

IN THE NORWICH COUNTY COURT NO. of 2018

IN THE MATTER OF THE INSOLVENCY ACT 1986 (AS AMENDED)

## THE NORFOLK BUILDING CO (UK) LIMITED

COMPANY NUMBER: 09115672

FORMER COMPANY NAMES(S):

TRADING NAME:

### NOTICE OF DECISION PROCEDURE BY VIRTUAL MEETING OF CREDITORS

This Notice is given under Rule 2.25 and 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by Jonathan Mark Taylor of T H Financial Recovery, Suite 101 & 102, Empire Way Business Park, Liverpool Road, Burnley, BB12 6HH, who was appointed by the above named company to act as Nominee in relation to the company's proposal for a Voluntary Arrangement under Section 3 of the Insolvency Act 1986.

It is proposed that the following decisions be made:

1. The approval of the proposed voluntary arrangement

The virtual meeting will be held via the Join.Me conferencing platform and will be held as follows:

Time: **10:00 am**

Date: **24 July 2018**

To access the virtual meeting go to: **<https://join.me/770-728-981>**

**Please also contact the Nominee or his staff at least one business day before when further details will be provided.** The virtual meeting may be suspended or adjourned by the chair of the meeting (and must be adjourned if it is so resolved at the meeting).

Also provided is a proxy form to enable creditors to appoint a proxy-holder to attend on their behalf (note: any creditor who is not an individual must appoint a proxy-holder, if they wish to attend or be represented at the meeting).

All proxy forms, together with a proof of debt if one has not already been submitted, must be completed and returned by one of the methods set out below:

By post to: T H Financial Recovery, 101 Empire Way Business Park, Liverpool Road, Burnley BB12 6HH  
By fax to: 01772 452376  
By email to: [info@thfr.co.uk](mailto:info@thfr.co.uk)

Please note that, if you are sending forms by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the times set out below. An email is treated as delivered at 9am on the next business day after it was sent.

**All proofs and proxy forms must be delivered to the convener or chair before they may be used at the meeting.** Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote.

A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time set out above.

In a decision relating to a proposed CVA every creditor, secured or unsecured, who has notice of the decision procedure is entitled to vote in respect of that creditor's debt.

A secured creditor will only be able to vote in respect of their unsecured claim. A creditor may vote for the amount of their claim at the date the company went into liquidation or the date the company entered into administration (less any payments made to the creditors after that date in respect of the claim) or the decision date.

A decision approving a proposal or a modification is made when three-quarters or more (in value) of those voting approve it. The decision is not made if more than half of the total value of the unconnected creditors vote against it.

Creditors who meet one or more of the statutory thresholds listed below may within 5 business days of delivery of the notice request a physical meeting to be held to consider the matters detailed above.

Statutory thresholds to request a meeting:	10% in value of the creditors
	10% in number of the creditors
	10 creditors

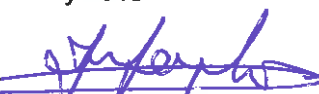
If the Threshold is met, the decision procedure will terminate without a virtual meeting being held and a physical meeting shall be convened.

Creditors who have taken all steps necessary to attend the virtual meeting under the arrangements made by the convener, but has not enabled them to attend the whole or part of the meeting, may complain under Rule 15.38 of the Rules. A complaint must be made as soon as reasonably practicable and in any event no later than 4pm on the business day following the day on which the person was, or appeared to be, excluded; or where an indication is sought under Rule 15.37, the day on which the complainant received the indication.

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 28 days beginning with the day on which the first of the reports required by section 4(6) or paragraph 30(3) of Schedule A1 was filed with the court.

Modifications may be proposed and submitted with the proxy form for the virtual meeting. The Nominee will then advise the board of directors of the modifications and the board of directors will need to agree to any proposed modifications, if they are to be incorporated into the proposal for the purposes of approval. It may be necessary to adjourn the virtual meeting to consider or amend the modifications proposed.

Dated: 5 July 2018

Signed:   
Jonathan Mark Taylor  
Nominee

**Note:**

**The attention of creditors is particularly drawn to the effect of Rule 15.34 regarding requisite majorities, a copy of which is attached to this Notice.**

Jonathan Mark Taylor  
T H Financial Recovery  
Nominee  
Dated: 5 July 2018

## **Statement of rights under Section 325 Companies Act 2006**

A member of a company is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the company.

A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him.

A proxy need not be a member of the Company.

### **Notes**

A proxy form is enclosed for the use of creditors. Completion and return of a proxy form will not preclude a creditor entitled to attend from attending and voting at the Meeting. All voting shall be on a poll.

Creditors' references, where they are known, are shown on the pages attached to the statement of affairs, as appropriate. A copy of the statement of affairs is enclosed with this notice.

A claim form is enclosed (see above) which should be completed and returned to the Nominee at the address shown above. The form will be held pending the appointment of Supervisor(s).

**COMPANY VOLUNTARY ARRANGEMENT**  
**STATEMENT PURSUANT TO RULE 15.34 OF**  
**THE INSOLVENCY (ENGLAND AND WALES) RULES 2016**

The following are extracts from the Insolvency (England and Wales) Rules 2016:

