

Section 67(1)

The Insolvency Act 1986
Notice of Receiver's Report
Pursuant to Section 67(1)
of the Insolvency Act 1986

S67(1)

To the Registrar of Companies
the Accountant in Bankruptcy

For Official Use

--	--	--

Company Number

SC186438

Insert full name of
company

Name of Company

Fusion (Worthing) Limited

Insert full name and
address of receiver(s)

I/We James Stephen, Shay Bannon and
Toby Underwood
4 Atlantic Quay
70 York Road
Glasgow
G2 8JX

receiver(s) of the company attach a copy of my/our report to creditors

Signed



Dated

10 October 2008

Presenter's name,
address and reference
(if any)

FUS002
Fusion (Worthing) Limited
James B Stephen
BDO Stoy Hayward LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

For Official Use

Receiver's Section

Post Room

TUESDAY



SCT

28/10/2008

88

COMPANIES HOUSE



BDO Stoy Hayward LLP
Chartered Accountants

4 Atlantic Quay
70 York Street Glasgow G2 8JX
Telephone +44 (0)141 248 3761
Facsimile +44 (0)141 248 1653
LP 55 Glasgow 6
Web site www.bdo.co.uk

10 October 2008

Our Ref 7/JBS/Marcel ReportA6

Please ask for Jamie Lawrence
Direct Dial 0141 249 8417

TO ALL KNOWN CREDITORS

Dear Sir(s)

Pacific Shelf 1047 Limited, Horizon (Glasgow) Limited, Fusion (Worthing) Limited, Coleridge (East Grinstead 1) Limited and Coleridge (East Grinstead 2) Limited ("the companies) – All In Receivership

I refer to my previous correspondence concerning my appointment as Joint Receiver of the companies on 23 July 2008. I am now in a position to present my formal report on the companies as required by Section 67(2) of the Insolvency Act 1986.

1 Statutory Information

Attached at Appendix 1 is a summary of statutory information relating to the companies.

2 Events leading to the appointment of Joint Receivers

- 2.1 The companies are subsidiaries of Dawnay, Day Properties Limited ("DPP"). Both DPP and the companies were financed by way of secured loans from Norwich Union Mortgage Finance Limited ("Norwich Union"). Security was granted by way of fixed and floating charges over all property and assets with the amount secured being all monies due or to become due from DPP or the companies.
- 2.2 In July 2008 the directors of DPP filed a Notice of Intention to appoint Administrators at the High Court of Justice. As Norwich Union was the holder of a qualifying floating charge, the directors were obliged to serve a copy of this Notice on Norwich Union. Accordingly on 23 July 2008, Norwich Union took the decision to place DPP into Administrative Receivership with Shay Bannon, Mark Shaw and Toby Underwood of BDO Stoy Hayward LLP being appointed as Joint Administrative Receivers.



- 2 3 Consequently Norwich Union also appointed James Stephen, Shay Bannon and Toby Underwood as Joint Receivers of the companies on 23 July 2008, under the terms of the cross guarantees in place, and by virtue of Norwich Union being a qualified floating chargeholder of each of the companies

3 **Events following the appointment of Joint Receivers**

3 1 **Initial Actions**

Upon our appointment as Joint Receivers we undertook an immediate review of the companies' affairs with particular regard to its financial and resource requirements. This assessment was carried out in liaison with the management of the companies having regard to the companies' ongoing business commitments and anticipated cash flows.

3 2 **UK Property Portfolio**

We have instructed DTZ, professional property agents, to market and sell the companies' property portfolio. This exercise is expected to last a minimum of two months. No realisations have been made to date.

4 **Receipts and Payments accounts**

- 4 1 We attach at Appendix 2, for your information, a summary of the Joint Receivers' receipts and payments accounts, which we consider to be self explanatory.

5 **Statement of Affairs**

- 5 1 No statement of affairs has been submitted to date due to the complexity of the companies' affairs. We attach at Appendix 3 a schedule detailing the book values in the last audited accounts of the properties owned by each company together with details of its creditors.

- 5 2 The companies' assets consist of a property portfolio that is currently being marketed.

