

# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



A05 \*A7YFP0T6\* 02/02/2019 #228  
COMPANIES HOUSE

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### 1 Company details

Company number 0 8 4 4 7 9 5 2

Company name in full CEONA SHIP 1 LIMITED (IN ADMINISTRATION)

→ Filing 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.

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## Notice of administrator's progress report

### 6 Period of progress report

From date	d	0	d	2	m	0	m	7	y	2	y	0	y	1	y	8
To date	d	0	d	1	m	0	m	1	y	2	y	0	y	1	y	9

### 7 Progress report

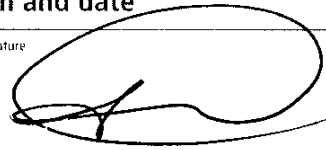
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

d	3	d	0	m	0	m	1	y	2	y	0	y	1	y	9
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# AM10

## Notice of administrator's progress report



### 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 **Josh Robertshaw**

Company name **Ernst & Young LLP**

Address **1 More London Place**

Post town **London**

County/Region

Postcode **S E 1 2 A F**

Country **United Kingdom**

DX

Telephone **020 7197 7320**



### 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)



- Ceona Investments Limited ("Investments"), and
- Ceona Equipment Limited ("Equipment").

Ship 1 operated with the Group as the key contracting entity for the construction of the Ceona Amazon. This vessel was the principal asset of Ship 1 at the date of appointment. The funding required to construct the Ceona Amazon was principally provided by various Dutch and German banks (together "the Lenders"). Accordingly, the Lenders held fixed charge security over the Amazon and were entitled to the proceeds from the sale of this vessel

Ship Holdings was a holding company, with the only assets being its 100% shareholdings in Ship 1 and Equipment. The Lenders hold security over these shares and would be entitled to the proceeds of any sale of these entities

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

As previously reported, the Companies entered into a transitional services agreement ("TSA") with Services to support the sale of the Amazon. 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 Administrations

Ship Holdings has not entered into the above TSA arrangement.

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

#### ***Extension of Administrations***

Following two Court hearings, on 23 August 2018 the Court approved a further extension to the Administration Orders which will now automatically expire on 16 September 2019, unless a further extension is granted. The extension was sought to allow Ship 1 to make necessary distribution to its unsecured non-preferential creditors.

An extension to the Administration order for Ship Holdings was sought due to its status within the Group's structure and the excessive costs that would be incurred in running two separate types of insolvency process had it converted to a creditors voluntary liquidation.

#### ***Related party debtor realisations***

At the date of our appointment, the Ship 1 had outstanding debtor balances with several the Group's companies. These amounts ranked as an unsecured non- preferential claim in each insolvent estate. As discussed below, in the period of this report, a distribution to unsecured non- preferential creditors was declared in each estate (where relevant) and Ship 1 received £137,677 in this regard.

Ship Holdings had no outstanding debtor balances with the Group.

It should be noted that this was an interim distribution and a final dividend receipt is anticipated in this regard

## **Receipts and payments account**

A summary of our receipts and payments for the period from 2 July 2018 to 1 January 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.

## **Ship 1**

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 charged time-costs of £64,604. In addition, £46,134 has been billed and paid, which partly relates to the prior period.

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

## **Ship Holdings**

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, we have charged remuneration of £nil. Of this sum, £nil has been billed and paid.

## Joint Administrators' expenses

During the period covered by this report, we have incurred expenses totalling £41,957 plus applicable VAT. There is a breakdown of expenses incurred in this period and to date at Appendix 4 of this report.

## The Prescribed Part

The Lenders hold a floating charge over Ship 1 and therefore the Prescribed Part applies to this Administration.

The Prescribed Part does not apply to Ship Holdings because there is no floating charge.

## Prescribed Part distribution

Given that there remain a number of matters that require resolution in respect of the Ship 1 and the Group, the Joint Administrators considered it most appropriate to undertake an interim distribution. Notice of this interim distribution was issued to unsecured non-preferential creditors of Ship 1 on 21 September 2018 and the dividend was subsequently declared, and paid, on 19 December 2018.

Of the unsecured non-preferential creditor balances on the statement of affairs totalling, £30,720,092.00, the Joint Administrators adjudicated a total of 28 claims and admitted claims in the sum of £113,269,317.00.

As detailed above, there remain certain outstanding matters that require the Joint Administrators' attention prior to the closure of the Administrations for which it is anticipated that certain future costs will be incurred. As such, the interim dividend represented a distribution of c.75% of Ship 1's net assets under the Prescribed Part.

I have set out below the total amount of the distribution and the pence in the £ figure that this represents.

Class of creditor	Total amount distributed	Pence in £
Floating charge holder	£97,604.35	0.54
Unsecured non-preferential creditors	£25,151.01	0.54

To date we hold £12,332 of unclaimed dividends in respect of this interim distribution and we are in contact with the creditors in this regard. We 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 in September 2019.

## Remaining work

As outlined above, we anticipate that a further dividend will be declared and paid prior to the automatic end of the Administration. There is no further work to undertake in Ship Holdings.