**Requisite majorities**

**15.34.**

- (1) A decision is made by creditors when a majority (in value) of those voting have voted in favour of the proposed decision, except where this rule provides otherwise.
- (2) In the case of an administration, a decision is not made if those voting against it—
  - (a) include more than half in value of the creditors to whom notice of the decision procedure was delivered; and
  - (b) are not, to the best of the convener or chair's belief, persons connected with the company.
- (3) Each of the following decisions in a proposed CVA is made when three-quarters or more (in value) of those responding vote in favour of it—
  - (a) a decision approving a proposal or a modification;
  - (b) a decision extending or further extending a moratorium; or
  - (c) a decision bringing a moratorium to an end before the end of the period of any extension.
- (4) In a proposed CVA a decision is not made if more than half of the total value of the unconnected creditors vote against it.
- (5) For the purposes of paragraph (4)—
  - (a) a creditor is unconnected unless the convener or chair decides that the creditor is connected with the company;
  - (b) in deciding whether a creditor is connected reliance may be placed on the information provided by the company's statement of affairs or otherwise in accordance with these Rules; and
  - (c) the total value of the unconnected creditors is the total value of those unconnected creditors whose claims have been admitted for voting.
- (6) In a case relating to a proposed IVA—
  - (a) a decision approving a proposal or a modification is made when three-quarters or more (in value) of those responding vote in favour of it;
  - (b) a decision is not made if more than half of the total value of creditors who are not associates of the debtor vote against it.
- (7) For the purposes of paragraph (6)—
  - (a) a creditor is not an associate of the debtor unless the convener or chair decides that the creditor is an associate of the debtor;
  - (b) in deciding whether a creditor is an associate of the debtor, reliance may be placed on the information provided by the debtor's statement of affairs or otherwise in accordance with these Rules; and
  - (c) the total value of the creditors who are not associates of the debtor is the total value of the creditors who are not associates of the debtor whose claims have been admitted for voting.

**STATEMENT OF VOTING RIGHTS IN ACCORDANCE WITH**  
**RULE 2.36 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016**

**Requisite majorities of members**

**2.36.**

- (1) A resolution is passed by members by correspondence or at a meeting of the company when a majority (in value) of those voting have voted in favour of it.
- (2) This is subject to any express provision to the contrary in the articles.
- (3) A resolution is not passed by correspondence unless at least one member has voted in favour of it.

## OPTING OUT OF RECEIVING DOCUMENTS

### The consequences of opting-out

As previously advised, most future documents will not be sent to creditors by post. Nevertheless, the Nominee is required to inform creditors of their rights to opt out of receiving documents.

Creditors have the right to elect to opt out of receiving further documents about the Company Voluntary Arrangement unless:

- (i) the Insolvency Act 1986 requires a document to be delivered to all creditors without expressly excluding opted-out creditors;
- (ii) it is a notice relating to a change in the office-holder or the office-holder's contact details; or
- (iii) it is a notice of a dividend or proposed dividend or a notice which the court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs.

Opting-out will not affect the creditor's entitlement to receive dividends should any be paid to creditors.

Unless the Insolvency (England & Wales) Rules 2016 provide to the contrary, opting-out will not affect any right the creditor may have to vote in a decision procedure or a participate in a deemed consent procedure in the proceedings although the creditor will not receive notice of it.

A creditor who opts out will be treated as having opted out in respect of any consecutive insolvency proceedings of a different kind in respect of the same company.

### How to opt out

A creditor may at any time elect to be an opted-out creditor.

The creditor's election to opt out must be by a notice in writing authenticated and dated by the creditor.

The creditor must deliver the notice to the Nominee (details below).

### How to opt back in

The creditor may at any time revoke the election to opt out by a further notice in writing, authenticated and dated by the creditor and delivered to the Nominee or Supervisor (details below).

### Contact details

The Nominee's contact details are as follows:

<b>Names of Nominee:</b>	Jonathan Mark Taylor
<b>Address of Nominee:</b>	Suite 101 & 102, Empire Way Business Park, Liverpool Road, Burnley, BB12 6HH
<b>Email Address</b>	vmcbrien@thfr.co.uk
<b>Telephone Number</b>	01282 332222

IN THE NORWICH COUNTY COURT

NO:

of 2018

THE INSOLVENCY ACT 1986

**THE NORFOLK BUILDING CO (UK) LIMITED**

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**PROPOSAL FOR A  
COMPANY  
VOLUNTARY ARRANGEMENT**

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**PRIVATE & CONFIDENTIAL**

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# **THE NORFOLK BUILDING CO (UK) LIMITED ("THE COMPANY")**

## **THE INSOLVENCY ACT 1986**

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### **DIRECTOR'S PROPOSAL TO CREDITORS AND MEMBERS OF THE COMPANY FOR A VOLUNTARY ARRANGEMENT IN SATISFACTION OF ITS DEBTS ("THE PROPOSAL")**

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#### **1 INTRODUCTION**

- 1.1 I, Mr Sam Liam Noel O'Callaghan, the sole Director of the company, make the following Proposal to the company and its creditors for a Company Voluntary Arrangement (CVA) in satisfaction of its debts and all other claims of whatsoever nature.
- 1.2 A CVA is a formal procedure under the Insolvency Act 1986 which enables a company to agree with its creditors, under the supervision of a Licensed Insolvency Practitioner, how their debts should be paid and in what proportions.
- 1.3 This Proposal provides for a composition with the company's creditors in full and final satisfaction of the company's debts.
- 1.4 The Licensed Insolvency Practitioner acting in relation to this Proposal is: -
  - 1.4.1 Nominee - Jonathan Mark Taylor
  - 1.4.2 Proposed Supervisor – Jonathan Mark Taylor

The Nominee and Proposed Supervisor is a Director of T H Financial Recovery.
- 1.5 If this Proposal is not approved by creditors, as drafted or in a substantively similar form, the company will be insolvent on the basis that it will be unable to pay its debts as they fall due. A winding up petition was issued against the company on 6 June 2018 by HM Revenue & Customs and this petition has been listed for hearing at court on 25 July 2018.
- 1.6 I make this Proposal because I am of the opinion that a CVA is the most expedient method by which secured and preferential creditors, if any arise, will be paid in full, and unsecured creditors will receive full repayment of the debts owed.

- 1.7 If the company went into liquidation, the company will cease trading, the 9 employees will become un-employed, the secured creditors will take possession of the assets that are subject to their security and the clients will terminate the contracts on which the company is presently working. In this situation, I believe that creditors will not receive any return on their debts and the company's debts will increase due to claims for shortfalls, penalties and compensation against the company from secured creditors and contract customers.
- 1.8 For this reason, I believe that creditors may reasonably be expected to concur with the Proposal.
- 1.9 References in this Proposal to "the Act" and "the Rules" are to the Insolvency Act 1986 and the Insolvency Rules 2016.

