

AM03

Notice of administrator's proposals



Companies House

For further information, please
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www.gov.uk/companieshouse

1	Company details	
Company number	1 1 2 2 8 4 7 8	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Sterling Shipping Agencies Limited	
2	Administrator's name	
Full forename(s)	Neville	
Surname	Side	
3	Administrator's address	
Building name/number	55 Baker Street	
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		
4	Administrator's name ❶	
Full forename(s)	Kerry	❶ Other administrator Use this section to tell us about another administrator.
Surname	Bailey	
5	Administrator's address ❷	
Building name/number	3 Hardman Street	❷ Other administrator Use this section to tell us about another administrator.
Street	Spinningfields	
Post town	Manchester	
County/Region		
Postcode	M 3 3 A T	
Country		

AM03
Notice of Administrator’s Proposals

6 Statement of proposals

<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals	
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7 Sign and date

Administrator's Signature	Signature × <i>Neerth Side</i> ×																	
Signature date	<table><tr><td>^d</td><td>2</td><td>^d</td><td>5</td><td>^m</td><td>0</td><td>^m</td><td>2</td><td>^y</td><td>2</td><td>^y</td><td>0</td><td>^y</td><td>2</td><td>^y</td><td>2</td></tr></table>	^d	2	^d	5	^m	0	^m	2	^y	2	^y	0	^y	2	^y	2	
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AM03

Notice of Administrator's Proposals



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 **Neville Side**

Company name **BDO LLP**

Address **5 Temple Square**
Temple Street

Post town **Liverpool**

County/Region

Postcode

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Country

DX

Telephone **+44 (0) 1512 374 500**



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 and dated 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 or email 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



Sterling Shipping Agencies Limited In Administration

Joint Administrators' proposals
dated 24 February 2022

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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'HMRC'	HM Revenue & Customs
'Joint Administrators' or 'we'	Neville Side and Kerry Bailey
'net property'	Floating charge realisations after costs and payment of preferential and secondary preferential creditors in full
'preferential creditors'	Claims for unpaid wages earned in the four months prior to Administration up to £800, holiday pay and unpaid pension contributions in certain circumstances. Where a decision is being sought from preferential creditors these will include secondary preferential creditors
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'Proposals'	The Joint Administrators' statement of proposals for achieving the purpose of the Administration pursuant to Rule 3.35 of the Rules and Paragraph 49 of Sch.B1 to the Act
'QFCH'	Qualifying Floating Charge Holder
'Sch.B1 to the Act'	Schedule B1 to the Act
'secondary preferential creditors'	Where a company enters into Administration on or after 1 December 2020, claims for unpaid VAT, PAYE deductions, Employee National Insurance Contributions (NICs) deductions, student loan repayment deductions and amounts withheld under the construction industry scheme
'secured creditors'	Creditors whose debt is secured, in accordance with section 248 of the Act
'the Act'	Insolvency Act 1986
'the Company'	Sterling Shipping Agencies Limited
'the Rules'	Insolvency (England and Wales) Rules 2016
'unsecured creditors'	Creditors who are neither secured nor preferential

KEY INFORMATION

Background

Neville Side and Kerry Bailey were appointed Joint Administrators of the Company on 30 December 2021.

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company and without personal liability.

Purpose of the Proposals

The main purpose of the Proposals is to provide you with a brief history of the Company, an explanation as to why the Company is in Administration and to set out how the Joint Administrators propose to achieve the statutory purpose of the Administration.

The assets and liabilities of the Company and the possible outcome for creditors are also detailed.

Purpose of the Administration

The statutory purpose of an Administration consists of a hierarchy of three objectives:

- a. Rescuing the Company as a going concern e.g. restructuring the Company's business, resulting in the survival of the Company.
- b. Achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, without first being in Administration.
- c. Realising property in order to make a distribution to one or more secured or preferential creditors.

Objective a. cannot be achieved due to the nature of maritime law under which the business operated and the contracts entered into by the Company in its capacity acting for its shipowner customers, the major supplier to the Company had the ability to arrest the vessels of the Company's customers if the payment demanded was not forthcoming. The Company did not have the funds to pay the supplier within the timescales demanded for payment.. As result of this threat to the customers and the substitutability of the business, the business collapsed very quickly and, essentially, there was no business to rescue as at the date of our appointment.

Initially, it was believed that Objective b. may be achieved by an Administration as this would enable the Company's debtor balances to be collected in. However, following legal advice, it became apparent that, due to the agency status of the Company, the main suppliers had the right to demand payment of the same sums directly from the Company's customers. Whilst objective b. may not result in as successful an outcome as originally anticipated for the wider body of creditors it is still being pursued. Regardless of the main suppliers' ability to demand payment from customers, the creditors position as a whole has been improved as a result of the administration appointment by preserving the position for the main suppliers, which is improving the creditors position as a whole.

However, in the event that Objective b., cannot be achieved we will pursue Objective c. for the following reason:

- Provided that the cash at bank is available to the Joint Administrators to distribute to creditors, there will be a distribution to the secured and preferential creditors.

Return to creditors

It is currently uncertain whether there will be a return to the creditors in this matter. As explained in detail in this Report, the outcome to creditors will be dependent upon the manner in which the Joint Administrators are required to deal with the funds that were received into the Company's bank account.

To the extent that these funds are considered to form part of the Administration estate, we expect that there will be a dividend to preferential and unsecured creditors.

Approval of the Proposals

The Joint Administrators are seeking a decision from creditors to approve the Proposals by deemed consent with the Decision Date being 14 March 2022.

Notice of a deemed consent procedure is attached at Appendix G, which details how to object to the proposed decision to approve the Proposals or request that a physical meeting be held.

What you need to do

If you haven't already provided the Joint Administrators with details of your claim, please do so at your earliest possible convenience using the proof of debt form at Appendix F.

If you have any queries regarding your claim or require any assistance completing the proof of debt form, please contact Nadine Naylor on 0151 237 4655.

The Joint Administrators are seeking decisions from the Company's creditors in relation to the establishment of a creditors' committee, the approval of the basis of the Joint Administrators' remuneration, approval of pre-appointment costs and the payment of category 2 expenses.

