

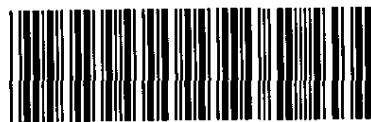
# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



A10 \*A8B2BEZN\* 03/08/2019 #333  
COMPANIES HOUSE

### 1 Company details

Company number 0 8 4 4 7 8 5 6

Company name in full CEONA CONTRACTING (UK) LIMITED (IN ADMINISTRATION)

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Alan Michael

Surname Hudson

### 3 Administrator's address

Building name/number Ernst & Young LLP

Street 1

More London Place

Post town

County/Region London

Postcode S E 1 2 A F

Country United Kingdom

### 4 Administrator's name ①

Full forename(s) Alan Robert

Surname Bloom

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Ernst & Young LLP

Street 1

More London Place

Post town

County/Region London

Postcode S E 1 2 A F

Country

② Other administrator  
Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	0	d	2	m	0	m	1	y	2	y	0	y	1	y	9
To date	d	0	d	1	m	0	m	7	y	2	y	0	y	1	y	9

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X 

X

Signature date

d	2	d	1	m	0	m	7	y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

TO ALL KNOWN CREDITORS

31 July 2019

Ref: AMH/ARB/SH/JR/J19  
Direct line: 020 7951 1725

Emily Hewitt:  
Ehewitt@uk.ey.com

Dear Sirs

**Ceona Contracting (UK) Limited - In Administration ("the Company" or "Contracting")**

**High Court of Justice, Chancery Division, Companies Court, Number 6104 of 2015**

**Registered office address: C/o Ernst & Young LLP, 1 More London Place, London, SE1 2AF**

**Registered number: 08447856**

I write in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016, to provide creditors with a report on the progress of the Administration. This report covers the period from 2 January 2019 to 1 July 2019. This report should be read in conjunction with the Joint Administrators' Statement of Proposals dated 14 December 2015 and the progress reports dated 8 April 2016, 15 July 2016, 19 January 2017, 21 July 2018, 19 January 2018, 13 July 2018 and 30 January 2019.

## **Background**

The Company entered Administration on 16 September 2015 and Alan Michael Hudson, Alan Robert Bloom and Colin Peter Dempster of Ernst & Young LLP, 1 More London Place, London, SE1 2AF, were appointed to act as Joint Administrators. The appointment was made by the directors of the Company under the provisions of paragraph 22 of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by any of them.

On the same date, the following related Ceona companies (together "the Group") entered Administration:

- Ceona Holding Limited ("Holding");
- Ceona Equipment Limited ("Equipment")
- Ceona Chartering (UK) Limited ("Chartering");
- Ceona Services (UK) Limited ("Services (UK)");
- Ceona Crewing Limited ("Crewing");
- Ceona Investments Limited ("Investments");
- Ceona Ship 1 Limited ("Ship 1"); and
- Ceona Ship Holdings Limited ("Ship Holdings").

Prior to the insolvency, the Company was involved in the tendering process for pipe lay projects. If the Group was successful in winning a tender the Company would contract with the relevant counterparty for the provision of the Group's services.

### **Transitional Service Agreements ("TSA's")**

As previously reported, the Company entered into a TSA with Services to support the ongoing debtor collections process. In addition, the TSA allows the appropriate recharge of costs incurred by the Joint Administrators on behalf of the Group which have been met as an expense of Services' Administration, for example those cost associated with an extension application. The TSA will be terminated prior to the closure of the Administration.

### **Summary of steps taken during the period covered by this report**

#### ***Distribution to unsecured non-preferential creditors***

As per the last report a dividend was paid to unsecured non-preferential creditors of the Company on 19 December 2018. Following this distribution, a number of payment were returned and we have therefore spent time during this period reissuing payments and contacting creditors in this regard. Movements in the unclaimed dividend amounts have arisen as a result of timing differences in payments being reissued and reporting periods.

To date the Joint Administrators hold £2,121 of unclaimed dividends in respect of this interim distribution to unsecured non-preferential creditors. The Joint Administrators expect that this amount will be eliminated in the near future.