## **2 SUMMARY OF PROPOSAL**

- 2.1 The company will make contributions to the Supervisor over 3 years totalling at least £252,000, as follows: -

2.1.1 Months 1 to 36 - £7,000 per month

Additional funds will be paid into the CVA when the final properties are sold on the Ingoldisthorpe housing development, after the secured creditor has been fully repaid, which may mean that creditors will be fully repaid 100 pence in the £ in less than 3 years. It is not possible to accurately predict when all houses will be built and sold because it is intended to build the houses in batches depending on how sales progress and it is not always easy to predict how quickly somebody will buy houses, especially at the end of a development.

- 2.2 The Supervisor will receive and hold the monthly contributions and the company's share of profits from the Ingoldisthorpe development, agree creditors' claims and pay dividend(s) to creditors out of the funds coming into his possession.
- 2.3 All other assets of the company are excluded from the CVA, except the money owed to the company by West Norfolk Restoration Limited and any money that may be owed to the company by the director, which will be paid into the CVA.
- 2.4 This Proposal is in full and final settlement of all claims by creditors against the company.
- 2.5 The CVA will last approximately 3 years, or so long as is required to pay creditors a dividend of 100 pence in the £, plus any additional time as required by the Supervisor to complete his statutory duties.
- 2.6 Preferential claims, if any arise, will be paid in full.
- 2.7 The estimated dividend to unsecured creditors will be 100 pence in the £ after the costs and expenses of the CVA. The estimated dividend to unsecured creditors if the company was wound up is nil pence in the £.

### **3 BENEFITS TO CREDITORS**

- 3.1 I have considered other forms of insolvency procedure, but I am proposing a CVA because: -
  - 3.1.1 I believe there is a viable underlying business which can provide future profits for the benefit of creditors,
  - 3.1.2 The continuation of the business will permit regular contributions to be made to the Supervisor out of operational cash flow. If the business ceases to trade, creditors will not have the opportunity to benefit from future profits,
  - 3.1.3 The values of the business assets would be reduced significantly in the event that the company ceased trading.
- 3.2 Accordingly, the Proposal aims to preserve the business of the Company.
- 3.3 The Proposal provides for a full repayment of existing unsecured creditors' claims.
- 3.4 The survival of the company as a going concern will continue to provide future business for its suppliers and the sub-contractors used by the company.
- 3.5 VAT bad debt relief is available to creditors in the same way as it would be in liquidation.
- 3.6 The rights of secured creditors will not be affected by the CVA.
- 3.7 Finance creditors and creditors under any leases and rental agreements will benefit from receiving continued payments under the finance agreements, leases and rental agreements.
- 3.8 The company employs 9 people, including myself, and the survival of the company as a going concern will give employees continuity of employment. There will be no preferential claims from employees for unpaid wages and holiday pay and they will not become unsecured creditors of the company in respect of pay in lieu of notice and their accrued redundancy entitlements, as they would if the company ceased trading.
- 3.9 The prospects of a more advantageous realisation of the company's assets on a winding up are remote, as it is likely that the assets would have to be realised in a piecemeal fashion.
- 3.10 The costs of other forms of insolvency proceedings are relatively high when compared to the typical costs of a CVA.

- 3.11 Unsecured creditors will be likely to receive no payment in respect of the company's debt to them in the event of the company being wound up.

#### **4 BACKGROUND INFORMATION**

- 4.1 Statutory Information concerning the company is summarised at Appendix 2.
- 4.2 The Norfolk Building Co (UK) Limited "the Company" was incorporated on 3 July 2014 by Sam O'Callaghan, who was appointed as the sole Director at that time. The company commenced trading in July 2014 with the purpose of providing new-build services.
- 4.3 Previous to this, the director had no experience in either running a company or of new-build.
- 4.4 The director became acquainted with a Mr Charles Coker, whom is a private investor, and he was impressed with the director's proposed projects. He agreed to loan money to the company to basically finance the projects, via his company Sedgeford Financial Services Limited "Sedgeford".
- 4.5 The first project ran in to difficulty due to the land being contaminated by plastics, which the director totally underestimated, and this put huge delays on starting the project and cleaning up the site. When the job was completed in 2016, it still made profit but approximately £80,000 less than anticipated.
- 4.6 The second project was a very large contract to build 17 new houses in Snettisham and, unbelievably, the ground was also contaminated; this time by asbestos.
- 4.7 This again caused huge delays and extra costs, and the project was 12 months behind schedule and has only just been completed. There are still 10 houses left to be sold and the project will still be profitable but will provide approximately £300,000 less than anticipated.
- 4.8 The delays on completing these two projects severely damaged the company's cash flow and resulted in the company falling into arrears with the payments to creditors.
- 4.9 On 7 June 2018 HM Revenue & Customs issued a winding up petition against the company, which prompted the director to seek professional advice, which resulted in his decision to offer this proposal for a CVA to the company's creditors.
- 4.10 The company has two more projects being financed again by Sedgeford, namely the Tower Street & Ingoldisthorpe developments, and these will ensure the company's survival and, given sufficient time, creditors will be paid in full.
- 4.11 A summary of the company's annual financial accounts for the last 3 years is set out at Appendix 3

## **5 REASONS FOR FUTURE SUCCESS**

- 5.1 I accept that the company's present financial position is primarily due to my inexperience, but I have learned valuable lessons and these types of problems will not arise again.
- 5.2 Following my recent review of the company's business and finances, I have produced a detailed forecast, which indicates that the company can generate a reasonable trading profit in the future. The profit and loss and cash flow forecasts attached at appendix 6 show:
- 5.2.1 A projected profit after taxation of £85,630, on projected turnover of £1,200,000.
- 5.2.2 Projected payment of contributions out of cash flow of £7,000 per month. The Supervisor of the CVA will review the company's financial position on an annual basis with a view to increasing the company's contributions, if feasible.
- 5.2.3 The remuneration of the Director to be drawn at a rate of £2,500 per month.