Notice of a decision by correspondence procedure is attached at Appendix H. In order to vote, please complete the following:

- Voting form - Appendix I; and
- Proof of debt form (if not previously submitted) - Appendix F.

Please return the above forms by post to Nadine Naylor, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or via email to BRCMTLondonandSouthEast@bdo.co.uk on or before 14 March 2022, the Decision Date.

If you have any queries regarding the fees estimate or need any assistance in completing the voting form, please contact Nadine Naylor on 0151 237 4655.

If there any matters that you consider merit investigation you should provide details to Nadine Naylor at Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH.

Creditors' rights

An overview of the rights of creditors is detailed in Appendix B.

Contact details

Contact: Nadine Naylor
Address: Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: 0151 237 4655
Email: BRCMTLondonandSouthEast@bdo.co.uk
Reference: 00409849

FACTORS WHICH LED TO THE ADMINISTRATION APPOINTMENT

Background

The Company was incorporated on 27 February 2018.

It formerly operated from a leasehold premises but the lease was recently terminated and the employees were all working remotely at the time that the Company entered into financial difficulty.

The Company was engaged by ship owners to make arrangement to look after their ships when in port. This included booking the ship in at port, arranging pilot and tugboat services, dealing with all required port and husbandry services, looking after the needs of the crew, clearing the ship with the port and other authorities, preparation and submission of appropriate documentation and handling ship services including fuel, repairs and maintenance. The Company arranged berthing at two ports; Peel Ports, Liverpool and the Port of Stanlow.

The Company's shareholders are Kevin Gorman, Amanda Gorman, Andrew Buchanan and Sterling Shipping Services Limited, each owning 25% of the Company's shares.

Factors leading up to Administration

The directors have advised us that the principal reason for the failure of the Company, was the steady increasing of working capital demands that the business was being subjected to by its major suppliers. The Company normally invoiced its customers at the end of each month on 30-day terms. The directors have advised us that, historically, its major supplier had given 60-day terms (from the point of entry by the ship into the port) to the Company for it to settle the liabilities arises as a result of the ship being in port.

However, the directors advised that, more recently, the suppliers reduced the payment terms and this resulted in working capital issues for the Company whereby the suppliers were demanding payment from the Company before the Company had been put in funds by its customer. These operational terms were not sustainable for the business. The directors entered into discussions with the major suppliers in order to try and resolve this issue and find a way forward that was sustainable but these discussions did not result in a resolution.

The major suppliers demanded two significant payments towards invoiced sums to be made in the two weeks leading up to the end of December 2021. However, the Company was unable to meet these payments. Faced with the potential threat of arrest to its customers' ships in the absence of these payments being made, the directors took the decision on 24 December 2021 to cease trading and to inform customers with future voyages arranged that they should seek alternative arrangements with another provider.

Following the cessation of trade, the directors took steps to place the Company into Administration.

Pre-Administration costs

Pre-Administration costs have been incurred in preparing and planning for the Administration. These costs are set out in detail at Appendix E. The Joint Administrators are seeking approval to pay the pre-appointment legal fees incurred.

STEPS TAKEN SINCE APPOINTMENT

Initial steps and management of the Company's affairs

Upon appointment, the Company had assets to immediately deal with, namely the debtor book. The Joint Administrators undertook a review of the Company to fully understand the debtor position. This work included reviewing the bank statements and the records held by the accountants.

The Company's usernames and passwords used to access their electronic data were obtained and the necessary back-ups were taken.

The receipts and payments account attached at Appendix C details the asset realisations to date.

Asset realisations

Debtor book

At the date of appointment the Company's records showed debtors totalling £746k. Shortly following our appointment, we spoke with the major suppliers of services to the Company to discuss and understand the contractual relationship between the suppliers, the Company and the ship owners. During these discussions the suppliers advised us that, in their opinion, they had the right to make demand of outstanding sums directly from the ship owners. We sought legal advice on this matter and were advised that, due to the Company acting in its capacity on behalf of the ship owners, and having reviewed the invoices provided by the suppliers, the legal parties to the contract were the suppliers and the shipowners. As such, the suppliers did have the right to demand payment of outstanding sums directly from the ship owners.

The Joint Administrators have been made aware that the major suppliers have sought payment of outstanding port fees directly from the ship owners. As these sums would largely relate to the same transactions and voyages that underpin the Company book debts, it is unlikely that the port fee element of the outstanding invoices due will be recoverable as the ship owners may pay port owners directly. As the port fee element of the debts represents in excess of 90% of the Company's debtor ledger, it is likely that debtor realisations will be significantly lower than the balance showed in the Company's books and records.

The Joint Administrators are continuing to reconcile the ledger to assess the recoverable elements of the ledger.

Cash at bank

At the date of appointment the Company held £261k across its four bank accounts. A further £146k has been received into the Company's bank accounts after the date of appointment. Natwest Bank plc transferred the total balance of £407k to the Administration bank account on 18 January 2022.

Due to the nature of the contractual arrangement between the port owners, the Company and the ship owners, the Joint Administrators engaged Pennington Manches Cooper LLP ('Penningtons') to provide legal advice in respect of the funds held in the Company's bank account, in particular with regard to the funds received after the date of our appointment. Subsequently, on the advice of Penningtons, we have also sought an initial opinion from counsel in relation to all of the funds that were received and held in the Company's bank account. At this stage, before we can determine the correct way of dealing with the funds that now sit in the Administration bank account, we require further information on the nature of the trading relationship between the ship owners and the Company and we will shortly be requesting that information from the ship owners.

Loan repayment

The Company had issued a loan in the sum of £30,000 to a former employee of the Company. Under the terms of the loan, it was agreed that £150 would be repaid each month. At the date of our appointment £26,800 was outstanding. The Joint Administrators are currently in discussion regarding accelerated repayment of the balance of the loan.

Investigations

The Joint Administrators have a duty to investigate the affairs of the Company and conduct of the directors. The Joint Administrators must submit a confidential statutory report to the disqualification unit of the Department for Business, Energy & Industrial Strategy regarding the conduct of all directors and shadow directors during the three years before the Administration. Our investigation in this regard are ongoing and the report has not yet been submitted.

