator

Licensed in the United Kingdom by the Institute of Chartered Accountants in England & Wales and bound by the Insolvency Code of Ethics

The office holder(s) will be the data controller in respect of the personal data collected for the purpose of administering this matter. Further information in relation to how we may use, store and share the information is set out in our privacy notice at <https://www.frapadvisory.com/privacy/>.

Enc.

Appendix A – Receipts and payments account for the Period

Sovereign Harbour Limited (In Liquidation) Joint Liquidators' Summary of Receipts & Payments To 10/07/2020

Dec of Sol £		£	£
	ASSET REALISATIONS		
6,750,000.00	Book Debts - Intercompany	10,359,960.00	
	Dist. Sovereign Harbour Waterfront H	2,464,980.00	
	Dist. Eastbourne Harbour Ltd	750,000.00	
			13,574,940.00
	DISTRIBUTIONS		
(100,000.00)	Ordinary Shareholders - in specie	13,574,940.00	(13,574,940.00)
<u>6,650,000.00</u>			<u>NIL</u>
	REPRESENTED BY		<u>NIL</u>

Appendix B – Details of time costs and disbursements for the Period

Time charged for the period 16 June 2019 to 10 July 2020

	Appointment Takers /				Total Hours	Total Cost		Average Hrlr Rate
	Partners	Managers / Directors	Other Professional	Junior Professional & Support		£	£	
Administration and Planning	2.50	5.65	2.20	0.30	10.65	3,313.00		311.08
Admin & Planning	1.00	4.00		0.30	5.30	1,645.00		310.38
Case Accounting		0.20			0.20	56.00		280.00
Case Control and Review	1.50	1.45	1.30		4.25	1,447.00		340.47
General Administration			0.90		0.90	165.00		183.33
Asset Realisation			0.10		0.10	21.00		210.00
Asset Realisation			0.10		0.10	21.00		210.00
Creditors	0.15	0.45	1.15		1.75	454.50		259.71
Unsecured Creditors	0.05	0.45			0.50	171.00		342.00
TAX/VAT - Pre-appointment			0.35		0.35	73.50		210.00
Shareholders	0.10		0.80		0.90	210.00		233.33
Investigation	1.00				1.00	495.00		495.00
Investigatory Work	1.00				1.00	495.00		495.00
Statutory Compliance	2.30	0.85	3.90	0.50	7.55	2,177.25		288.38
Statutory Compliance - General	0.30		0.20		0.50	184.50		369.00
Statutory Reporting/ Meetings		0.40	0.45		0.85	206.50		242.94
Appointment Formalities	1.50		1.75	0.50	3.75	1,107.50		295.33
Bonding/ Statutory Advertising			0.15		0.15	27.00		180.00
Tax/VAT - Post appointment	0.50	0.20	1.35		2.05	570.50		278.29
Pensions- Other		0.25			0.25	81.25		325.00
Pre-Appointment			2.65		2.65	477.00		180.00
Pre Appointment			2.65		2.65	477.00		180.00
Total Hours	5.95	6.95	10.00	0.80	23.70	6,937.75		292.73

FRP Charge out rates

Grade	From 1st May 2019
Appointment taker / Partner	370-495
Managers / Directors	280-370
Other Professional	165-230
Junior Professional & Support	80-110

Disbursements for the period 16 June 2019 to 10 July 2020

	Value £
Category 1	
Advertising	216.54
Storage	47.50
Bonding	332.00
Stationery	48.47
Grand Total	644.51

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

Appendix C – Statement of expenses incurred in the Period

Professional fees

Professional advisors	Basis of fee arrangement	Nature of work	Expense estimate (£)	Costs incurred in Period (£)	Costs paid in Period (£)	Outstanding at Period end (£)
FRP Advisory Trading Limited	Time costs	Liquidators' remuneration	5,000	6,938	(2,500)	4,438
				6,938	(2,500)	4,438

Additional costs/disbursements

Nature of expense	Original expense estimate (£)	Costs incurred in Period (£)	Costs paid in Period (£)	Outstanding at Period end (£)
Statutory Advertising	N/A	217	(217)	-
Storage	N/A	48	-	48
Bonding	N/A	332	-	332
Stationery	N/A	48	(48)	-
Total costs		645	(265)	380

Notes to the statement of expenses:

- All costs and expenses have been paid outside of the liquidation