

# Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

02121190

Name of Company

Newlands [Seaford] Educational Trust in Liquidation

We

Michael Bowell, Second Floor, Shaw House, 3 Tunsgate, Guildford, Surrey, GU1 3QT

Dermot Coakley, Second Floor, Shaw House, 3 Tunsgate, Guildford, Surrey, GU1 3QT

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 28/05/2013 to 27/05/2014

Signed



Date 01/07/2014

MBI Coakley Ltd  
2nd Floor, Shaw House  
3 Tunsgate  
Guildford  
Surrey  
GU1 3QT

Ref 152/MB/DC/SC/ME

WEDNESDAY



A20 \*A3BA12AO\* 02/07/2014 #333  
COMPANIES HOUSE

**Private and Confidential**  
**NEWLANDS [SEAFORD] EDUCATIONAL TRUST**  
**In Liquidation**

**NEWLANDS [SEAFORD]  
EDUCATIONAL TRUST ["the Trust"]  
In Creditors' Voluntary Liquidation**

**Annual Progress Report to the Members  
and Creditors  
Pursuant to S104A Insolvency Act 1986  
Dated 27 June 2014**

**Private and Confidential**  
**NEWLANDS [SEAFORD] EDUCATIONAL TRUST**  
**In Liquidation**

## **1. Report**

In accordance with the relevant provisions, I present the Annual Progress Report to the Members and Creditors of the Trust. The purpose of the report is to provide you with an account of the Liquidators' acts and dealings and the conduct of the winding up during the liquidation.

Attached to this report are the following documents:

- Appendix A - Summary of Liquidators' Receipts and Payment Account for the year ending 27 May 2014
- Appendix B - Summary of Liquidators' time costs for the year 27 May 2014
- Appendix C - Supplementary Information
- Appendix D - MBI Fees and Disbursements Policies
- Appendix E - Notice of No Dividend

Please note a copy of a Creditors' Guide to Liquidators' Fees is also available online at <http://www.mbicoakley.co.uk/important-docs.html> by clicking on the link titled Liquidation

I comment further on progress in the liquidation below.

## **2. Summary Receipts and Payments Account**

The contents of the summary receipts and payments account [Appendix A] are largely self explanatory, however, I report further on certain items below

### **2.1. Receipts**

As advised previously, the Estimated Statement of Affairs affirmed by the Directors at the date that the Trust went into liquidation did not estimate that there would be any realisations in the liquidation. However, the following assets were in fact realised:

**2.1.1 Cash at Bank - £23,704.53:** Since my last report, a further credit balance of £85.35 has been realised. This sum represents a small balance held on a client account by the Trust's solicitors, Veale Wasbrough Vizards.

**2.1.2 Book Debts - £4,450:** As reported previously, this figure relates to a claim, which the Trust had lodged in the Liquidation of Newlands College Ltd ["NCL"]. The Liquidation of NCL has now concluded and no further funds are recoverable.

### **2.2 Payments**

**2.2.1 Legal Fees - £3,110:** As advised previously, this figure represents legal fees incurred in obtaining a Court Order against the Trust's Accountants, for the delivering up of books and records.

### **3. Matters requiring further investigation**

In my last report to creditors I advised that my investigations had potentially revealed an additional source of recovery, for creditors of the Trust, through legal action against the Trust's Directors for Wrongful Trading.

Further to the above, I advised creditors that the Liquidators' Solicitors were attempting to obtain a policy for adverse costs insurance with a view to commencing legal proceedings.

I must advise creditors that having approached several insurance providers and litigation funders, it has not proved possible to obtain the requisite policy. I must therefore advise creditors that given the circumstances, the Liquidators have little option but to abandon the claims against the Trust's Directors

### **4. Creditors' Claims**

Creditors' non-preferential claims, which have been received by the Liquidators amount to £392,030 against a Statement of Affairs figure of £312,665 Preferential Creditor claims amount to £54,073

### **5. Dividend Prospects**

#### **5.1 Secured Creditors**

There are no charges registered against the Company and it follows that there are no secured creditors

#### **5.2 Preferential Creditors**

The only preferential creditor in the Liquidation is the Teachers Pension Fund.

