

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Visitjournays (Brighton) Limited	Company number 06315306
In the The High Court of Justice (full name of court)	Court case number 5475 of 2011

(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)

Guy Robert Thomas Hollander

Roderick John Weston

of Mazars LLP, Tower Bridge House, St Katharine's Way, London, E1W 1DD

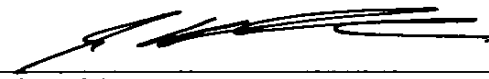
*Delete as applicable

attach a copy of ~~my~~ our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 17 August 2011

Signed


 Joint Administrator

Dated

17/8/2011

Contact Details

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

Guy Robert Thomas Hollander
Tower Bridge House, St Katharine's Way, London, E1W 1DD

Number

DX Exchange

If you have completed and signed this form, please send it to the Registrar of Companies at -

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Visitjourneys (Brighton) Limited - In Administration (“the Company”)

Administrators’ Statement of Proposals Pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986

17 August 2011

This report has been prepared for the sole purpose of updating creditors pursuant to the Insolvency Act 1986. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.

The administrators act as agents of the Company without personal liability.

Guy Robert Thomas Hollander and Roderick John Weston
Mazars LLP
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Visitjourneys (Brighton) Limited - In Administration

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Statement to Creditors

1 Introduction

- 1 1 This statement is addressed to the creditors of Visitjourneys (Brighton) Limited and includes the Joint Administrators' proposals in accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986
- 1 2 The application for the appointment of the Administrators was made by the holder of a Qualified Floating Charge, Dunbar Bank Plc ("Dunbar", "the Bank"), on 23 June 2011 to the High Court of Justice
- 1 3 The statutory purpose of an Administration comprises three hierarchical objectives
- a rescuing the Company as a going concern
 - b achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)
 - c realising property in order to make a distribution to one or more secured creditor or preferential creditors
- 1 4 Immediately upon the Administrators' appointment, a financial review of the Company was undertaken. The Company is a Special Purpose Vehicle ("SPV") within an informal group of ten companies each incorporated to hold a single property with the overriding object of development to enhance value
- 1 5 All ten of the SPV's had lending from Dunbar and based on the most recent property valuations there is likely to be a significant negative equity across the property portfolio. The directors were unable to agree a restructuring across the ten companies with Dunbar and the income generation from the properties was insufficient to service in full the Bank's debt. Consequently, rescuing the Company in its existing form as a going concern was not feasible
- 1 6 Given that there is not expected to be a return to creditors of the Company, the purpose of the Administration is objective (c) – to realise property to make a distribution to the secured creditor (there are no preferential creditors)

2 Statutory information

- 2 1 The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000 of 29 May 2000) applies to this Administration and the proceedings are main proceedings
- 2 2 All acts required to be done by the Joint Administrators, may be done by either or both, acting jointly or alone
- 2 3 The Court reference number is 5475 of 2011 filed in the The High Court
- 2 4 The Company's registered number is 06315306
- 2 5 The trading address of the Company is 33 Richmond Place, Brighton, East Sussex

2.6 The registered office of the Company is Tower Bridge House, St Katharine's Way, London, E1W 1DD

2.9 Details of the Company's directors and secretary are as follows

Director	Date appointed	Date resigned	Shares held
Mr Derek Bodman	14 October 2010	-	N/A
Secretary	Date appointed	Date resigned	Shares held
Mr Stewart Aspery	17 July 2007	-	N/A

2.7 The Company's financial year end was 30 September. The last statutory accounts filed were for the year ended 30 September 2010, which were abbreviated accounts and do not include trading results.

2.8 A summary of the Company's filed accounts for the financial year ended 30 September 2009 and 2010 are provided below together with the Company's balance sheet as at 23 June 2011.

Balance Sheet	Notes	Year to 30/09/2009	Year to 30/09/2010	Balance sheet as at 23/06/2011
Fixed Assets				
Tangible Assets	1	772,267	772,267	772,267
		<u>772,267</u>	<u>772,267</u>	<u>772,267</u>
Current Assets				
Debtors		155,323	156,541	175,741
Cash at bank and in hand		-	-	-
		<u>155,323</u>	<u>156,541</u>	<u>175,741</u>
Creditors: amounts falling due within one year:		<u>(971,503)</u>	<u>(971,947)</u>	<u>(979,846)</u>
Net Current Assets / (Liabilities)		(816,180)	(815,406)	(804,105)
Total assets less current liabilities		(43,913)	(43,139)	(31,837)
Capital and reserves				
Called up share capital		1	1	1
Reserves		-	-	(30,939)
Profit and loss account		<u>(43,140)</u>	<u>(43,140)</u>	<u>(899)</u>
Equity Shareholders' funds		<u>(43,139)</u>	<u>(43,139)</u>	<u>(31,836)</u>

Source: Filed Accounts for years ended 30 September 2009 and 30 September 2010 and Company financial information.