## Next report

We will report to you again at the conclusion of the Administrations or in six months' time, whichever is the sooner.



Building a better  
working world

Should you have any remaining questions about the Administrations, please do not hesitate to contact Josh Robertshaw at this office

Yours faithfully  
for the Companies

AM Hudson  
Joint Administrator

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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 Companies are being managed by the Joint Administrators, A R Bloom, A M Hudson and C P Dempster, who act as agents of the Companies 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:	6101 of 2015
Registered name of the company:	Ceona Ship 1 Limited
Registered office address of the company:	C/o Ernst & Young LLP, One More London Place, London, SE1 2AF
Registered number:	08447952
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):	Ernst & Young LLP, 1 More London Place, SE1 2AF
Telephone number:	020 7197 7320
Name of alternative person to contact with enquiries about the case	Josh Robertshaw

## 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:	6107 of 2015
Registered name of the company:	Ceona Ship Holdings Limited
Registered office address of the company:	C/o Ernst & Young LLP, One More London Place, London, SE1 2AF
Registered number	08448785
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):	Ernst & Young LLP, 1 More London Place, SE1 2AF
Telephone number.	020 7197 7320
Name of alternative person to contact with enquiries about the case.	Josh Robertshaw

## Appendix 2

### Ceona Ship 1 Limited (in Administration)

#### Joint Administrators' Abstract of Receipts and Payments from 2 July 2018 to 1 January 2019

	Period from 16 September 2016 to 1 July 2018		Period from 2 July 2018 to 1 January 2019		Period from 16 September 2016 to 1 January 2019
Receipts	Total (£)	TSA Items (£)	Direct items (£)	Floating (£)	Total (£)
Cash on appointment	1,337 85	-	-	-	1,337 85
Prepayments	6,715 78	-	-	-	6,715 78
Sale of Ceona Amazon	34,381,616 94	-	-	-	34,381,616 94
Drawdown funds	13,573,902 00	-	-	-	13,573,902 00
Asset sales	125,000 00	-	-	-	125,000 00
Sea trial contribution	65,198 52	-	-	-	65,198 52
Pre-appointment VAT refund	16,224.78	-	-	-	16,224 78
Intercompany debt collection	907.00	-	-	-	907 00
Receipts in respect of unsecured claims	-	-	-	137,676 75	137,676 75
Unclaimed dividends	-	-	-	12,332 07	12,332 07
Foreign exchange gain	2,904 60	-	7,160 54	-	10,065 15
Bank interest	35,933 08	-	945 49	-	36,878 57
Total receipts	48,209,740.56	-	8,106.03	160,008.82	48,367,855.41
Payments					
Payment on account to Services UK	118,099 68	877 30	-	-	118,976 97
Payment on account to Crewing	145,758 88	-	-	-	145,758 88
Funding transferred to Equipment	350,405 20	16,781 99	-	-	367,187 19
Gross wages	3,044,570 09	-	-	-	3,044,570 09
Ceona Amazon purchases	1,762,431 37	-	-	-	1,762,431 37
Insurance payments	647,243 97	-	-	-	647,243 97
Ransom payments	444,477 90	-	-	-	444,477 90
IT costs	19,340 05	-	-	-	19,340 05
Bank charges	3,511.08	-	147 24	-	3,658 32
Asset holding costs	67,935 00	-	-	-	67,935 00
Distribution to secured creditors	34,381,616 94	-	-	-	34,381,616 94
Payments in respect of Amazon claims	331,521 14	-	-	-	331,521 14
Sales commissions	19,538 60	-	-	-	19,538 60
Professional fees	271,123.86	-	1,236 41	-	272,360 27
Administrators' fees	1,942,923 33	-	46,133 50	-	1,989,056 83
Administrators' expenses	37,205 30	-	-	-	37,205 30
Tax fees	32,066 40	-	-	-	32,066 40
Agents' fees	749 58	-	-	-	749 58
Corporation tax	2,371.15	-	-	-	2,371 15
TSA costs - Services UK	2,279,060 64	6,971 82	-	-	2,286,032 46
TSA costs - Crewing	890,090 09	-	-	-	890,090 09
Training expenses	1,902 58	-	-	-	1,902 58
Health and safety costs	13,000 00	-	-	-	13,000 00
Legal fees	227,480 21	-	5,300 59	-	232,780 80
Legal expenses	5,054.45	-	10,251 12	-	15,305 57
Lay berth and storage charges	457,500 86	-	-	-	457,500 86
Garbage disposal	12,581 82	-	-	-	12,581 82
Distribution to fixed charge holders	-	-	36,070 01	-	36,070 01
Distribution to floating charge holders	-	-	-	97,604 35	97,604 35
Distribution under the Prescribed Part	-	-	-	28,151 01	28,151 01
VAT receivable	1,137 23	-	4,738 38	-	5,875 61
Total payments	47,510,697.38	24,631 10	103,877.26	126,766.36	47,764,961.10
Funding held	699,043 17	(24,631.10)	(95,771.22)	24,263.46	602,894 31
Represented by					
GBP Account					458,425 86
EUR account converted at 0 91					903 50
USD account converted at 0 66					143,564 96
					602,894 31

#### Notes

- Receipts and payments are stated net of VAT
- The total foreign exchange gain to 1 January 2019 is a result of fluctuations in exchange rates against the USD compared to those used in our receipts and payments account and does not represent a true monetary gain or loss

## **Appendix 2**

### **Ceona Ship Holdings Limited (in Administration)**

#### **Joint Administrators' Abstract of Receipts and Payments from 2 July 2018 to 1 January 2019**

There has been no transactions in Ceona Ship Holdings Limited, both in the period and since the commencement of the Administration.