If any creditors hold information that may be of assistance to us in our investigations or you wish to bring to our attention any matters that you believe merit investigation by us, please contact us at BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH.

Other matters

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Administrators in this Administration.

The Joint Administrators have taken steps to access and secure the Company's records, including electronic records.

FINANCIAL POSITION

Statement of affairs

A statement of affairs has been requested from the directors of the Company. However, the directors have not submitted a statement of affairs to us at the time of this report.

We have therefore produced, from the Company's records, a financial statement of the Company as at the date of the Administration together with a schedule showing details of creditors' claims. This is attached at Appendix D but this should not be relied upon by creditors as an accurate representation of the Company's position as at the date of the Administration.

Assets

Cash at bank

To date £407k has been received however, as detailed above, the manner in which we are able to deal with this asset is subject to the receipt of advice from the Joint Administrators' solicitor and legal counsel.

Trade debtors

It is currently uncertain as to the level of recoveries that will be achieved in this respect but, for the reasons set out earlier in this Report, it is expected that a significant proportion of the book debts will not be recoverable.

Associated debtor (loan)

The loan is in the amount of £30,000 and to date £150 has been received. The terms of repayment provide for instalments of £150 per month and the Joint Administrators are taking steps to determine whether early settlement or a variation of terms might be possible.

Liabilities

Secured creditors

There were no outstanding charges at the date of the appointment of the Joint Administrators and we have not been made aware of any unregistered security. Accordingly, there are no secured creditors in this Administration.

Preferential creditors

The estimated preferential creditor claims of circa £4k relates to unpaid holiday pay and pension contributions owed to employees. ERA Solutions, as specialists in this field, have assisted the former employees in submitting their claims and advising the Joint Administrators in this regard.

No dividend has been paid to preferential creditors and it is currently uncertain if there will be sufficient funds to enable a distribution to the preferential creditors.

Secondary preferential creditors

The amount of the claim due to the secondary preferential creditors is uncertain at the time of this report.

No dividend has been paid to secondary preferential creditors and it is currently uncertain if there will be sufficient funds to enable a distribution to the secondary preferential creditors.

Prescribed Part

At the date of our appointment, the Company had no outstanding floating charge security granted after 15 September 2003 and, therefore, the Prescribed Part will not apply in this Administration.

Unsecured Creditors

The unsecured creditors' claims total £1,373,793. To date, the Joint Administrators have received claims of £989,475.

No dividend has been paid to unsecured creditors and it is currently uncertain if there will be sufficient funds to enable a distribution to the unsecured creditors.

As detailed at the outset of this Report, and for the reasons detailed in this Report, the outcome to the preferential, secondary preferential and the unsecured creditors will be determined by the manner in which we are required to deal with the funds that were received into the Company's bank account.

Joint Administrators' remuneration and expenses

It is proposed that the remuneration of the Joint Administrators is approved on a time costs basis in accordance with the fees estimate totalling £120,621 attached at Appendix J.

To date time costs of £67,320 have been incurred over 182.90 hours at an average rate of £368. A detailed report of time costs incurred to date is attached at Appendix K.

It is proposed that the Joint Administrators be authorised to draw mileage based on the scale approved by HM Revenue & Customs, currently 45p per mile, as an expense of the Administration.

Creditors are required to approve the basis of the remuneration of the Joint Administrators and that the above expenses ('category 2 expenses') be drawn from the Administration estate.

If a creditors' committee is established, it will be a role of the creditors' committee to approve the basis of the remuneration of the Joint Administrators and that the category 2 expenses to be drawn from the Administration estate.

Expenses paid to date are detailed in the receipts and payments account at Appendix C. Estimated expenses are detailed in the expenses estimate attached at Appendix J.

FUTURE OF THE ADMINISTRATION

The information below sets out our formal proposals for the future actions to be taken by the Joint Administrators and our intended manner, based on current information, in which the Administration will be terminated.

It is proposed that the Joint Administrators continue to manage the affairs and property of the Company in order to achieve Objective (b) of the statutory purpose of the Administration, being to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, without first being in Administration.

The Joint Administrators will continue to investigate the management and affairs of the Company in the lead up to its insolvency, they will continue to reconcile the debtor ledger and collect debts where possible. In conjunction with Penningtons, the Joint Administrators will continue to assess the nature of the cash at bank funds held and correspond with the ship owners accordingly and, if deemed necessary, will apply to court for determination of how these funds should be administered. In addition, they shall do all such other things and generally exercise all their powers as Joint Administrators as they in their discretion consider desirable in order to achieve Objective (b) of the statutory purpose of the Administration.

Extension of the Administration

If necessary, the Joint Administrators will seek approval to extend the Administration which is due to end on 29 December 2022.

Exiting the Administration

If the funds collected are found to form part of the Administration estate and are therefore available for distribution to the Company's creditors, it is estimated that there will be sufficient funds to pay a dividend to unsecured creditors. It is therefore proposed that the Company move from Administration into Creditors' Voluntary Liquidation and that the current Joint Administrators, Neville Side and Kerry Bailey, or their successors in title, be appointed Joint Liquidators of the Company pursuant to Rule 3.60 of the Rules. The Joint Liquidators are to act jointly and severally. Creditors may nominate different liquidators, provided that the nomination is received before the Proposals are approved.

Joint Administrators' discharge from liability

It is proposed that the Joint Administrators be discharged from liability on the registration of the notice to move from Administration and the final progress report with the Registrar of Companies. Approval will be sought from the creditors prior to closure.