6 **Creditors' Claims**

6 1 **Secured Creditor**

Each company has provided a cross guarantee, supported by fixed and floating charges over its assets, to Norwich Union in respect of the debt due by DDP. Norwich Union was owed £378.7m as at 14 August 2008 and interest accrues at a rate of £2.51m per month.

6.2 Preferential Creditors

We are not aware of any such claims

6.3 Unsecured Creditors

The only unsecured creditors of which we are aware are HM Revenue and Customs and various companies within the Starlight Group in respect of inter company balances. Details of these creditors are shown in the draft financial statement attached at Appendix 3.

Funds will only be available to the unsecured creditors if the liabilities of Norwich Union are repaid in full and the expenses of the Receivership discharged in full. Based on current information we do believe that this will be the case.

7 Meeting of creditors

- 7.1 I enclose for your attention notice of a meeting of creditors of the company to be held at 11.30 hrs on 27 October 2008 at the office of the Joint Receivers, BDO Stoy Hayward LLP, 4 Atlantic Quay, 70 York Street, Glasgow G2 8JX, when this report will be presented to creditors.
- 7.2 There is no requirement for the directors to attend and the purpose of the meeting is to receive my report, not to consider the appointment of a liquidator.
- 7.3 If you wish to attend, please complete and return the enclosed proxy form. I shall also be grateful if you would inform Jamie Lawrence of my staff.

Yours faithfully
For and on behalf of
The Companies



James Stephen
Joint Receiver

Authorised by the Institute of Chartered Accountants in England & Wales

The Joint Receivers are agents of the Company and act without personal liability

Encs

Pacific Shelf 1047 Limited, Horizon (Glasgow) Limited, Fusion (Worthing) Limited, Coleridge (East Grinstead 1) Limited and Coleridge (East Grinstead 2) Limited ("the companies) All In Receivership

NOTICE IS HEREBY GIVEN pursuant to section 67 of the Insolvency Act 1986, that a meeting of the unsecured creditors of the above named companies will be held at 11 30 hrs on 27 October 2008 at the office of the Joint Receivers, BDO Stoy Hayward LLP, 4 Atlantic Quay, 70 York Street, Glasgow G2 8JX for the purpose of having a report laid before the meeting and of hearing any explanation that may be given by the Joint Receivers. Creditors whose claims are wholly secured are not entitled to attend or be represented

A form of proxy is enclosed which, if to be used at the meeting, must be completed in accordance with the guidance notes provided thereon and lodged at BDO Stoy Hayward LLP, 4 Atlantic Quay, 70 York Street, Glasgow G2 8JX before the meeting

A creditor is entitled to vote only if he has lodged with the Joint Receivers, at or prior to the meeting, details in writing of the debt that he claims to be due to him from the company and the claim has been duly admitted under the provisions of the Insolvency (Scotland) Rules 1986 and there has been lodged with the Joint Receivers, at or prior to the meeting, any proxy which the creditor intends to be used on his behalf

Dated 10 October 2008

A handwritten signature in black ink, appearing to be 'James Stephen', written in a cursive style.

James Stephen
Joint Receiver

The Insolvency Act 1986

PROXY

Pursuant to Rules 7 14 and 7.15 of the Insolvency (Scotland)
Rules 1986

Pacific Shelf 1047 Limited, Horizon (Glasgow) Limited, Fusion (Worthing) Limited,
Colridge (East Grinstead 1) Limited, Coleridge (East Grinstead 2) Limited – All In
Receivership

Name of Creditor/Member

Address

(hereinafter called 'the principal')

Insert the
name and
address of
the proxy
holder and of
any
alternatives A
proxy holder
must be an
individual
aged
over 18

Name of Proxy Holder 1

Address

Whom failing 2

Whom failing 3

I appoint the above person to be the principal's proxy holder at

Delete as
appropriate

*all meetings in the above insolvency proceedings relating to the above company

*the meeting of creditors/members of the above Company to be held on 27 October
2008,
or at any adjournment of that meeting