1 The property value is based on an historical amount.

3 Events Leading up to Appointment

3.1 The Company was incorporated on 17 July 2007 and the principal activity of the Company was that of other provisions of lodgings.

- 3 2 On 5 December 2008 the Company granted Dunbar a fixed charge over the Property (“33 Richmond Place, Brighton East Sussex”) and a floating charge over all the undertaking and assets of the Company Dunbar are owed £957,226 as at 10 May 2011
- 3 3 Following the difficulties in the economy generally and particularly in the property market the Company was unable to service the Bank’s debt on the Property As indicated above, the Bank has an exposure to ten companies, where Mr D’Eye is or was a director (or shareholder) Across the property portfolio the ten companies were unable to meet the monthly interest payments and an agreement could not be reached with Mr D’Eye and his advisors in respect of any proposed restructuring across the group
- 3 4 Consequently, the Bank concluded that it could no longer support the group and as a result Guy Hollander and Rod Weston of Mazars LLP were appointed Administrators of the Company (and in respect of the other nine companies)

4 Subsequent Events

- 4 1 On the day of appointment, the Administrators met with the Bank, the director and his advisor, Eric Diamond of Eliot Woolf and Rose Accountants, to ensure a smooth handover of control over the Company to the Administrators
- 4 2 Following their appointment, the Property was inspected, security arrangements reviewed and appropriate insurance put in place
- 4 3 The Administrators have been made aware of a lease and a franchise/management agreement in relation to the Property We are currently seeking advice on the validity of these agreements
- 4 4 The Administrators instructed property agents, Christie + Co, to provide an initial overview of the Property Their advice has been sought regarding the appropriate level of rental income the Property should generate together with the potential investment value of the Property The Administrators are currently considering this advice with the Bank
- 4 5 The Administrators’ staff have been liaising with the director and his advisor to obtain financial information, however, this has proved difficult as the Company did not maintain its own finance function Much of the financial management was undertaken by a connected entity, Visit Journeys com Limited (“Visit Journeys”) This company has no debt exposure to Dunbar and is not in Administration To date the Administrators’ staff have not been furnished with complete company books and records and an understanding of the financial position across each company is not clear as both income and payments have been pooled by Visit Journeys across the group The Administrators are continuing to liaise with the director and his advisor to obtain the necessary information
- 4 6 Lawrence Graham LLP (“LG”) solicitors were instructed by the Administrators to advise on the validity of the Bank’s security and the Administration appointment LG have confirmed the appointment is valid

5 Investigations

- 5 1 The Joint Administrators are required to investigate the affairs of the Company and the conduct of the directors in the period leading up to the Administration. The findings are reported to the Insolvency Service in accordance with the Company Directors' Disqualification Act 1986, and an appropriate report will be filed in due course. The content of the report is confidential.
- 5 2 Should creditors have any information which they consider may assist the Joint Administrators in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Administrators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

6 Liabilities

6.1. Secured Creditors

- 6 1 1 Dunbar hold a fixed and floating charge over the assets of the Company, created on 5 December 2008 and registered on 9 December 2008. As at 10 May 2011 Dunbar were owed £957,226.

6.2. Preferential Creditors

- 6 2 1 The Company had no employees and therefore there are no preferential creditors.

6.3. Unsecured Creditors

- 6 3 1 Unsecured creditor claims based on the Company's records are estimated at £9,021, although creditor claims received to date total approximately £14,785.

6.4. Estimated Outcome to Creditors

- 6 4 1 Based on the expected realisable value for the Property and the quantum of the Bank's debt, the Administrators do not believe there will be a distribution to the unsecured creditors.

7 Prescribed Part

- 7 1 In accordance with Section 176A of the insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. In this case there are unlikely to be sufficient floating charge assets and therefore the prescribed part is unlikely to apply.