It is anticipated that a final dividend will be declared and paid for all remaining net assets prior to the automatic end of the Administration.

#### **VAT**

During the period the Administrators have complied with their obligations in relation to the preparation and submissions of the relevant VAT and corporation tax returns.

### **Resolution of Nigeria debt issues**

During the period covered by this report, the Joint Administrators have remained in lengthy discussions with a number of advisors and counterparties with regard to the outstanding debtor and bank account balance held in Nigeria.

As previously reported, the repatriation of the funds held in the Company's Nigerian bank account, totalling c.US\$1.1m and recovery of the outstanding debtor balance totalling US\$1.2m requires the approval of historical contracts by the Nigerian authorities. This approval process has been slow due to difficulties in collating information across a number of parties and also the quantum and nature of the information requested by the Nigerian authorities.

EY Nigeria, acting as our agent, have continued to assist in progressing this contract approval application and have held initial discussions with the Nigerian government in this regard. We continue to work with EY Nigeria and other counterparties to provide the required information to the Nigerian authorities. At this time we are not able to provide confirmation on the quantum or timing of any future receipts.

If approval is receipt from the Nigerian authorities the Joint Administrators will enter a monthly balloting process to extract funds held in country. This is a process that the Joint Administrators have undertaken previously and therefore it is envisaged that recovery of all outstanding balances would require a period

of 12 and 18 months from approval being received to repatriate the funds held to the Company. This delay is a result of foreign currency restrictions currently imposed by the Nigerian Central Bank.

£2,160 of bank interest was received in the period.

### **Receipts and payments account**

A summary of our receipts and payments account for the period from 2 January 2019 to 1 July 2019 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

### **Investigations**

I can confirm that no investigations were concluded in the period covered by this report and no investigations are ongoing.

### **Joint Administrators' remuneration**

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees' a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me. Please note that the references in the Guide to fee estimates do not apply to administrations, such as this one, which started before 1 October 2015.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

The Joint Administrators' remuneration has been fixed by reference to the time properly spent by the Administrators and their staff in attending to matters arising in the Administration by a resolution of the creditors passed on 22 December 2015.

During the period covered by this report, the Joint Administrators have incurred time-costs of £21,855.

During the period covered by this report, the Joint Administrators billed and paid expenses totalling £390, which partly relates to the prior period.

At Appendix 3 to this report there is an analysis and of the time spent by the Joint Administrators and their staff.

### **Expenses of the Administration**

During the period covered by this report, the Joint Administrators have incurred expenses totalling £21,453 plus VAT. At Appendix 4 to this report there is an analysis of expenses incurred by the Joint Administrators and their staff.

Costs in respect of the Group's TSA totalled £2,555 during the period which principally relate to legal fees incurred in respect of Administration extension costs that were billed in the period after the Administration extension was granted. Profit in respect of the Group's TSA totalled £128.

Professional fees totalling £14,726 relate to specialist assistance creating an Entity Priority Model distribution model from Ernst & Young LLP cash modelling team. Due to the complexity of intra-Group and related party debts, the Joint Administrators engaged the cash modelling team to assist in the building of an appropriate distribution model which allowed accurate calculations and payments to be made in the interim distribution outlined above.

Tax fees totalling £4,000 relate to specialist assistance from the Ernst & Young LLP tax team in relation to corporation tax returns.

Bank charges totalling £44 were incurred during the period.

### **Remaining work**

In addition to the outstanding matters highlighted, there remains intercompany receivable balances outstanding with the wider Group which form an unsecured non preferential claim in those Administrations. The recovery of these amounts is dependent on the resolution of the outstanding matters in Contracting and other Group companies. It is not anticipated that these matters will be resolved prior to the automatic end of the Administration order. As such, we are in the process of making an application to court to extend the Administration order and will update you in this regard in our next report.