APPENDIX A

STATUTORY INFORMATION

Information

Company name	Sterling Shipping Agencies Limited
Trading name(s)	Sterling Shipping Agencies Limited
Company registration number	11228478
Registered office	c/o BDO LLP, 5 Temple Square, Temple Stree, Liverpool, L2 5RH Formerly: 395-397 Woodchurch Road, Birkenhead, CH42 8PF
Directors	Mr Kevin Barrie Gorman Mr Quentin Bruce Soanes Mr Andrew Robert Buchanan Mr Gavin McClure
Company secretary	Mr Kevin Barrie Gorman
Issued share capital	300 Ordinary shares
Directors' shareholding	Mr Andrew Robert Buchanan - 75 Ordinary shares Mr Kevin Barrie Gorman - 75 Ordinary shares
Date of appointment	30 December 2021
Court name and reference	In the High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List (ChD) CR-2021-002451
Appointor	The directors pursuant to Paragraph 12 of Sch.B1 to the Act
Joint Administrators	Neville Side Kerry Bailey <i>Under the provisions of paragraph 100(2) of Sch.B1 to the Act the Joint Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.</i>
Joint Administrators' address	BDO LLP, 55 Baker Street, London, W1U 7EU BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT
EC Regulations on Insolvency Proceedings	EU Regulation 2015/848 ('the Recast Regulation') applies to the Company and these are COMI proceedings.
Date of delivery of the Proposals	The Proposals will be deemed delivered on the date of the upload of the Proposals to the creditor portal.
Data Control and GDPR	Neville Side and Kerry Bailey are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in

England and Wales in the UK. The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Administration of Sterling Shipping Agencies Limited. Please see the privacy statement at <https://www.bdo.co.uk/en-gb/privacy-notices/insolvencies>

APPENDIX B

CREDITORS' RIGHTS

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Administrators' Fees' and information on the rights, duties and functions of a creditors' committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Administration. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

Sterling Shipping Agencies Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 30/12/2021 To 22/02/2022 £	From 30/12/2021 To 22/02/2022 £
ASSET REALISATIONS		
Cash at Bank	407,023.61	407,023.61
Loan repayment	150.00	150.00
	<u>407,173.61</u>	<u>407,173.61</u>
COST OF REALISATIONS		
IT Costs	65.00	65.00
Legal Fees & Expenses	9,000.00	9,000.00
Re-direction of Mail	211.00	211.00
	<u>(9,276.00)</u>	<u>(9,276.00)</u>
	<u>397,897.61</u>	<u>397,897.61</u>
REPRESENTED BY		
Floating Current Account		397,884.61
Input VAT		13.00
		<u>397,897.61</u>

Note:

APPENDIX D

DRAFT BALANCE SHEET AND FINANCIAL POSITION OF THE COMPANY TOGETHER WITH JOINT ADMINISTRATORS' COMMENTS

A statement of affairs has been requested from the Directors for the Company. However, despite our requests, the directors have not submitted a statement of affairs to us at the time of this report.

We have therefore provided below an extract taken from the Company's accounting records showing the draft balance sheet of the Company as the date of the Administration. We can't be certain that this information has correctly been extracted from the accounting records.

Please note that it is apparent that there are issues with the way the Company's assets, liabilities and capital and reserves have been recorded have been recorded in the accounts. The Company records are not up to date and therefore the balance sheet extract shown below is not accurate at the date of appointment. This will be investigated during the Administration.

We will continue to request that the directors provide a statement of affairs and will make this available to creditors on the creditor portal once it has been provided to us.

Sterling Shipping Agencies Limited - in Administration

Draft Balance Sheet extracted from the Company's accounting records as at 30 December 2021

	Notes	£	£
FIXED ASSETS			
Equipment	2	21,800	21,800
CURRENT ASSETS			
Trade debtors	3	5,444,398	
Cash	4	(4,796,238)	
Other debtors	3	54,056	
Undeposited funds	3	631,738	
VAT	3	21,078	1,355,031
CURRENT LIABILITIES			
Creditors	5	1,113,557	1,113,557
CURRENT ASSETS LESS CURRENT LIABILITIES			241,474
TOTAL ASSETS LESS CURRENT LIABILITIES			263,273
TOTAL ASSETS LESS TOTAL LIABILITIES			263,273
CAPITAL AND RESERVES			
Share capital		100	
Profit in the period		233,733	
Retained earnings		29,440	
	6		263,273

Notes	
1	<p>It is apparent that there are issues with the way the Company's assets, liabilities and capital and reserves have been recorded.</p> <p>The Company records are not up to date and therefore the balance sheet is not accurate at the date of appointment. This will be investigated during the Administration.</p>
2	<p>The net book value of equipment is £21.8k. Based on the age of these assets, the realisable value of these assets is expected to be significantly less than the net book value and highly likely to be uneconomical to recover.</p>
3	<p>The Company's balance sheet shows debtors with a net book value of £6.15m. This balance can be broken down as follows;</p> <ul style="list-style-type: none"> - Trade debtors - £5.44m - Other debtors - £54k - Undeposited funds - £632k - VAT - £21k <p>The trade debtors balance does not correspond to the with the outstanding balance recorded in the Company's agency book (£746k).</p> <p>We are unaware of any 'undeposited funds' but this will be investigated during the course of the Administration.</p>
4	<p>The cash balance is shown in the accounting records as being negative. There are no debts due to the bank and the balance that we have recovered from the Company's bank accounts (as detailed in this Report) was c.£261k.</p> <p>This suggests that the payments and receipts in the bank accounts have not been allocated to creditors and debtors.</p>
5	<p>The Company's balance sheet shows current liabilities of £1.1m.</p>
6	<p>The Company's balance sheet shows net assets of £263k. As commented on in Note 1, the Company records do not appear to have been brought up to date as at the date of our appointment and the balance sheet of the Company at the date of appointment is not accurate.</p>

Sterling Shipping Agencies Limited - in Administration
Joint Administrators' Estimated Financial Position of the Company as at 30 December 2021

	Notes	Net book value	Estimated to realise
ASSETS			
Tangible fixed assets	3	21,800	-
Cash	4	(4,796,238)	Uncertain
Debtors	5	6,151,269	Uncertain
Estimated total assets before costs		<u>1,376,831</u>	<u>Uncertain</u>
Known creditor claims to date	6		989,475
Estimated short fall to the Company			<u>Uncertain</u>