## **6 PROPOSAL**

### **Continuation of trading**

- 6.1 The company will continue to trade in accordance with its Memorandum and Articles of Association in the business of property developers from its rented premises at The Studio, 6 Hanse House, South Quay, King's Lynn, Norfolk PE30 5GN.
- 6.2 The Director will continue to manage the business during the course of the CVA, subject to the terms set out in this Proposal.
- 6.3 The Director shall be solely responsible for ensuring that the company complies in all respects with the Companies Act 2006 (as amended) and any other relevant statutory requirements.

### **Contributions**

- 6.4 During the CVA the company will make payments out of income to the Supervisor as follows: -
- 6.4.1 Months 1 to 48 - £7,000 per month
- 6.5 The first monthly payment shall be made no later than the month in which the creditors' meeting approving the Proposal is held.

- 6.6 Subsequent payments will be made by standing order and no later than the last banking day of each month.
- 6.7 The Supervisor will review the company's financial position on an annual basis with a view to increasing the company's contributions, if feasible.
- 6.8 If the Supervisor requires the company to make increased contributions, the increase shall take place at the end of the month following notification from the Supervisor.
- 6.9 The financial effect of any increase in contributions required by the Supervisor will be to increase the total amount to be paid under the Proposal.
- 6.10 Dividends shall be paid annually, following the agreement of creditor claims, provided there are sufficient funds on hand to distribute a dividend of at least 5p in the £. Distributions are estimated as follows:

Year 1	42.73 p in £
Year 2	29.34 p in £
Year 3	27.93 p in £

Creditor(s) should note that distribution levels and timings will depend on contributions received, any subsequent variations to the arrangement and / or prohibitive modifications.

#### **Duration**

- 6.11 The company's obligations to make contributions shall be for a maximum of 3 years, or until all creditors have been fully repaid, and the CVA shall continue for this period or for such longer time as is necessary to enable the Supervisor to collect and distribute all assets included in this CVA and discharge any other obligation incumbent upon them under the terms of this Proposal, the Act and the Rules.

#### **Connected parties**

- 6.12 The company's creditors who may be deemed to be connected persons within the meaning of Section 249 of the Act, are as follows:

6.12.1 The Norfolk Plumbing Co (UK) Limited: £11,500

If the CVA is approved as drafted, or in a substantively similar form, The Norfolk Plumbing Co (UK) Limited, will waive its claim to dividends from the CVA in order to increase the level of dividends payable to the company's other creditors.

- 6.13 The director does not believe that he owes any money to the company or vice versa. If it is established that the director does owe money to the company, then this will be paid into the CVA within 6 months of the debt being

established. If the company owes money to the director, he will waive his claim to dividends from the CVA in order to increase the level of dividends payable to the company's other creditors.

## **7 STATEMENT OF AFFAIRS & OUTCOME STATEMENT**

- 7.1 All the company's assets, with estimates of their respective values, and the extent to which they are charged in favour of creditors, together with full details of the company's liabilities are disclosed in the Statement of Affairs at Appendix 4.
- 7.2 The Statement of Affairs has been produced on the basis that the company is wound-up.
- 7.3 The assets that the company owns are scheduled in the Statement of Affairs and a brief commentary is set out below: -
- 7.3.1 Housing Developments with a combined book value of £3,185,000.  
The company has 3 building projects in progress with financial support from Sedgeford Financial Services Limited "Sedgeford" who will continue to provide funding to complete the developments. Sedgeford have registered legal charges against the properties as security for money advanced, which presently amounts to £2,547,842.
- 7.3.2 Motor vehicles subject to finance agreements with a combined book value of £22,758.  
The company has acquired 3 motor vehicles with the assistance of finance agreements from Southern Finance, PCF Asset Finance Limited and JCB Finance Limited. The company proposes to continue using these motor vehicles and making the monthly payments for the finance agreements.
- 7.3.3 Office furniture & equipment with a net book value of approximately £2,000.
- 7.3.4 Motor vehicle (2009 Ford Transit Tipper) with a net book value of £1,608.
- 7.3.5 Work in progress, which has been completed but not yet at a stage to be agreed and invoiced, in the sum of approximately £105,000.
- 7.3.6 Trade debtors with a book value of £70,000.
- 7.3.7 Cash of approximately £2,500 held in the company's bank account with Barclays Bank.
- 7.4 In the event that the company is wound up, the Prescribed Part provisions of Section 176A of the Act will apply to the company. However, there are no creditors with floating charges. Companies House does show that a charge



containing fixed and floating charges was created on 22 December 2016 in favour of Amicus Finance Plc and registered on 30 December 2016. However, the debt owed to Amicus Finance Plc has been fully repaid and a Statement of Satisfaction should be filed at Companies House.

- 7.5 All company assets are excluded from the CVA unless otherwise provided in this Proposal.
- 7.6 No assets are to be contributed to the CVA by third parties.
- 7.7 The Statement of Affairs includes a schedule of all of the company's creditors, together with amounts recorded as due to each in the company's books and records. If, for example, due to timing differences, these amounts differ from creditors' records, claims will be agreed by the Supervisor following approval of the CVA and the formal submission of claims.
- 7.8 The claims of the preferential creditors, if any arise, will be met in priority to unsecured creditors' claims.
- 7.9 The only debts which retain preferential status following the implementation of the Enterprise Act 2002 are amounts due to employees in respect of accrued pay and holiday pay. On the basis that the Proposal is approved as drafted, no redundancies are planned and therefore no preferential claims should arise. If a winding up order is made against the company, the 9 employees will submit claims for unpaid wages and holiday pay in addition to claims for redundancy and wages in lieu of notice.

#### **Estimated Outcome Statement**

- 7.10 At Appendix 5 is an estimated outcome statement comparing the likely dividends payable to creditors if the CVA is implemented or alternatively, were the company to be compulsorily wound up.
- 7.11 The estimated dividend to unsecured creditors will be 100 pence in the £ after the costs and expenses of the CVA.
- 7.12 The estimated dividend to unsecured creditors if the company was wound up is 0 pence in the £.