# Appendix 3

## Ceona Ship 1 Limited (In Administration)

### Summary of Joint Administrators' Time-Costs from 2 July 2018 to 1 January 2019

Classification of work function	Partner	Exec Director / Director	Assistant Director	Senior Executive	Executive	Analyst	Total hours	Time cost (£)
Accounting & Administration	-	4.7	5.4	0.7	33.0	37.3	81.1	24,927
Bank & Statutory Reporting	-	-	1.5	-	-	-	1.5	797
Creditors	2.0	-	19.5	-	0.8	4.9	27.2	13,133
Debtors	-	-	0.5	-	-	-	0.5	266
Immediate Tasks	-	-	-	-	15.6	-	15.6	4,508
Other Matters	-	12.0	1.2	-	3.0	-	16.2	7,636
Out of scope	-	-	2.0	-	13.0	13.1	28.1	8,277
Statutory Duties	1.0	-	1.8	1.0	5.3	4.0	13.1	4,562
VAT & Taxation	0.5	-	-	-	-	0.7	1.2	498
<b>Total hours</b>	<b>3.5</b>	<b>16.7</b>	<b>31.9</b>	<b>1.7</b>	<b>70.7</b>	<b>60.0</b>	<b>184.5</b>	<b>184.5</b>
<b>Total time cost (£)</b>	<b>2,195</b>	<b>8,534</b>	<b>16,939</b>	<b>665</b>	<b>20,432</b>	<b>15,840</b>	<b>£64,604</b>	<b>£64,604</b>

## Appendix 3

### **Ceona Ship Holdings Limited (In Administration)**

#### **Summary of Joint Administrators' Time-Costs from 2 July 2018 to 1 January 2019**

During the reporting period, no time costs were incurred in relation to Ceona Ship Holdings Limited.

## Appendix 4

### Ceona Ship 1 Limited (in Administration) Summary of joint administrators' expenses incurred

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>				
Payment on account to Services UK	118,099 68	877 30	-	118,976 97
Payment on account to Crewing	145,758 88	-	-	145,758 88
Funding transferred to Equipment	350,405 20	16,781 99	-	367,187 19
Gross wages	3,044,570 09	-	-	3,044,570 09
Ceona Amazon purchases	1,762,431 37	-	-	1,762,431 37
Insurance payments	647,243 97	-	-	647,243 97
Ransom payments	444,477 90	-	-	444,477 90
IT costs	19,340 05	-	-	19,340 05
Bank charges	3,511 08	147 24	-	3,658 32
Asset holding costs	67,935 00	-	-	67,935 00
Payments in respect of Amazon claims	331,521 14	-	-	331,521 14
Sales commissions	19,538 60	-	-	19,538 60
Professional fees	271,123 86	1,236 41	-	272,360 27
Tax fees	32,066 40	-	-	32,066 40
Agents' fees	749 58	-	-	749 58
Corporation tax	2,371 15	-	-	2,371 15
TSA costs - Services UK	2,279,060 64	6,971 82	-	2,286,032 46
TSA costs - Crewing	890,090 09	-	-	890,090 09
Training expenses	1,902 58	-	-	1,902 58
Health and safety costs	13,000 00	-	-	13,000 00
Legal fees	227,480 21	5,300 59	-	232,780 80
Legal expenses	5,054 45	10,251 12	-	15,305 57
Lay berth and storage charges	457,500 86	-	-	457,500 86
Garbage disposal	12,581 82	-	-	12,581 82
<b>Category 1 disbursements (Note 2)</b>				
Airfare	7,676 15	-	-	7,676 15
Meals	5,938 68	-	1 38	5,940 06
Mobile phone	70 21	-	-	70 21
Couriers	449 84	-	-	449 84
Lodging	15,119 68	-	-	15,119 68
Train	5,187 80	-	79 60	5,267 40
Other Travel Expenses	12 46	-	-	12 46
IT Support	5 00	-	-	5 00
Parking	126 38	-	4 03	130 41
Printing	3,452 67	-	268 26	3,720 93
Rental Car	151 70	-	-	151 70
Bonding	283 80	-	-	283 80
Taxi	1,653 94	-	4 21	1,658 16
Exchange / Bank Charges	3 99	-	-	3 99
Statutory advertising	-	-	28 20	28 20
<b>Category 2 disbursements (Note 2)</b>				
Mileage - manager and above	78 98	-	4 80	83 78
<b>Total</b>	<b>11,188,026.87</b>	<b>41,566.46</b>	<b>390.47</b>	<b>11,229,982.80</b>

#### Notes

- 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
- 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.