#### **5.3 Non-Preferential Creditors**

Under the provisions of Section 176A of the Insolvency Act 1986, the Liquidators must report on the amount of funds distributed to unsecured creditors in respect of the prescribed part

There is not a holder of Qualifying Floating Charges ["QFL"] that post dates the 15<sup>th</sup> of September 2003 and therefore the provisions of section 176A of the Act relating to the Prescribed Part do not apply

I must advise creditors that since there is no longer any prospect of further recoveries, a dividend will not be payable in this matter due to insufficient funds being realised Please find attached a Notice of No Dividend [Appendix E]

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NEWLANDS [SEAFORD] EDUCATIONAL TRUST  
In Liquidation

**6. Liquidators' Remuneration**

Resolutions relating to the basis of the Liquidators' remuneration were approved by Creditors at the first meeting, as previously reported. A summary of the time spent is attached as Appendix B in accordance with Statement of Insolvency Practice (SIP 9), for the information of the members and creditors. This summary is split into two parts showing the Liquidators' time costs for the period 28 May 2010 to 27 May 2013 and the period 28 May 2013 to 27 May 2014

Additional information in relation to Office Holders' Fees [Appendix D] setting out this firm's policies on disbursements and current charge out rates is attached.

The time costs as at 27 May 2014 are £24,899

**7. Statement of the outstanding expenses**

I attach as Appendix C Supplementary Information, which shows the outstanding expenses incurred by the Liquidators as at 27 May 2014

**8. Outstanding Matters**

The only matters preventing the conclusion of the Liquidation are the agreement and settlement of the Liquidators' solicitor's fees, together with obtaining tax clearance from HM Revenue & Customs. I therefore anticipate being in a position to conclude this matter within the next three months

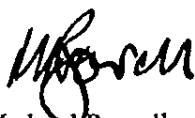
**9. Conclusion**

If any creditor or member requires any further information or clarification on any matter relating to the liquidation of the Company, please contact this office.

A statement of the creditors' and members' rights to request further information and challenge the Liquidators' remuneration and expenses is available online at <http://www.mbicoakley.co.uk/important-docs.html> by clicking on the link titled Liquidation

For your information my authorising body is the Insolvency Practitioners Association and that of my Joint Liquidator, Mr Coakley, is the Institute of Chartered Accountants in England & Wales

Please contact me if you require any further information



Michael Bowen  
Joint Liquidator  
Newlands [Seaford] Educational Trust in Liquidation

Newlands (Seaford) Ed Trust  
(In Liquidation)

Summary of Joint Liquidators' Receipts & Payments Account  
For the period 28 May 2010 (Date of Appointment) to 27 May 2014

	From 28/05/2010 To 27/05/2013 (£)	From 28/05/2013 To 27/05/2014 (£)	Total (£)
<b>RECEIPTS</b>			
Book Debts	4,450.51	-	4,450 51
Cash at Bank	23,619.18	85 35	23,704 53
Contribution to Legal Costs	2,758.00	-	2,758 00
Bank Interest Gross	4.88	13.28	18 16
	<u>30,832.57</u>	<u>98.63</u>	<u>30,931.20</u>
<b>PAYMENTS</b>			
Specific Bond	10 00	-	10.00
Legal Fees	3,110.00	-	3,110 00
Liquidators' Disbursements			
Telephone Telex & Fax	0 10	-	0 10
Stationery & Postage	145 59	-	145.59
Storage Costs	1 20	-	1.20
Statutory Advertising	270 86	-	270 86
VAT	693 55	-	693.55
	<u>4,231.30</u>	<u>-</u>	<u>4,231.30</u>
Balance held in interest bearing account:			<u>26,699.90</u>