### **8 SECURED CREDITORS**

- 8.1 Details of secured creditors are dealt with in the Statement of Affairs, which include Sedgeford Financial Services Limited that has legal charges against 3 properties owned by the company and 3 creditors that have provided finance for the company's purchase of 3 motor vehicles.
- 8.2 Any claim in the arrangement by any secured creditor, after taking into account the value or realisation of its security, shall rank as an unsecured claim



- 8.3 In preparing this Proposal, I have become aware that the company's file at Companies House shows unsatisfied charges in favour of Amicus Finance Plc and Sedgeford Financial Services Limited for a charge that was created on 28 August 2014 in respect of "land off Estuary Road, King's Lynn, Norfolk". These former debts have been repaid and steps are being taken to file Statements of Satisfaction at Companies House.

## **9 FINANCE, LEASE AND RENTAL CREDITORS**

- 9.1 The company's assets, or assets in the company's possession subject to hire purchase or chattel leasing agreements or other rental agreements, are required for the company's continued business. It is intended that the company will maintain its normal periodic payments falling due under those agreements to avoid repossession, and damage to the company's business.
- 9.2 In any case where hire purchase, leased or rented assets are no longer required, disposal will be effected on terms to be agreed with the respective creditors. Any resulting balances outstanding following such disposals will be dealt with as unsecured claims pursuant to the terms of the Proposal.

## **10 EMPLOYEE CLAIMS**

- 10.1 No employee claims are expected to rank for dividend.
- 10.2 Accrued holiday pay and wages will be paid to continuing employees in the ordinary course of business.

## **11 FULL AND FINAL SETTLEMENT**

This Proposal is in full and final settlement of all claims by creditors against the company.

- 11.1 The issue of a Completion Certificate by the Supervisor **as** provided for in this Proposal will be accepted by creditors in full and final settlement of their claim, including claims which are liquidated, unliquidated, certain, uncertain or contingent.
- 11.2 Any creditor who has commenced a legal process or other remedy, including any creditor with retention of title, lien, distraint, walking possession and/or garnishee orders shall, upon acceptance of this Proposal by the requisite majority of creditors, be deemed to have waived such a claim and will rank alongside other unsecured creditors bound by the terms of this proposal.
- 11.3 The issue of a Completion Certificate by the Supervisor shall not prevent any person so entitled from recovering or seeking to recover payment from any person (other than the company) who may have been or have become liable for payment of any debts of the company by way of guarantee, surety or otherwise

in the same manner as if this Proposal and approval had not been made and given.

- 11.4 Any unsecured creditor who was not notified of the Proposal shall be bound by the CVA in all respects, thereby ranking for dividend. In order to be considered for a dividend, any such unsecured creditor shall, within 28 days of becoming aware of the CVA and its terms, notify the Supervisor in writing of its claim.
- 11.5 If by the date of such notification payment has already taken place of any dividends to any class of unsecured creditor the unsecured creditor is not entitled to disturb the distribution of the dividend but is entitled to be paid out of any money for the time being available for the payment of any further dividend, any dividend or dividends which it has failed to receive. Upon successful completion of the CVA any payment made to such an unsecured creditor shall be deemed to be made in full and final settlement of that unsecured creditor's claims against the company.

## **12 ANTECEDENT TRANSACTIONS AND CLAIMS**

- 12.1 To the best of my knowledge there are no circumstances giving rise to actual or potential claims under the following sections of the Act, in the event of the company going into voluntary arrangement:
  - 12.1.1 Section 238 (transactions at an undervalue)
  - 12.1.2 Section 239 (preferences)
  - 12.1.3 Section 244 (extortionate credit transactions)
  - 12.1.4 Section 245 (invalidity of a floating charge)
- 12.2 In the period between this proposal being received by creditors, and their approval of it, in order to continue trading it may become necessary to pay a supplier to obtain essential goods and services to procure the continuation of the company's trade.

## **13 PREVIOUS FAILURES**

- 13.1 The director has not been involved as a director in any corporate insolvency and has also not been involved in any personal insolvency as an individual.

## **14 GUARANTEES**

- 14.1 No guarantees or security will be given by the director or any other person in connection with the CVA.

## **15 DIVIDENDS**

### **Dividend Entitlement**

- 15.1 Creditors shall not be entitled to receive any payment or dividend under the terms of the Proposal unless they are bound by it and their claim has been admitted by the Supervisor.

### **Payment of Dividends**

- 15.2 All dividends to be paid under the CVA shall be made by crossed cheque sent by first class post addressed to the relevant creditors at their respective addresses shown in the books of the company or on the proof of debt submitted. Neither the Supervisor nor the company shall be responsible for any loss in transmission. The encashment of any such cheque shall be a good discharge to the company for the monies represented thereby.

### **Dividend distributions**

- 15.3 Dividends will be paid at the earliest practicable date, where funds allow. The Supervisor is not obliged to pay a dividend to the unsecured creditors until the claims (if any) of the preferential creditors have been paid in full, and thereafter, the Supervisor using his sole discretion shall, subject to the retention of such sums he considers necessary for the expenses of the CVA and creditors' claims received but not yet agreed, declare and distribute dividends amongst the creditors in respect of their claims which have been admitted.

## **16 NOMINEE AND SUPERVISOR**

- 16.1 The Nominee to the CVA is Jonathan Mark Taylor, a member of T H Financial Recovery, of Suite 101 & 102, Empire Way Business Park, Liverpool Road, Burnley BB12 6HH.
- 16.2 The proposed Supervisor of the CVA is Jonathan Mark Taylor, a member of T H Financial Recovery, of Suite 101 & 102, Empire Way Business Park, Liverpool Road, Burnley BB12 6HH.
- 16.3 The Nominee and intended Supervisor is authorised to act as an Insolvency Practitioner in the United Kingdom by the Insolvency Practitioners Association, and the Nominee and Supervisor has confirmed to the director that he is qualified to act in relation to the company.
- 16.4 Neither the Nominee nor the Supervisor has advised the director or the company prior to discussions concerning my Proposal for a CVA. T H Financial Recovery was referred to the director by Raven & Co. I understand that Raven & Co will be paid an amount of £3,000 by T H Financial Recovery for their assistance with the preparation of the financials associated with the proposal. This will be paid from the Nominee's fee and is not an additional cost. I

understand that Raven & Co introduces a significant volume of work to the Nominee, resulting in a substantial proportion of his fee income.

