

# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



A05 \*A7YFP00J\* 02/02/2019 #207  
COMPANIES HOUSE

base

use

### 1 Company details

Company number 0 8 4 7 3 8 0 1

Company name in full CEONA EQUIPMENT 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 <sup>①</sup>

Full forename(s) Alan Robert

Surname Bloom

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

### 5 Administrator's address <sup>②</sup>

Building name/number Ernst & Young LLP

Street 1  
More London Place

Post town

County/Region London

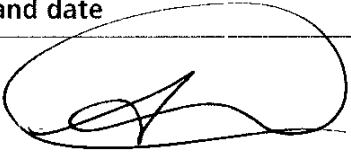
Postcode S E 1 2 A F

Country

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

# AM10

## Notice of administrator's progress report

<b>6</b>		<b>Period of progress report</b>														
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
<b>7</b>		<b>Progress report</b>														
		<input checked="" type="checkbox"/> I attach a copy of the progress report														
<b>8</b>		<b>Sign and date</b>														
Administrator's signature	Signature	<div style="display: flex; align-items: center; justify-content: space-between;"> <span>X</span>  <span>X</span> </div>														
Signature date	d	3	d	0	m	0	m	1	y	2	y	0	y	1	y	9

# 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 Ship Holdings Limited ("Ship Holdings").

The main activity of the Company was the construction and charter of the Vertical Lay System ("VLS") The funding required to construct the VLS was principally provided by various Dutch and German banks ("the Lenders") Accordingly, the Lenders held fixed charge security over the VLS and were entitled to the proceed of the sale.

### **Transitional Service Agreements**

As previously reported, the Company entered into a transitional services agreement ("TSA") with Services to support the sale of the VLS 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**

#### ***Extension of Administration***

Following two Court hearings, on 23 August 2018 the Court approved a further extension to the Administration Order which will now automatically expire on 16 September 2019, unless a further extension is granted. The extension was sought to enable the Company to participate in the wider Group's distributions to unsecured non preferential creditors due to intercompany indebtedness that remained outstanding from other Group companies

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

At the date of our appointment, the Company 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 the Company received £22,743 in this regard

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

In addition to the receipt outlined above, the Company received £18,985.03 in relation to drawdown funds from Ship 1to contribute to costs borne by the Joint Administrators' and that are met by the lenders such as legal fees and Joint Administrators' fees. In addition to this bank interest of £51 04 was received.

### **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.

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 £19,989. In addition, £14,074.50 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.

### **Expenses of the Administration**

During the period covered by this report, we have incurred expenses totalling £4,913 plus applicable VAT. There is a breakdown of expenses incurred in this period and to date at Appendix 4 of this report.

Direct legal fees and expenses of £4,911 relate to assistance from our legal advisors with regards to the extension application.

### **The Prescribed Part**

The Lenders hold a floating charge over the Company and therefore the Prescribed Part applies to this Administration. Currently it is the Joint Administrators' view that there will be insufficient realisations in respect of floating charge assets to allow a distribution to unsecured non preferential creditors by virtue of the Prescribed Part.

### **Remaining work**

The Company will receive a further intercompany dividend once the final Ceona Group distributions are made. Once this has been received and TSA's terminated the Administration will be closed.

### **Next report**

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



Building a better  
working world

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

Yours faithfully  
for the Company

A handwritten signature in black ink, appearing to be 'AM Hudson', written over a horizontal line.

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:	6106 of 2015
Registered name of the company:	Ceona Equipment Limited
Registered office address of the company:	C/o Ernst & Young LLP, One More London Place, London, SE1 2AF
Registered number:	08473801
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 Equipment Limited (In Administration)