Voting Instructions

The proxy holder is authorised to vote or abstain from voting in the name, and on
behalf, of the principal in respect of any matter(s), including resolution(s), arising for
determination at said meeting(s) and any adjournment(s) thereof and to propose any
resolution(s) in the name of the principal, either

- (i) in accordance with instructions given below, or
- (ii) if no instructions are given, in accordance with his/her own discretion

*Complete only if you wish to instruct the proxy holder to vote for a specific person as liquidator

1 To *propose/support a resolution for the appointment of

whom failing

as liquidator of the company

Delete if the proxy holder is only to vote as directed in (1)

(In the event of a person named in paragraph (1) withdrawing or being eliminated from any vote, the proxy holder may vote or abstain in any further ballot at his/her discretion)

Set forth any voting instructions for the proxy holder. If more room is required, attach a separate sheet

Signed _____ Date _____

Name in BLOCK LETTERS _____

Position of signatory in relation to the creditor/member or other authority for signing

Notes for the Principal and Proxy holder

- 1 The chairman of the meeting who may be nominated as proxy holder, will be the insolvency practitioner who is presently *liquidator/receiver/administrator/nominee under the voluntary arrangement or a director of the company
- 2 All proxies must be in this form or a form substantially to the same effect with such variations as circumstances may require (Rules 7 15(3) and 7 30)
- 3 To be valid the proxy must be lodged at or before the meeting at which it is to be used (Rule 7 16(2))
- 4 Where the chairman is nominated as proxy holder he cannot decline the nomination (Rule 7 14(4))
- 5 The proxy holder may vote for or against a resolution for the appointment of a named person to be liquidator jointly with another person, unless the proxy states otherwise (Rule 7 16(4))
- 6 The proxy holder may propose any resolution in favour of which he would vote by virtue of this proxy (Rule 7 16(5))
- 7 The proxy holder may vote at his discretion on any resolutions not dealt with in the proxy, unless the proxy states otherwise (Rule 7 16(6))
- 8 The proxy holder may not vote in favour of any resolution which places him, or any associates of his in a position to receive remuneration out of the insolvent estate unless the proxy specifically directs him so to vote (Rule 7 19(1))
- 9 Unless the proxy contains a statement to the contrary, the proxy holder has a mandate to act as representative of the principal on the creditors' or liquidation committee (Rule 4 48)



**Pacific Shelf 1047 Limited
In Receivership**

Statutory Information

Company Number:	SC220011
Date of Incorporation	08/06/01
Address of Registered Office:	70 York Street, Glasgow G2 8JX Formerly 15 Atholl Crescent, Edinburgh EH3 8HA
Directors:	Ian Philip Andrew Besley, Peter Richard Klimt and Iain James Blakeley
Company Secretary	Megan Joy Langridge
Nominal Share Capital	£1,000 – divided into 1,000 ordinary share of £1
Registered Shareholders	No of £1.00 ordinary shares held
Dawnay, Day Properties Limited	<u>1</u> <u>1</u>



**Horizon (Glasgow) Limited
In Receivership**

Statutory Information

Company Number:	SC187791
Date of Incorporation	21/07/98
Address of Registered Office:	70 York Street, Glasgow G2 8JX Formerly 15 Atholl Crescent, Edinburgh EH3 8HA
Directors:	Ian Philip Andrew Besley, Peter Richard Klimt and Ian James Blakeley
Company Secretary	Megan Joy Langridge
Nominal Share Capital	£1 – divided into 1 ordinary share of £1
Registered Shareholders	No of £1.00 ordinary shares held
Dawnay, Day Properties Limited	<u>1</u> <u>1</u>

**Fusion (Worthing) Limited
In Receivership****Statutory Information**

Company Number:	SC186438
Date of Incorporation	05/06/98
Address of Registered Office:	70 York Street, Glasgow G2 8JX Formerly 15 Atholl Crescent, Edinburgh EH3 8HA
Directors:	Ian Philip Andrew Besley, Peter Richard Klimt and Iain James Blakeley
Company Secretary	Megan Joy Langridge
Nominal Share Capital	£50 – divided into 50 ordinary A shares of £0.5 and 50 ordinary B Shares of £0.5
Registered Shareholders	No of £0.5 ordinary shares held
Dawnay, Day Properties Limited	50 ordinary A shares
Dawnay, Day Properties Limited	<u>50 ordinary B shares</u>
	<u>100 ordinary shares</u>