- 16.5 The Nominee is to be paid £6,000 (excluding VAT) by way of remuneration. The Nominee's remuneration, and any necessary fees and expenses of Solicitors or agents employed by the Nominee, or direct expenses of the Nominee, will be paid first out of monies coming into the CVA.
- 16.6 The Nominee will be entitled to receive further remuneration of £500 plus VAT and disbursements in respect of each and any adjournment to the meetings of members and creditors to consider the Proposal, where that adjournment is to a different day to that of the original meeting(s).
- 16.7 The Supervisor will be entitled to receive remuneration for his services fixed by reference to the time properly given by him and his staff in attending to matters arising in the CVA, at T H Financial Recovery's standard charging rates, together with disbursements (including for the avoidance of doubt legal fees).
- 16.8 The Supervisor shall in any event be entitled to draw on account and from time to time, such sums as they consider appropriate in relation to his accruing costs.
- 16.9 The estimated total fee to be paid to the Supervisor, dealt with in the Estimated Outcome Statement, is £6,000. This estimate is necessarily made on the basis of certain assumptions, the principal of which are: -
  - 16.9.1 The Proposal is approved as drafted, or substantively as drafted
  - 16.9.2 No circumstances arise under which the Supervisor is obliged to issue a default certificate under the terms of the CVA
  - 16.9.3 No circumstances arise under which the Supervisor is obliged to convene meetings of creditors and members to consider a variation to the CVA
  - 16.9.4 All contributions into the CVA are received on time
- 16.10 Expenses and disbursements properly incurred in relation to the case will be re-charged to the CVA. This will include external supplies of incidental expenses specifically identifiable to the CVA (known as "Category 1 disbursements"). In addition, the Nominee and the Supervisor and his staff propose that they charge "Category 2 disbursements" incurred (which include an element of internal / shared costs) in accordance with their disbursement policy. Their disbursement policy is available to view online at [www.thfr.co.uk/stakeholderlogin](http://www.thfr.co.uk/stakeholderlogin). Hard copy is available on request.
- 16.11 Notwithstanding any other terms of this Proposal all assets of the company together with any assets held by the Supervisor under the terms of this Proposal will be subject to a trust in favour of the Supervisor until full discharge of the Nominee's and Supervisor's fees and expenses, including the expenses

of any solicitors, agents or other advisors employed by the Nominee and Supervisor.

- 16.12 A creditors' guide to voluntary arrangement fees is also available on the website of T H Financial Recovery at [www.thfr.co.uk/stakeholderlogin](http://www.thfr.co.uk/stakeholderlogin) or on request from T H Financial Recovery. Details of T H Financial Recovery's charging policy and standard charging rates for fees and disbursements are set out at Appendix 7 to this Proposal.

## **17 NO WARRANTIES OR REPRESENTATIONS**

- 17.1 The Supervisor gives no warranties and makes no representations in relation to the information contained in the Proposal and Appendices 2 to 6.

## **18 RELEASE OF SUPERVISOR**

- 18.1 On the termination of the CVA, the Supervisor is released by each creditor from all liabilities and obligations in respect of acts and omissions of his or otherwise in relation to his conduct as Supervisor. Each creditor shall and hereby does waive all claims or rights which he may have against the Supervisor in respect of such matters. Furthermore, the Supervisor incurs no personal liability in respect of any part of this proposal.

## **19 CREDITORS COMMITTEE**

- 19.1 Where it is resolved that a Creditors Committee will be established, the functions and powers of the Committee will be determined at the time of establishment.

## **20 VARIATION, MATERIAL FAILURE, IRREGULARITY OR NON-COMPLIANCE**

- 20.1 In the event of material failure, irregularity or non-compliance Paragraph 24 Standard Terms & Conditions will apply. However, the supervisor may, if he deems appropriate, utilise a decision procedure to resolve any matter under the arrangement, to seek the views of creditors, or to vary its terms. Creditors must be given at least 28 days' notice of the date on which completed proxies must be received by the supervisor for their votes to be valid. Notice shall be accompanied by a form of proxy detailing each resolution sought, together with for and against options for each resolution. At least one valid proxy must be received for a resolution to be approved (subject to below), and in the case of a resolution varying the terms of the arrangement a majority equal to or in excess of three-quarters in value of those voting by proxy is required to pass the resolution. Any other resolution is deemed passed by a simple majority in value of those voting by proxy.

20.2 Any resolution to end the arrangement early may also instruct the supervisor to petition for the company's winding up. The supervisor need only do so if there are sufficient funds available from funds not yet distributed within the arrangement, but the supervisor is not required to retain funds specifically for that purpose. If creditors vote to end the arrangement early, with or without instructions to petition, the supervisor will issue a certificate of failure of the arrangement and will then complete his/her administration, including any final distribution.

20.3 Whether material failure, irregularity or non-compliance has arisen in connection with the CVA shall be determined by the Supervisor at his sole discretion, and shall include (but not be restricted to) the following circumstances: -

20.3.1 Where contributions due become more than two months in arrears.

20.3.2 Where the company fails to increase contributions, if so requested to do by the Supervisor.

20.3.3 Where the company fails to reimburse the Supervisor for VAT incurred in the CVA, as provided for in the Proposal.

20.3.4 Failure to co-operate with the Supervisor

## **21 END OF ARRANGEMENT**

21.1 The CVA shall cease once there are no further funds or assets being held by the company or the Supervisor under the terms of the Proposal and the Supervisor has issued a Certificate of Completion.

## **22 STANDARD CONDITIONS**

22.1 All conditions set out in the copy of the T H Financial Recovery Company Voluntary Arrangement Standard Conditions (Appendix 1) shall be applicable to this Proposal. However, where there is a conflict between the Standard Conditions and this proposal, this proposal shall prevail. All references in the Standard Conditions which do not adhere to statutory requirements in the Insolvency Rules 2016, the Insolvency Rules 2016 shall prevail.