Michael Bowell  
Joint Liquidator

# Time Entry - SIP9 Time & Cost Summary

Appendix B

152 - Newlands (Seaford) Ed Trust  
Project Code POST  
To 27/05/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.70	0.80	16.30	0.00	18.80	3,304.00	175.74
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	4.10	2.80	4.10	0.00	11.00	2,668.00	242.55
Investigations	25.10	2.30	10.60	0.00	38.00	9,991.00	262.92
Realisation of Assets	21.30	0.40	2.20	0.00	23.90	7,157.50	299.48
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>52.20</b>	<b>6.30</b>	<b>33.20</b>	<b>0.00</b>	<b>91.70</b>	<b>23,120.50</b>	<b>252.13</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>427.75</b>	

# Time Entry - Detailed SIP9 Time & Cost Summary

## Appendix B

152 - Newlands (Seaford) Ed Trust  
From 28/05/2013 To 27/05/2014  
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
104 Case Administration	0.90	0.00	4.30	0.00	5.20	987.00	189.81
105 Case Reviews	0.30	0.60	0.00	0.00	0.90	247.50	275.00
Admin & Planning	1.20	0.60	4.30	0.00	6.10	1,234.50	202.38
302 Property	0.30	0.00	0.00	0.00	0.30	88.50	295.00
306 Other Assets	1.40	0.00	0.10	0.00	1.50	455.50	303.67
Realisation of Assets	1.70	0.00	0.10	0.00	1.80	544.00	302.22
Total Hours	2.90	0.60	4.40	0.00	7.90	1,778.50	225.13
Total Fees Claimed						0.00	



**Newlands (Seaford) Ed Trust  
(In Liquidation)  
Supplementary Information**

**Registered Office**  
 MBI Coakley Ltd  
 2nd Floor, Shaw House  
 3 Tunsgate  
 Guildford  
 GU1 3QT

**Registered Number**  
 2121190

**Appointment Details**  
 Joint Liquidator - Michael Bowell  
 Joint Liquidator - Dermot Coakley  
 Second Floor Shaw House, 3 Tunsgate, Guildford, Surrey, GU1 3QT  
 Appointment Date - 28/05/2010

**Changes to Office Holders**  
 None

**Additional Information**

**Dividends / Distributions / Consigned Funds**

Dividend Type	Date	Admitted	Number	Paid	p in £
No Dividends Paid					

**Unrealisable Assets**  
 N/A

**Details of Basis of Remuneration**

At the meeting of Creditors held 28 May 2010, Creditors passed a resolution that the Liquidators' fees be based on a time cost basis with Value Added Tax, at the rate applicable, to be added to such fees

The Liquidator was also authorised to draw disbursements by reference to the Category 2 Disbursements as outlined in 'A Creditors guide to Liquidator's Fees'

**Newlands (Seaford) Ed Trust**  
**(In Liquidation)**  
**Statement of Remuneration / Expenses**

**For period 28/05/2010 to 27/05/2014**

<b>Account</b>	<b>Incurred In Period</b>	<b>Accrued In Period For Last Period</b>	<b>Accrued In Period</b>	<b>Total In Period</b>
Specific Bond		90.00	-	90.00
Liquidators' Fees		23,120.50	1,778.50	24,899.00
Legal Fees		10,441.10	1,558.90	12,000.00
Liquidators' Disbursements				
VAT		-	-	-
Telephone Telex & Fax		-	-	-
Stationery & Postage		7.28	39.01	46.29
Storage Costs		52.00	20.80	72.80
Statutory Advertising		-	-	-
	-	33,710.88	3,397.21	37,108.09

## NEWLANDS [SEAFORD] EDUCATIONAL TRUST

### ADDITIONAL INFORMATION IN RELATION TO OFFICE HOLDER'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

In accordance with best practice, we provide below details of the policy of MBI Coakley Ltd ["MBI"] in respect of fees and expenses for work in relation to the above insolvency. The policy covers the following.

1. Staff allocation and the use of subcontractors
2. Professional advisers
3. Disbursements
4. Charge out rates and work performed

#### 1. Staff allocation and the use of subcontractors

The general approach to resourcing assignments is to allocate staff with the skills and experience appropriate to meet the specific requirements of the case, having regard to its nature and complexity. The case team will usually consist of a Director, Manager and Administrator.