**Coleridge (East Grinstead 1) Limited
In Receivership****Statutory Information**

Company Number	SC232426
Date of Incorporation	06/06/02
Address of Registered Office:	70 York Street, Glasgow G2 8JX Formerly 15 Atholl Crescent, Edinburgh EH3 8HA
Directors:	Ian Philip Andrew Besley
Company Secretary	Megan Joy Langridge
Nominal Share Capital	£1 – divided into 1 ordinary share of £1
Registered Shareholders	No of £1.00 ordinary shares held
Dawney, Day Properties Limited	<u>1</u> <u>1</u>

**Coleridge (East Grinstead 2) Limited
In Receivership****Statutory Information**

Company Number:	SC232437
Date of Incorporation	06/06/02
Address of Registered Office.	70 York Street, Glasgow G2 8JX Formerly 15 Atholl Crescent, Edinburgh EH3 8HA
Directors:	Ian Philip Andrew Besley
Company Secretary	Megan Joy Langridge
Nominal Share Capital	£1 -- divided into 1 ordinary share of £1
Registered Shareholders	No of £1.00 ordinary shares held
Dawnay, Day Properties Limited	<u>1</u>
	<u>1</u>

Pacific Shelf 1047 Limited
(In Receivership)

Joint Receivers' Abstract Of Receipts And Payments
To 10 October 2008

RECEIPTS	Total (£)
Rental Income	75,987 61
VAT Payable	3,062 50
	<hr/>
	79,050 11
	<hr/>
PAYMENTS	
Ground Rents	878 13
Professional Fees	2,915 95
Property Maintenance Expenditure	534 73
Rent Deposits	1,983 45
Bordereau Return	12 00
Public Notices	518 85
VAT Receivable	593 01
	<hr/>
	7,436 12
Balances in Hand	71,613 99
	<hr/>
	79,050 11
	<hr/>

Horizon (Glasgow) Limited
(In Receivership)

Joint Receivers' Abstract Of Receipts And Payments
To 10 October 2008

RECEIPTS	Total (£)
	<u>0 00</u>
PAYMENTS	
Bordereau Return	<u>12 00</u>
	<u>12 00</u>
Balances in Hand	<u>(12 00)</u>
	<u>0 00</u>

Fusion (Worthing) Limited
(In Receivership)

Joint Receivers' Abstract Of Receipts And Payments
To 10 October 2008

RECEIPTS	Total (£)
	<u>0 00</u>
PAYMENTS	
Bordereau Return	<u>12 00</u>
	<u>12 00</u>
Balances in Hand	<u>(12 00)</u>
	<u>0 00</u>

**Coleridge (East Grinstead 1) Ltd
(In Receivership)**

**Joint Receivers' Abstract Of Receipts And Payments
To 10 October 2008**

RECEIPTS

Total (£)

0 00

PAYMENTS

Bordereau Return
Public Notices

12 00

369 72

381 72

Balances in Hand

(381 72)

0 00

Coleridge (East Grinstead 2) Ltd
(In Receivership)

Joint Receivers' Abstract Of Receipts And Payments
To 10 October 2008

RECEIPTS	Total (£)
	<hr/>
	0 00
	<hr/>
PAYMENTS	
Bordereau Return	<hr/> 12 00
	12 00
Balances in Hand	<hr/> (12 00)
	0 00
	<hr/>

Draft Financial Statement

	Pacific Shelf 1047 Limited £ 000	Horizon (Glasgow) Limited £ 000	Fusion (Worthing) Limited £ 000	Coleridge (East Grinstead 1) Limited £'000	Coleridge (East Grinstead 2) Limited £ 000
Property at book value (£)	92 640	7360	5600	-	-
Unsecured Intercompany debts as per company accounts (£)	67 037	567	4140	-	-
HM Revenue and Customs debt	482	-	34	-	-

N B Norwich Union is owed £378m secured on properties of the wider DDP Group