Notes	
1	<p>A statement of affairs has been requested from the Directors for the Company. However, despite our requests, the directors have not submitted a statement of affairs to us at the time of this report.</p> <p>We have therefore produced, from the Company's records, a financial statement of the Company as at the date of the Administration together with a schedule showing details of creditors' claims. This is attached below.</p>
2	<p>It is apparent that there are issues with the way the Company's assets, liabilities and capital and reserves have been recorded.</p> <p>The Company records are therefore not up to date and the Company records are not providing an accurate financial position of the Company the date of appointment. This will be investigated during the Administration.</p>
3	<p>The net book value of equipment is £21.8k. Based on the age of these assets, no realisations are expected.</p>
4	<p>Whilst the cash balance per the accounting records is negative, we have recovered an amount of c.£401k of funds that were held in the Company's bank accounts. The outcome is currently considered to be uncertain as we consider, in conjunction with our lawyers and legal counsel, how these funds should be treated and whether they form an asset of the Administration estate.</p>
5	<p>The Company's accounting system shows debtors with a net book value of £6.15m. As detailed above, this balance does not correspond to the outstanding balance recorded in the Company's agency book (£746k) which is considered to represent a more accurate balance. As detailed in this Report, the expected realisation of these debtor balances is considered to be uncertain as these debts largely correspond to amounts owed to port owners that have the right to demand payment directly from the ship owner thus potentially rendering the Company's debt as being uncollectable.</p>
6	<p>We have received claims totalling £989k from unsecured creditors to date.</p>

Sterling Shipping Agencies Limited - In Administration

Creditors' schedule as per the Company's records

BDO LLP
Sterling Shipping Agencies Limited
Company Registered Number: 11228478
B - Company Creditors

Key	Name	Address	£
C801	Boluda Towage Limited	UNIT 40 DUNES WAY WELLINGTON, EMPLOYMENT PARK LIVERPOOL, L5 9RJ	6,520.00
CC01	Co-Active Ltd	The Old Parlour, Hollins Farm, Twemlow Lane, Crewe, CW4 8GE	1,089.66
CD01	DHL International Ltd	Horton Road, COLINBROOK, BERKSHIRE, SL3 0BB	305.15
CE01	EGERTON HOUSE	2 TOWER ROAD, BIRKENHEAD, WIRRAL, CH41 1FN	4,563.89
CG01	GAC SERVICES UK LIMITED	UNIT A INCHYRA BUSINESS PARK, BONESS ROAD, GRANGEMOUTH, FK3 9XF	7,757.00
CH00	HMRC (EIS)	Enforcement and Insolvency Services (EIS) Worthing, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	60,000.00
CI01	INET	1 IVY STREET BIRKENHEAD, CH41 5EE	465.64
CL01	LV SHIPPING LTD	LY HOUSE, WALTON AVENUE, FELIXSTOWE, IP11 3AL	125.00
CM01	MANCHESTER PORT HEALTH AUTHORITY	DUTTON HOUSE 46 CHURCH STREET, RUNCORN, WA7 1LL	630.00
CP01	PLANE SAILING	31 CHURCH MEWS, ROCK FERRY, CH42 1RT	580.00
CRPU	RUNCORN BOATING SERVICES	QUAY OFFICE, RUNCORN DOCKS, RUNCORN, WA7 4UY	5,885.00
CS03	SOUTHWOOD BOATMEN	56 MARFORDS AVE, BROMBOROUGH, CH63 0JP	9,322.00
CS04	STANLOW TERMINALS	GATE 1 OIL SITES ROAD STANLOW MANUFACTURING COMPLEX, ELLESMERE PORT, CH65 4BD	45,000.00
CS05	SVITZER MARINE	NO 12 PRINCES PARADE PRINCES DOCK, LIVERPOOL, L3 1BG	3,140.00
CT04	THE LAURIES	THE LAURIES, 142 CLAUGHTON ROAD, BIRKENHEAD, CH41 6EY	836.81
CT05	THE MERSEY DOCKS AND HARBOUR COMPANY	LT MARITIME CENTRE, PORT OF LIVERPOOL, LIVERPOOL, L21 1LA	270,551.69
CT06	THE MANCHESTER SHIP CANAL COMPANY	MARITIME CENTRE, PORT OF LIVERPOOL, LIVERPOOL, L21 1LA	557,076.10
CT07	THE VILLAGE HOTEL	THE VILLAGE HOTEL, CENTRE PARK, WARRINGTON, WA1 1QA	856.10
CW01	WEST COAST SHIPS CHANDLERS	COMMERCE HOUSE BUSINESS PARK, CAMPBLETOWN ROAD, BIRKENHEAD, CH41 9HP	664.84
19 Entries Totalling			975,368.88

APPENDIX E

PRE-ADMINISTRATION COSTS

The pre-Administration costs incurred with a view to the Company entering Administration are detailed below.

	Incurred £	Paid £	Paid by	Unpaid costs £
Expenses incurred by the Joint Administrators				
1. Legal fees	2,647.50	£0.00	N/A	2,647.50
Total	2,647.50	£0.00	N/A	2,647.50

The Joint Administrators incurred a small amount of time costs prior to appointment but we do not propose to seek approval for these costs.

Prior to our appointment, Penningtons was engaged to assist the Company and the proposed Joint Administrators in correctly placing the Company into Administration. Penningtons incurred fees totalling £2,647.50 in relation to preparing preparing, reviewing and submitting the necessary documentation for the appointment of the Joint Administrators.

The Joint Administrators are not aware of any other person qualified to act as an insolvency practitioner having acted in relation to the Company.

APPENDIX F

PROOF OF DEBT FORM

PROOF OF DEBT FORM

Sterling Shipping Agencies Limited - In Administration ('the Company')

Company registration number: 11228478

Date the Company entered Administration: 30 December 2021

Name of Creditor

(If a company please also give company registration number and where registered)

Address of Creditor

including email address for correspondence

Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the Company entered Administration. £

Note: Any trade or other discounts (except discount for immediate or early settlement) which would have been available to the Company but for the insolvency proceedings should be deducted from the above claim where relevant. Where any payment is made in relation to the claim or set-off applied after date of Administration, this should be deducted.

If amount in 3 above includes outstanding uncapitalised interest please state amount. £

Particulars of how and when debt incurred

(If you need more space append a continuation sheet to this form).

Particulars of any security held, the value of the security, and the date it was given.

Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.

Details of attached documents by reference to which the debt can be substantiated.

Signature of creditor

or person authorised to act on his behalf

Name (BLOCK CAPITALS)

Dated

Position with or in relation to creditor

Address of person signing

(if different from 2 above)

Please complete and return this form to Nadine Naylor, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTLondonandSouthEast@bdo.co.uk.