It is not our general policy to utilise the services of subcontractors and no subcontractors have been used on this case.

#### 2. Professional Advisers

On this assignment we have used the services of the professional advisers listed below. We have also indicated the basis of our fee arrangement with them which is subject to periodic review.

Name of Professional Adviser	Basis of Fees
Ronaldsons LLP	Solicitors - Time Costs plus Disbursements (in respect of S236 order), Conditional Fee Agreement (in relation to action for wrongful trading)

When choosing professional advisers, we take into consideration their experience and ability to perform the type of work required, the complexity of the assignment, their suitability for the particular case and the basis of the fee arrangement.

#### 3. Disbursements

It is the policy of MBI to charge and recover all actual disbursements [Category 1 Disbursements] incurred and full records of those disbursements are retained and are available, together with an explanation as to why they have been incurred, to all creditors. Category 1 disbursements do not require specific approval by creditors. This type of disbursement generally comprises of external suppliers of services identifiable to a specific case, such as postage, statutory advertising, room hire, and document collection. In addition, any properly reimbursed expenses of the Office Holders and of their staff will be recovered.

## Appendix D

The recovery of Category 2 Disbursements requires the approval of creditors before they can be paid. It is also our policy in all insolvencies to charge the following Category 2 Disbursements at the rates shown:

Travel - Motor Vehicles are charged at 65p per mile and all other forms of travel are charged at actual cost

Company Records Storage - 40p per week per archive box, £6 per box destruction

Photocopying/Facsimiles - 10p per sheet

Room Hire - meetings held at MBI's offices £150. Meetings at any other venue at actual cost

VAT is chargeable on all disbursements at the prevailing rate.

### 4. Charge-out Rates

The current hourly charge-out rates per staff involved in working on the insolvency are set out below, together with the rates for the previous year

Grade	Year 2014 £	Year 2013 £	Year 2012 £
Office Holder	345	325	325
Director	295	295	295
Manager 1	265	265	265
Manager 2	235	235	235
Administrator 1	165	165	165
Administrator 2	145	145	145

The rates charged by MBI are reviewed in January of each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. In accordance with best practice, time is charged in 6 minute units.

A description of the work performed under the main activity codes shown on the SIP9 summary attached, are as follows.

Activity	Description
Administration & Planning	Includes: case planning, statutory returns, maintenance of bank accounts and estate records, appointment notification, administrative set-up, maintenance of records, matters relating to tax, general correspondence, general legal advice, meetings
Investigations	Includes: statutory duty of investigation into company's affairs, investigating generally, CDDA reports, legal advice
Realisation of Assets	Includes: realisation of assets, identifying, securing and insuring of assets, costs associated with sale of business and assets, debt collection, legal advice
Trading	Includes: time on site, ordering and supply of goods, supervision of staff, debt collection management of trading operations, accounting for trading, on-going employee issues, legal advice
Creditors	Includes: correspondence and meetings with creditors, pension issues and employees, reporting to creditors, retention of title, adjudicating on creditor claims, employee matters, legal advice

IN THE MATTERS OF THE INSOLVENCY ACT 1986  
AND  
NEWLANDS [SEAFORD] EDUCATIONAL TRUST IN LIQUIDATION

NOTICE OF NO DIVIDEND

[Company Number: 02121190]

The following information is issued in accordance with rules 4.186(1)(b) and 11.7 of the Insolvency Rules 1986 [as amended].

I, Michael Bowell, Joint Liquidator to the above Company, hereby give notice to all known creditors that I am unable to declare a dividend in this matter

An up to date receipts and payments account is enclosed detailing the amounts realised from the assets and payments made in the liquidation of the estate

Dated 27 June 2014

For and on behalf of  
Newlands [Seaford] Educational Trust  
In Liquidation



Michael Bowell  
Joint Liquidator  
Licensed as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association