#### Joint Administrators' Abstract of Receipts and Payments from 16 September 2015 to 1 January 2019

	Period from 16 September 2015 to 1 July 2018		Period from 2 July 2018 to 1 January 2019		Period from 16 September 2015 to 1 January 2019
	Total (£)	TSA items (£)	Direct items (£)	Floating (£)	Total (£)
<b>Receipts</b>					
Realisations from VLS	3,960,000.00	-	-	-	3,960,000.00
Cash on appointment	2,232.23	-	-	-	2,232.23
Drawdown funds	479,038.49	-	18,985.03	-	498,023.52
Receipts in respect of unsecured claims	-	-	22,743.37	-	22,743.37
Bank interest	167.50	-	51.04	-	218.54
<b>Total receipts</b>	<b>4,441,438.22</b>	<b>-</b>	<b>41,779.44</b>	<b>-</b>	<b>4,483,217.66</b>
<b>Payments</b>					
Distribution to secured creditors	3,960,000.00	-	-	-	3,960,000.00
TSA payments - cost element	113,093.66	-	-	-	113,093.66
TSA payments - profit element	5,654.68	-	-	-	5,654.68
Bank charges	18.10	-	2.40	-	20.50
Administrators' fees	263,632.30	-	14,074.50	-	277,706.80
Administrators' expenses	2,149.65	-	-	-	2,149.65
Tax fees	28,507.73	-	-	-	28,507.73
Legal fees	27,391.67	-	3,271.09	-	30,662.76
Legal expenses	1,371.00	-	1,639.44	-	3,010.44
Corporation Tax	20.53	-	-	-	20.53
VAT receivable	1,050.00	-	990.66	-	2,040.66
<b>Total payments</b>	<b>4,402,889.32</b>	<b>-</b>	<b>19,978.09</b>	<b>-</b>	<b>4,422,867.41</b>
<b>Funding held</b>	<b>38,548.90</b>	<b>-</b>	<b>21,801.35</b>	<b>-</b>	<b>60,350.25</b>
<b>Represented by</b>					
GBP Account					58,643.82
EUR account converted at 0.91					1,667.77
USD account converted at 0.67					38.65
					<b>60,350.25</b>

#### 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 3

## Ceona Equipment 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	-	-	0.6	0.7	16.1	22.6	40.0	11,212
Bank & Statutory Reporting	-	-	0.5	-	-	-	0.5	266
Creditors	-	-	9.1	-	-	-	9.1	4,832
Immediate Tasks	-	-	-	-	1.4	-	1.4	405
Other Matters	-	-	1.2	-	0.5	-	1.7	782
Statutory Duties	-	-	0.5	1.0	3.8	2.2	7.5	2,336
VAT & Taxation	-	-	-	-	-	0.6	0.6	158
<b>Total hours</b>	-	-	<b>11.9</b>	<b>1.7</b>	<b>21.8</b>	<b>25.4</b>	<b>60.8</b>	<b>60.8</b>
<b>Total time cost (£)</b>	-	-	<b>6,319</b>	<b>665</b>	<b>6,300</b>	<b>6,706</b>	<b>£19,989</b>	<b>£19,989</b>
<b>Average hourly rate</b>	627	511	531	391	289	264		

## Appendix 4

### Ceona Equipment 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>				
TSA payments - cost element	113,093.66	-	-	113,093.66
TSA payments - profit element	5,654.68	-	-	5,654.68
Bank charges	18.10	2.40	-	20.50
Tax fees	28,507.73	-	-	28,507.73
Legal fees	27,391.67	3,271.09	-	30,662.76
Legal expenses	1,371.00	1,639.44	-	3,010.44
Corporation Tax	20.53	-	-	20.53
<b>Category 1 disbursements (Note 2)</b>				
Meals	13.55	-	1.38	14.93
Mobile phone	7.41	-	-	7.41
Couriers	289.79	-	-	289.79
Lodging	116.47	-	-	116.47
Train	58.75	-	79.60	138.35
IT Support	5.00	-	-	5.00
Parking	46.75	-	4.03	50.78
Printing	2,243.53	-	268.26	2,511.79
Bonding	456.67	-	-	456.67
Taxi	64.83	-	4.21	69.05
Postage	168.59	-	-	168.59
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>179,528.71</b>	<b>4,912.93</b>	<b>390.47</b>	<b>184,832.11</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.