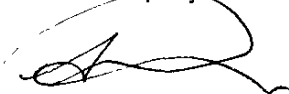
As outlined, the Joint Administrators anticipate that a further dividend will be declared to the unsecured non preferential creditors and paid in the Administration. In addition to this, the Joint Administrators' continue to pursue the outstanding debtor balance totalling US \$1.2m and cash balances of US \$1.1m and will provide an update with regard to progress made in the next report.

### **Next report**

The Joint Administrators will report to you again at the conclusion of the Administration or in six months' time.

Should you have any remaining questions about the administration, please do not hesitate to contact Emily Hewitt at this office.

Yours faithfully  
for the Company



AM Hudson  
Joint Administrator

Enc: Form AM10 – Notice of administrator's progress report (for Companies House only)

*A R Bloom, A M Hudson and C P Dempster is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales, The Association of Chartered Certified Accountants and The Institute of Chartered Accountants of Scotland respectively.*

The affairs, business and property of the Company are being managed by the Joint Administrators, A R Bloom, A M Hudson and C P Dempster, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrator's appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

## Appendix 1

### Information about the proceedings, the company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice
Court reference:	6104 of 2015
Registered name of the company:	Ceona Contracting (UK) Limited
Registered office address of the company:	C/o Ernst & Young LLP, One More London Place, London, SE1 2AF
Registered number:	08447856
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the joint administrators:	16/09/2015
Details of any changes of administrator:	None
Full names of the administrators:	Alan Michael Hudson and Alan Robert Bloom and Colin Peter Dempster
Office holder number(s):	9200, 6462 and 8908
Administrators' address(es):	C/o Ernst & Young LLP 1 More London Place SE1 2AF
Telephone number:	020 7951 1725
Name of alternative person to contact with enquiries about the case:	Emily Hewitt

## Appendix 2

### Ceona Contracting (UK) Limited (In Administration)

#### Joint Administrators' Abstract of Receipts and Payments from 2 January 2019 to 1 July 2019

	Period from 16 September 2015 to 1 January 2019	Period from 2 January 2019 to 1 July 2019	Period from 16 September 2015 to 1 July 2019
	Total (£)	Fixed charge items (£)	Floating charge items (£)
<b>Receipts</b>			
Sale of plant and machinery	1,500.00	-	-
Cash on appointment	1,977,542.47	-	-
Intercompany debt repayments	8,969.00	-	-
Debtor realisations	3,391,659.88	-	-
VAT payable	-	-	-
Pre-appointment VAT refund	6,444.20	-	-
Receipts in respect of unsecured claims	364,518.15	-	-
Foreign exchange gain	691,247.11	-	-
Bank interest	50,432.40	-	2,159.77
<b>Total receipts</b>	<b>6,492,313.21</b>	<b>-</b>	<b>2,159.77</b>
<b>Payments</b>			
TSA invoices - cost element	273,373.83	-	2,555.00
TSA invoices - profit element	13,754.30	-	127.76
Secured creditors	157,507.16	-	-
Sundry expenses	94.09	-	-
Debt collection costs	1,712.00	-	-
Bank charges	1,590.18	-	44.10
Professional fees	6,261.68	-	14,725.90
Legal fees	17,495.35	-	-
Legal expenses	4,382.89	-	-
Administrators' fees	393,596.80	-	-
Administrators' expenses	4,759.11	-	390.47
Corporation tax	3,676.79	-	-
Tax fees	14,191.20	-	4,000.00
Distribution to unsecured creditors	4,228,445.71	-	-
VAT receivable	6,116.82	-	(5,238.73)
<b>Total payments</b>	<b>5,126,957.91</b>	<b>-</b>	<b>16,604.50</b>
<b>Funding held</b>	<b>1,365,355.30</b>	<b>-</b>	<b>(14,444.73)</b>
<b>Represented by</b>			
GBP Account			1,350,910.57
EUR account converted at 0.91			-
USD account converted at 0.66			-
			<b>1,350,910.57</b>