APPENDIX G

NOTICE OF A DEEMED CONSENT PROCEDURE - RULE 15.7

Sterling Shipping Agencies Limited - In Administration ('the Company')

In the High Court of Justice, Business and Property Courts of England and Wales - CR-2021-002451

Company registration number: 11228478

NOTICE IS GIVEN that I am proposing that the following decision ('the Proposed Decision') be approved by creditors of the Company ('the Creditors') by deemed consent:

1. That the Joint Administrators' Proposals (as set out below) be approved.
 - It is proposed that the Joint Administrators continue to manage the affairs and property of the Company in order to achieve Objective (b) of the statutory purpose of the Administration, being to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, without first being in Administration.
 - The Joint Administrators will continue to investigate the management and affairs of the Company in the lead up to its insolvency, they will continue to reconcile the debtor ledger and collect debts where possible. In conjunction with Penningtons, the Joint Administrators will continue to assess the nature of the cash at bank funds held and correspond with the ship owners accordingly and, if deemed necessary, will apply to court for determination of how these funds should be administered. In addition, they shall do all such other things and generally exercise all their powers as Joint Administrators as they in their discretion consider desirable in order to achieve Objective (b) of the statutory purpose of the Administration.

Decision Date: 14 March 2022

To object to the Proposed Decision you must deliver your objection together with a proof of debt form (unless previously submitted) to me at the contact details below no later than the Decision Date. Your objection will be disregarded if your objection and proof of debt form are not received by me by the Decision Date.

The Creditors will be treated as having approved the Proposed Decision unless I receive objections from 10% or more in value of the Creditors who are entitled to vote in a decision procedure by the Decision Date.

I am responsible for aggregating any objections to determine if the above threshold is met so that the Proposed Decision is not approved.

If the above threshold is met, the deemed consent procedure will terminate without the Proposed Decision being approved. If I seek to approve the Proposed Decision again, approval will be sought by a decision procedure.

You may also request that a physical meeting be held to consider the Proposed Decision. If, by no later than five business days of delivery of this notice, either (i) 10% or more in value of Creditors, (ii) 10% or more in number of Creditors or (iii) 10 or more Creditors who are entitled to vote in a decision procedure request a physical meeting in writing and provide a proof of debt form (unless previously submitted), the deemed consent procedure will terminate and a physical meeting convened.

If your debt is treated as a small debt (less than £1,000), or you have opted out of receiving notices, you must still provide a proof of debt form (unless previously submitted) if objecting to the Proposed Decision or requesting a physical meeting.

You may apply to the Court to appeal any decision (including the aggregation of objections) within 21 days of the Decision Date in accordance with Rule 15.35 of the Insolvency (England and Wales) Rules 2016.



Neville Side
Joint Administrator and Convener

Date: 24 February 2022

Contact: Nadine Naylor
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: 0151 237 4655
Email: BRCMTLondonandSouthEast@bdo.co.uk
Reference: 00409849

APPENDIX H

NOTICE OF A DECISION BY CORRESPONDENCE PROCEDURE - RULE 15.8

Sterling Shipping Agencies Limited - In Administration ('the Company')
In the High Court of Justice, Business and Property Courts of England and Wales Insolvency and Companies List (ChD) - CR-2021-002451
Company registration number: 11228478

NOTICE IS GIVEN that I am proposing that the following decision ('the Proposed Decision') be considered by creditors of the Company ('the Creditors') by a decision by correspondence procedure:

1. That a creditors' committee be established if sufficient creditors are willing to be members.
2. That the Joint Administrators' remuneration be approved in line with the fees estimate totalling £128,278 dated 20 February 2022.
3. That the Joint Administrators be authorised to draw category 2 disbursements based on the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors, as an expense of the Administration.
4. That the Joint Administrators be authorised to pay the pre-appointment legal costs incurred as set out in Appendix E.

Decision Date: 14 March 2022

To vote on the Proposed Decision please complete and return the attached voting form together with a proof of debt form (unless previously submitted) to me at the contact details below. If your voting form and completed proof of debt form are not received by me by the Decision Date your vote will not be counted.

You may also request that a physical meeting be held to consider the Proposed Decision. If, by no later than five business days of delivery of this notice, either (i) 10% or more in value of Creditors, (ii) 10% or more in number of Creditors or (iii) 10 or more Creditors who are entitled to vote in this decision procedure request a physical meeting in writing and provide a proof of debt form (unless previously submitted), the decision by correspondence procedure will terminate and a physical meeting convened.

I must also receive any nominations for members to the creditors' committee together with a proof of debt form (unless previously submitted) by the Decision Date. Your nomination for membership to the committee will only be accepted if I am satisfied you are eligible to be a member in accordance with Rule 17.4 of the Insolvency (England and Wales) Rules 2016.

If your debt is treated as a small debt (less than £1,000), or you have opted out of receiving notices, you must still provide a proof of debt form (unless previously submitted) if voting on the Proposed Decision, requesting a physical meeting or nominating a member for the committee.

You may apply to the Court to appeal any decision within 21 days of the Decision Date in accordance with Rule 15.35 of the Insolvency (England and Wales) Rules 2016.



Neville Side
Joint Administrator and Convener

Date: 24 February 2022

Contact: Nadine Naylor
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: 0151 237 4655
Email: BRCMTLondonandSouthEast@bdo.co.uk
Reference: 00409849

APPENDIX I

VOTING FORM

VOTING FORM

Sterling Shipping Agencies Limited - In Administration ('the Company')
 In the High Court of Justice, Business and Property Courts of England and Wales Insolvency and
 Companies List (ChD) - CR-2021-002451
 Company registration number: 11228478
 Decision Date: 14 March 2022

Name of Creditor

Address

Email

PROPOSED DECISIONS - I WISH TO VOTE AS INDICATED BELOW:

***Delete as applicable**

That a creditors' committee be established if sufficient creditors are willing to be members.

For / Against*

***Delete as applicable**

That the Joint Administrators' remuneration be approved in line with the fees estimate totalling £120,621 dated 20 February 2022.

For / Against*

That the Joint Administrators be authorised to draw category 2 disbursements based on the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors, as an expense of the Administration.