22.2 Any references in this proposal (including the standard conditions) to creditor's meetings shall mean virtual meetings pursuant to the Insolvency Rules 2016. The Supervisor will have the discretion to utilise any of the decision procedures or the deemed consent procedure (if appropriate) as prescribed in the Insolvency Rules 2016.

## **23 EC REGULATION**

- 23.1 The EC Regulation applies, and these insolvency proceedings are main proceedings as defined by Article 3 of the Regulation.

## **24 DIRECTOR' DECLARATION**

- 24.1 As the sole Director, I confirm that this document fairly sets out the company's Proposal to its creditors and members for a CVA.
- 24.2 I confirm that I have disclosed to the Nominee full and complete particulars of all assets and liabilities of the company, whether actual or contingent.
- 24.3 I acknowledge that I will commit an offence if I make any false representation to creditors in this Proposal or at any meeting of creditors for the purposes of obtaining the creditors' approval to this Proposal, such offence to be punishable by imprisonment and/or a fine.
- 24.4 I acknowledge that it has been explained to me that the Nominee has a duty to ensure a fair balance between the company's interests and the interest of its creditors and any other parties involved. The Nominee has explained to me that I have the right to take independent legal advice in relation to this Proposal.
- 24.5 I have read and understand the contents of this Proposal. I have also received such advice as I consider necessary to enable me to understand the nature and effect of the Proposal.
- 24.6 I acknowledge that although I have received professional assistance in drafting this Proposal, its contents and the accuracy thereof remains my sole responsibility.
- 24.7 I have included in this Proposal to creditors and members all the information required to be disclosed pursuant to the Act and the Rules. The information and all statements contained herein, and the accompanying Statement of Affairs, are true to the best of our knowledge and belief.

Signed



**Sam Liam Noel O'Callaghan - Director**

Date

5/7/18

# **THE NORFOLK BUILDING CO (UK) LIMITED**

## **COMPANY VOLUNTARY ARRANGEMENT**

A copy of the Company Voluntary Arrangement standard conditions can be obtained on request or viewed on our website at [www.thfr.co.uk/cva](http://www.thfr.co.uk/cva)



# THE NORFOLK BUILDING CO (UK) LIMITED

## COMPANY VOLUNTARY ARRANGEMENT

### STATUTORY AND GENERAL INFORMATION

<b>Date of Incorporation</b>	3 July 2014
<b>Company Number</b>	09115672
<b>Registered Office</b>	The Studio 6 Hanse House South Quay King's Lynn Norfolk PE30 5GN
<b>Trading Address</b>	The Studio 6 Hanse House South Quay King's Lynn Norfolk PE30 5GN
<b>Nature of Business</b>	Building, Construction & Property Development
<b>Authorised Share Capital</b>	100 Ordinary shares of £1.00 each
<b>Shares Issued</b>	100 Ordinary shares of £1.00 each
<b>Shareholders</b>	Mr Sam Liam Noel O'Callaghan: 100 shares
<b>Directors</b>	Mr Sam Liam Noel O'Callaghan: Appointed: 3 July 2014
<b>Company Secretary</b>	None
<b>Bankers</b>	Barclays Bank Plc King's Lynn Branch Leicestershire LE87 2BB
<b>Security</b>	22 December 2016: Charge created in favour of Sedgeford Financial Services Limited against 141-151 Lyn Road, Ingoldisthorpe, King's Lynn, Norfolk. (Ingoldisthorpe Development)

**STATUTORY AND GENERAL INFORMATION (Continued)**

21 August 2015: Charge created in favour of Sedgeford Financial Services Limited against Land on the south side of Beach Road, Snettisham (Snettisham Development)

8 May 2015: Charge created in favour of Sedgeford Financial Services Limited against Land at rear of 10 Tower Street, King's Lynn, Norfolk (Tower Street Development).

**Satisfied Charges Still Shown as Outstanding**

22 December 2015: Amicus Finance Plc  
28 August 2014: Sedgeford Financial Services Limited

**Guarantees**

The company's liability to PCF Asset Finance Limited has been guaranteed by Mr Sam O'Callaghan

## THE NORFOLK BUILDING CO (UK) LIMITED

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31 JULY 2017

	2017 £	2016 £	2015 £
TURNOVER	743,725	1,599,526	47,287
COST OF SALES (including increase in stocks/WIP)	-173,866	-1,268,693	176,375
<b>GROSS PROFIT</b>	<b>569,859</b>	<b>330,833</b>	<b>223,662</b>
ADMINISTRATIVE EXPENSES	-154,742	-109,644	-62,643
OPERATING PROFIT / LOSS	415,117	221,189	161,019
OTHER INCOME	3,396	3,000	0
INTEREST PAYABLE	-342,786	-170,442	-118,722
<b>NET PROFIT / (LOSS) FOR YEAR</b>	<b>75,727</b>	<b>53,747</b>	<b>42,297</b>
Tax on ordinary activities	-15,065	-10,862	-8,459
<b>RETAINED PROFIT</b>	<b>60,662</b>	<b>42,885</b>	<b>33,838</b>

# THE NORFOLK BUILDING CO (UK) LIMITED

## BALANCE SHEET AS AT 31 JULY 2017

	2017	2016	2015
	£	£	£
<b>FIXED ASSETS</b>			
Plant & machinery etc	29,257	9,811	10,165
Motor vehicles	23,631	31,507	13,055
<b>CURRENT ASSETS</b>			
Stock & work in progress	3,499,500	1,608,133	1,271,473
Trade debtors	72,521	23,406	13,906
Cash at bank & in hand	7,439	0	0
<b>TOTAL ASSETS</b>	<b>3,632,348</b>	<b>1,672,857</b>	<b>1,308,599</b>
<b>CREDITORS (due within one year)</b>			
Secured	-3,084,524	-1,399,235	-1,146,731
Other	-492,640	-236,850	-143,793
<b>NET CURRENT ASSETS / LIABILITIES</b>	<b>55,184</b>	<b>36,772</b>	<b>18,075</b>
<b>CREDITORS (due after more than one year)</b>	<b>-14,621</b>	<b>-19,175</b>	<b>-6,993</b>
Provision for liabilities (corporation tax)	-10,578	-8,264	-4,644
<b>TOTAL NET ASSETS/LIABILITIES</b>	<b>29,985</b>	<b>9,333</b>	<b>6,438</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	100	100	100
Profit / (loss) account	29,885	9,233	6,338
<b>SHAREHOLDERS FUNDS</b>	<b>29,985</b>	<b>9,333</b>	<b>6,438</b>

Rule 2.11 and 2.14

**Statement of Affairs**

Statement as to the affairs of

Name of Company

THE NORFOLK BUILDING CO (UK) LIMITED

Company Number

09115672

date

as at 3 July 2018

**Statement of truth**

I believe that the facts stated in this Statement of Affairs are true.