8 Statement of Affairs

- 8 1 In accordance with paragraph 47 of Schedule B1 of the Insolvency Act 1986, the directors were requested to prepare a Statement of Affairs by 31 July 2011. Although, the



Administrators have received assurances that the statement would be provided, to date a Statement of the Company's Affairs has not yet been received

9 Receipts & Payments Account

- 9 1 To date there have been no receipts and payments and therefore a summary account has not been enclosed

10 Duration

- 10 1 The appointment of the Joint Administrators shall cease to have effect at the end of the period of one year beginning with the date of their appointment. However, pursuant to paragraph 76 of Schedule B1 of the Insolvency Act, 1986 this may be extended by either
- an application to Court for a specified period, or
 - by consent of the creditors for a maximum of 6 months
- 10 2 It is unclear at present if an extension of the Administration is likely to be sought in this case, but creditors will be kept advised of developments

11 Proposals

- 11 1 In accordance with paragraph 49 of Schedule B1 of the Insolvency Act 1986, the Joint Administrators of Visitjourneys (Brighton) Limited make the following proposals to creditors for achieving the purposes of the Administration dated 23 June 2011
- a The Joint Administrators shall do all such things and generally exercise all powers as Joint Administrators as they, at their discretion, consider desirable in order to achieve the purpose of the Administration, or to protect and preserve the assets of the Company, or to maximise realisations for any other purpose incidental to these proposals
 - b That the Joint Administrators realise the Company's Property in accordance with their agents advice
 - c That the Joint Administrators continue to investigate, and if appropriate, pursue any claims that an office holder and /or the Company may have under The Companies Act or Insolvency Act against any parties concerned with the affairs of the Company
 - d That the Joint Administrators be able to make distributions to the secured creditor as appropriate
 - e Once the Property has been disposed of and the available funds distributed to the secured creditor, the Joint Administrators file a notice under Paragraph 84(1) of Schedule B1 of the Insolvency Act 1986, ending the Administration, with the Company being dissolved three months thereafter

12 Meeting of creditors

- 12 1 In accordance with paragraph 52(1)(b) of Schedule B1 of the Insolvency Act 1986, an initial meeting of the Company's creditors is not required in this instance as the Company has insufficient property to enable a distribution to be made to unsecured creditors, other than any funds that may be available to be distributed in accordance with the Prescribed Part
- 12 2 The Joint Administrators shall summon an initial creditors' meeting if requested by creditors of the Company whose debts amount to at least 10% of the total debts of the Company. The request must be made in Form 2 21B within 8 business days of the date of these proposals. If requested to convene such a meeting those creditors supporting the request will be required to provide security for costs arising from the meeting being called
- 12 3 If a meeting of creditors is requested, the creditors have the opportunity to form a creditors' committee. The purpose of such a committee would be to assist the Joint Administrators in the discharge of their duties and responsibilities
- 12 4 If an initial meeting of creditors is not requisitioned within the prescribed timescale (8 business days per paragraph 12 2 above), the proposals will be deemed to have been approved

13 Administrators' remuneration

- 13 1 In light of paragraph 12 1 above, confirmation and approval of the basis of remuneration will be sought from the secured creditor of the Company
- 13 2 However, for your information only, I would confirm that the basis of remuneration may be fixed
- a) as a percentage of the value of the property with which I have to deal, or
 - b) by reference to the time properly given by my staff and I in attending to matters arising in the administration, or
 - c) as a set amount
- or, as a combination of any one or more of the above
- 13 3 I propose that my remuneration be fixed on the basis of the time properly spent by my staff and I in dealing with matters arising during the Administration but as stated above this will fall to the secured creditor to approve



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14 Future Reports

- 14.1 A progress report covering the first six months of the Administration will be circulated to creditors during January 2012

Should you have any queries in relation to this matter, please do not hesitate to contact Marie Sharkie at this office

Yours faithfully
For and on behalf of
Visitjournneys (Brighton) Limited

G R T Hollander
Joint Administrator

Dated 17 August 2011

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales

*The affairs, business and property of the Company are being managed by the Joint Administrators
The Joint Administrators act as agents of the Company and without personal liability*

Visitjournays (Brighton) Limited
A - Company Creditors

Key	Name	Address	£
CB00	Barker Consultants	20 Kendal Place, Putney, London, SW15 2QZ	0 00
CB01	Boxco2 Consultants	22 Whiteley Road, Gipsy Hill, London, SE19 1JT	5,520 78
CH00	HM Revenue & Customs	Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	0 00
CL00	LAT Developments	4 Shieldhall Street, Abbey Wood, SE2 0NA	0 00
CR00	Reethsouth Investments Limited	1 English Business Park, English Close, Hove, Sussex, BN3 7ET	3,500 00
5 Entries Totalling			9,020 78