For / Against*

That the Joint Administrators be authorised to pay the pre-appointment legal costs incurred as set out in Appendix E

For / Against*

COMPLETE THIS SECTION ONLY IF YOU ARE SEEKING A CREDITORS' COMMITTEE BE ESTABLISHED AND CONSENT TO BE A MEMBER OF THE COMMITTEE.

***Delete as applicable**

I consent to being a member of the creditors' committee.

Yes / No*

I wish to nominate _____ ** (insert name) to act as my representative.

***A body corporate may be a member of a committee, but it cannot act otherwise by a representative*

Signature

Name (BLOCK CAPITALS)

Authority**Dated**

Please complete and return this form together with a proof of debt form (unless previously submitted) to Nadine Naylor, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTLondonandSouthEast@bdo.co.uk to be received no later than the Decision Date.

Notes:

A committee member may not be represented by:

- Another member of the committee
- A person who is at the same time representing another committee member
- A body corporate
- An undischarged bankrupt
- A person whose estate has been sequestrated and who has not been discharged
- A person to whom a moratorium period under a debt relief order applies
- A person who is subject to a company directors' disqualification order or a company directors' disqualification undertaking
- A person who is subject to a bankruptcy restrictions order (including an interim order), a bankruptcy restrictions undertaking, a debt relief restrictions order (including an interim order) or a debt relief restrictions undertaking.

Please also note that the Joint Administrators cannot act as a committee member's representative.

A creditors' committee must have at least three members and no more than five members.

APPENDIX J

FEES AND EXPENSES ESTIMATE AS AT 20 FEBRUARY 2022

1	Joint Administrators' remuneration	Total hours	Average rate £	Estimated time costs £	Incurred to date £
	Steps on appointment	56.15	363	20,372	20,372
	Planning and strategy	16.10	534	8,599	5,461
	Statutory reporting and decisions	29.10	264	7,677	2,725
	General administration	85.25	295	25,185	9,570
	Assets	66.15	434	28,729	19,086
	Trading	1.25	100	125	125
	Investigations	5.50	446	2,453	512
	Employees and pensions	11.80	403	4,751	2,672
	Creditors	41.90	409	17,143	6,796
	Committee	-	-	-	-
	Post appointment taxation	-	-	-	-
	Closure	15.70	356	5,586	-
	TOTAL	328.90	367	120,621	67,320

2	Joint Administrators' expenses	Estimated £	Incurred to date £
2.1	Category 1 expenses		
	Bonding	200	100
	Advertising	95	-
	Printing and postage	100	-
	Couriers	30	-
	IT costs	65	65
	ICO registration	40	-
	Post re-direction	211	211

Category 2 expenses

2.1	Mileage	-	-
3 Professional fees and expenses			
3.1	Agents' fees - employee claims	500	250
3.2	Legal fees and expenses	62,559	9,000

1 Joint Administrators' remuneration

The above fees (remuneration) estimate is based on the information currently available. Assuming that there are no major unanticipated factors, we would expect that the Joint Administrators' remuneration may be lower than the estimate. Where applicable, all remuneration and expenses will be subject to VAT at the prevailing rate.

The current charge out rates per hour of staff within the firm who may be involved in working on the Administration are as follows:

London

Grade	£
Partner	627-836
Director	351-702
Senior Manager	292-585
Manager	160-427
Senior Executive	128-298
Executive	78-157

The primary work expected to be undertaken is detailed below.

Steps on appointment

- Case set up
- Initial statutory notifications and advertisements
- Initial correspondence with directors with requests for information and statement of affairs
- Information gathering
- Liaising with the Company's former professional advisors and bankers
- Taking steps to identify, gather in and protect assets
- Initial meetings/discussions with directors
- Instructing solicitors to review validity of appointment

Planning and strategy

- Case reviews
- Internal meetings and discussions
- Preparation and review of strategy documents including estimated outcome statements

Statutory reporting and decisions

- Preparation of the Joint Administrators' proposals
- Obtaining approval of the Joint Administrators' proposals
- Preparation of the fees and expenses estimate
- Obtaining remuneration and category 2 expenses approval
- Preparation of the periodic progress reports

The fees estimate has been prepared on the basis that a creditors' committee is not established. If a creditors' committee is established there will be additional reporting and it may be necessary to seek further fee approval.

In estimating costs in respect of reporting we have formed a view of the duration of the case and estimated how many reports will be required. These activities do not contribute to the financial outcome for creditors, they are statutory duties imposed by the relevant legislation. However, they do contribute to the creditors' understanding of the work being undertaken on their behalf.

General administration

- Setting up and ongoing maintenance and reconciliation of the Administration bank account and other cashiering functions
- Dealing with queries from creditors

Assets

- Identifying debtors and collecting in debts
- Correspondence with the port owners regarding the contract and the debts owing to them
- Correspondence with our legal advisors and counsel regarding the nature of the contract between the port owners, the Company and the ship owners and considering the impact of that advice on the recoverability of the debts
- Correspondence with and attending to enquiries from the ship owners regarding the debts owing to the underlying service providers, reviewing and confirming payments received from ship owners and clarifying payment made/not made to the underlying service providers
- Corresponding with the port owners regarding sums due to them and their intention to collect in debts directly from the ship owners

Investigations

- Review work pursuant to the Statement of Insolvency Practice 2 including review of the Company's bank statements, books and records and the creditors' and directors' questionnaires
- Submission on the actions of the directors to the disqualification unit of the Department for Business, Energy and Industrial Strategy

Employees and pensions

- Corresponding with employees
-

- Liaising with ERA Solutions Limited regarding ERA matters and collation of information
- Notification to the Pensions Regulator
- Liaising with scheme managers and the Pensions Protection Fund

Where employees submit claims to the Industrial Tribunal, especially where it is necessary to arrange representation at the Tribunal and engage a solicitor, this will increase costs.

To estimate costs in respect of administering employee matters we generally consider the known number of employees. In this case we understand employees total 4.