#### Notes

1. Receipts and payments are stated net of VAT.



## Ceona Contracting (UK) Limited (In Administration)

## Summary of Joint Administrators' Time-Costs from 2 January 2019 to 1 July 2019

Classification of work function	Partner	Exec Director / Director	Assistant Director	Senior Executive	Executive	Analyst	Total hours	Time cost (£)
Accounting & Administration	-	-	1.1	0.5	12.4	5.1	19.1	5,710
Bank & Statutory Reporting	-	-	2.7	-	-	2.9	5.6	2,199
Creditors	-	-	0.3	-	0.5	15.5	16.3	4,396
Debtors	0.5	-	5.7	-	7.7	-	13.9	5,566
Immediate Tasks	-	-	1.7	-	-	-	1.7	903
Statutory Duties	-	-	-	-	5.5	-	5.5	1,590
VAT & Taxation	-	-	0.4	-	0.5	4.3	5.2	1,492
<b>Total hours</b>	<b>0.5</b>	<b>-</b>	<b>11.9</b>	<b>0.5</b>	<b>26.6</b>	<b>27.8</b>	<b>67.3</b>	<b>67.3</b>
<b>Total time cost (£)</b>	<b>314</b>	<b>-</b>	<b>6,319</b>	<b>196</b>	<b>7,687</b>	<b>7,339</b>	<b>£21,855</b>	<b>£21,855</b>
<b>Average hourly rate</b>	<b>627</b>	<b>511</b>	<b>531</b>	<b>391</b>	<b>289</b>	<b>264</b>		

## Appendix 4

### Ceona Contracting (UK) Limited (In Administration) Summary of joint administrators' expenses incurred from 2 January 2019 to 1 July 2019

Type of Expense	Paid as at 1 July 2018	Paid in Period	Outstanding	Total
<b>Payments made from the estate which are not disbursements (see Notes 1 and 2 at the end of this table)</b>				
TSA invoices - cost element	273,373.83	2,555.00	-	275,928.83
TSA invoices - profit element	13,754.30	127.76	-	13,882.06
Sundry expenses	94.09	-	-	94.09
Debt collection costs	1,712.00	-	-	1,712.00
Bank charges	1,590.18	44.10	-	1,634.28
Professional fees	6,261.68	14,725.90	-	20,987.58
Legal fees	17,495.35	-	-	17,495.35
Legal expenses	4,382.89	-	-	4,382.89
Corporation tax	3,676.79	-	-	3,676.79
Tax fees	14,191.20	4,000.00	-	18,191.20
<b>Category 1 disbursements (Note 2)</b>				
Meals	2.32	-	1.38	3.70
Mobile phone	56.67	-	-	56.67
Couriers	371.30	-	-	371.30
Lodging	13.55	-	-	13.55
Train	513.43	-	-	513.43
IT Support	116.47	-	-	116.47
Parking	4.03	-	-	4.03
Printing	2,973.99	-	84.28	3,058.26
Bonding	853.33	-	-	853.33
Taxi	146.06	-	78.00	224.06
Exchange / Bank Charges	30.00	-	-	30.00
Office supplies	6.05	-	-	6.05
Registration fees	30.60	-	-	30.60
Statutory advertising	28.20	-	-	28.20
<b>Category 2 disbursements (Note 2)</b>				
Mileage - manager and above	4.80	-	-	4.80
<b>Total</b>	<b>341,683.11</b>	<b>21,452.76</b>	<b>163.65</b>	<b>363,299.52</b>

#### Notes

- 1 Statement of Insolvency Practice 9 (SIP 9) defines expenses as amounts properly payable from the insolvency estate which are not otherwise categorised as office holders' remuneration or distributions to creditors.
- 2 SIP 9 defines disbursements as a type of expense which is met by, and reimbursed to, an office holder in connection with an insolvency appointment. Disbursements fall into two categories: Category 1 and Category 2.
  - Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment
  - Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.

**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 **Emily Hewitt**

Company name **Ernst & Young LLP**

Address **1 More London Place**

Post town **London**

County/Region

Postcode

**S****E****1****2****A****F**

Country

DX

Telephone **020 7951 1725**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**