Creditors

- Lodging proof of debt forms
- Identifying whether additional supporting evidence is required
- Dealing with creditor enquiries
- Considering the impact of the contract between the port owners, the Company and the ship owners on the creditor claims position
- Corresponding with the port owner regarding sums due to them and their intention to collect in debts directly from the ship owners, responding to their enquiries regarding response received from ship owners and reviewing schedule of debts collected in
- Claim adjudication
- Calculation, declaration and payment of a preferential dividend
- Calculation, declaration and payment of an unsecured dividend

Based on current information, it is uncertain if preferential and secondary preferential creditors will be paid out in full or whether the unsecured creditors will receive a dividend.

To estimate costs in respect of administering creditor claims we consider the volume of known creditors and the nature of the Company's business. We understand from available records that there are at least 50 creditors.

No provision has been made to deal with any applications to Court brought by creditors in respect of their claims. If we are required to deal with these, it may be necessary to seek further fee approval.

Post appointment taxation

- Preparation of VAT returns
- Preparation of corporation tax returns
- Obtaining tax clearances

Closure

- Closure planning including approval for the Joint Administrators' discharge from liability
- Preparation of the final progress report
- Statutory notifications
- Closure administration

This estimate does not include any provision for the Company moving into Liquidation.

2 Joint Administrators' expenses

2.1 Category 1 expenses

These are expenses relating directly to the case incurred by an independent third party. In addition to professional fees and expenses such expenses may include items such as bonding, advertising, insurance, external printing costs, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents and storage of the Company's records.

Creditor approval is not required to pay these expenses which will be charged to the case at cost.

2.2 Category 2 expenses - mileage

This is the cost of travel in connection with this Administration by staff using their own vehicles or company cars based on the mileage scale approved by HM Revenue & Customs being 45p per mile and which is the amount BDO LLP pays to staff.

Creditor approval is required to pay category 2 expenses.

3 Professional fees and expenses

The Joint Administrators may engage specialists to assist in ensuring that the best value is obtained for the estate assets and also to protect the legal interests of the estate including where necessary taking action to recover sums due to the Company. Creditor approval is not required to pay these fees and expenses.

3.1 Agents' fees - employee claims

For cost effectiveness, employment claims work is sub-contracted to ERA Solutions Limited who are experienced specialists in this area.

The following work will be undertaken:

- Liaising with the Company personnel to obtain employee information
- Providing employees with the relevant forms, guidance notes and booklet
- Liaising with employees regarding any queries they may have relating to their employment
- Liaising with the Insolvency Service regarding employee claims and providing all the statutory information necessary
- Providing dividend calculations
- Dealing with queries from HMRC

It is estimated that the fee will be £500.

3.2 Legal fees and expenses

Penningtons have been instructed to assist the Joint Administrators. Penningtons were the chosen advisor due to their expertise in both insolvency matters and in matters relating to the shipping sector.

The following work will be undertaken:

- Liaising with shipowners
 - Liaising with the court
 - Liaising with and supporting the work of Counsel
 - Providing general advice and support to the Joint Administrators
 - Attending court hearings
-

The Joint Administrators have made a £9,000 payment on account to date in respect of preliminary advice provided by counsel. Currently, no invoice

Counsel have been instructed on the case.

The following work will be undertaken:

- Drafting application notice, draft order, evidence in support and legal submission in support of application
- Preparation and attendance at directions hearing, including work on skeleton argument.
- Preparation for and attendance final hearing (assuming 1 day time estimate), including work on skeleton argument

It is estimated that the total combined fee will be £62,559.

BDO LLP

24 February 2022

APPENDIX K

Time costs of £67,320 have been incurred to 20 February 2022 and a breakdown is detailed below.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs £	Av. Rate £
Steps on appointment	-	6.95	25.50	11.65	11.00	1.05	56.15	20,372	363
Planning and strategy	-	3.75	5.95	0.40	-	-	10.10	5,461	541
Statutory reporting and decisions	-	-	1.85	6.10	1.35	-	9.30	2,725	293
General administration	-	0.85	5.40	14.35	14.65	5.00	40.25	9,570	238
Assets	-	13.00	14.55	11.85	-	3.25	42.65	19,086	448
Trading	-	-	-	-	-	1.25	1.25	125	100
Investigations	-	-	1.00	-	-	-	1.00	512	512
Employees and pensions	-	0.65	3.90	0.75	-	2.00	7.30	2,672	366
Creditors	-	4.60	6.55	0.90	2.85	-	14.90	6,796	456
TOTAL	-	29.80	64.70	46.00	29.85	12.55	182.90	67,320	368

The current charge out rates are detailed in Appendix J.

Steps on appointment

- Case set up
- Initial statutory notifications and advertisements
- Initial correspondence with directors with requests for information and statement of affairs
- Information gathering
- Liaising with the Company's former professional advisors and bankers
- Taking steps to identify, gather in and protect assets
- Initial meetings/discussions with directors
- Instructing solicitors to review validity of appointment

Planning and strategy

- Internal meetings and discussions
- Preparation and review of strategy documents including estimated outcome statements

Statutory reporting and decisions

- Preparation of the Joint Administrators' proposals
- Preparation of the fees and expenses estimate

General administration

- Setting up and ongoing maintenance and reconciliation of the Administration bank account and other cashiering functions
- Dealing with queries from creditors

Assets

- Identifying debtors and collecting in debts
- Correspondence with the port owners regarding the contract and the debts owing to them
- Correspondence with our legal advisors and counsel regarding the nature of the contract between the port owners, the Company and the ship owners and considering the impact of that advice on the recoverability of the debts
- Correspondence with and attending to enquiries from the ship owners regarding the debts owing to the underlying service providers, reviewing and confirming payments received from ship owners and clarifying payment made/not made to the underlying service providers
- Corresponding with the port owners regarding sums due to them and their intention to collect in debts directly from the ship owners

Employees and pensions

- Corresponding with employees
- Liaising with ERA Solutions Limited regarding ERA matters and collation of information
- Notification to the Pensions Regulator
- Liaising with scheme managers and the Pensions Protection Fund

Creditors

- Lodging proof of debt forms
 - Identifying whether additional supporting evidence is required
 - Dealing with creditor enquiries
 - Considering the impact of the contract between the port owners, the Company and the ship owners on the creditor claims position
 - Corresponding with the port owner regarding sums due to them and their intention to collect in debts directly from the ship owners, responding to their enquiries regarding response received from ship owners and reviewing schedule of debts collected in
-