Signed

  
\_\_\_\_\_  
Sam Liam Noel O'Callaghan

## THE NORFOLK BUILDING CO (UK) LIMITED

## ESTIMATED STATEMENT OF AFFAIRS

## A – Summary of Assets

	Book Value	Estimated to Realise	
<b>Assets subject to fixed charge:</b>			
Tower Street Development	350,000	300,000	
Snettisham Development	1,635,000	1,500,000	
Ingoldisthorpe Development	1,200,000	650,000	
Sedgeford Financial Services Limited	(2,547,842)	(2,547,842)	
		<u>(97,842)</u>	
 Plant & Machinery (JCB Excavator)	12,000	10,000	
JCB Finance Limited	(10,507)	<u>(10,507)</u>	
		<u>(507)</u>	
 Motor Vehicle (Citroen Berlingo)	5,724	4,500	
PCF Asset Finance Limited	(5,005)	<u>(5,005)</u>	
		<u>(505)</u>	
 Motor Vehicle (Nissan Navara)	5,034	4,000	
Southern Finance	(877)	<u>(877)</u>	
		3,123	3,123
 <b>Assets:</b>			
Motor Vehicle (Ford Transit Tipper)	1,608		1,200
Work in Progress	105,000		0
Debtors	70,000		0
Cash at Bank	2,500		2,500
West Norfolk Restoration Limited	46,000		46,000
Office Furniture & Equipment	2,000		500
 <b>Estimated total assets available for preferential creditors</b>			<u><b>53,323</b></u>

Signature



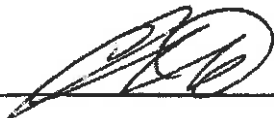
Date

5/7/18

# APPENDIX 4

## A1 – Summary of Liabilities

	Estimated to Realise	
Estimated total assets available for preferential creditors (carried from page A)		53,323
<b>Preferential creditors:</b>		
Wages & Holiday Pay	18,059	
Total Preferential Claim		<u>(18,059)</u>
Estimated total assets available for floating charge holders		35,264
<b>Debts secured by floating charges</b>		
None		<u>0</u>
Estimated deficiency/surplus of assets after floating charges		<u>35,264</u>
<b>Unsecured non-preferential claims</b>		
Contingent Creditor (Director)	1	
Associated Company	11,500	
HM Revenue & Customs	219,743	
Redundancy & Notice	14,224	
Trade Creditors	59,783	
Sedgeford Financial Services Limited (deficiency b/d)	97,842	
Finance agreements (deficiencies b/d)	1,012	(404,105)
Estimated surplus / deficiency as regards non-preferential creditors		<u>(368,841)</u>
Issued and called up capital	100	(100)
Estimated total deficiency as regards members		<u><u>(368,941)</u></u>

Signature 

Date 5/7/18

**B**  
**COMPANY CREDITORS**

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession.

Name of creditor or claimant	Address (with postcode)	Amount of debt	Details of any security held by creditor	Date security given	Value of security £
G M Piling Limited	Maple Road, King's Lynn, Norfolk PE34 3AF	£33,581.85			0
HM Revenue & Customs	Voluntary Arrangements Service, Durrington Bridge House, Barrington Road, Worthing BN12 4SE	£219,742.83			0
HSS Hire Service Group Limited	Oakland House, 76 Talbot Road, Manchester M16 0PQ	£13,918.08			0
JCB Finance Limited	The Mill, High Street, Rocester, Staffordshire ST14 5JW	£10,506.72	JCB 8018 CTS Excavator	30/09/2016	10,000
Matthew Williams Digger Hire Limited	Holgate Farm, Holgate Road, North Walsham, Norfolk NR28 9LP	£12,283.08			0
Mr Sam O'Callaghan	The Studio, 6 Harise House, South Quay, King's Lynn, Norfolk PE30 5GN	£1 00			0
PCF Assel Finance Limited	Pinners Hall, 105-108 Old Broad Street, London EC2N 1ER	£5,004.58	Citroen Berlingo HDi 75 625 Enterprise	06/03/2015	4,500

Signature \_\_\_\_\_

Date

5/7/18



B

**COMPANY CREDITORS**

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession.

Name of creditor or claimant	Address (with postcode)	Amount of debt	Details of any security held by creditor	Date security given	Value of security £
Redundancy Payments Service	PO Box 16685, Birmingham B2 2LX	£32,282.94			0
Sedgeford Financial Services Limited	Willow Barn, Snettisham Road, Sedgeford, Hunstanton, Norfolk PE36 5NX	£2,547,842.00	141-151 Lynn Road, Ingoldisthorpe, King's Lynn, Norfolk Land on south side of Beach Road, Snettisham, Norfolk Land at rear of 10 Tower Street, King's Lynn	22/12/2016 21/08/2016 08/05/2015	2,450,000
Southern Finance	R. Raphael & Sons Plc, 19-21 Shaftesbury Avenue, London W1D 7ED	£876.77	Nissan Navara Tekna DCi Pick-Up	01/10/2015	4,000
The Norfolk Plumbing Co (UK) Limited	The Studio, 6 Harse House, South Quay, King's Lynn, Norfolk PE30 5GN	£11,500.00			0
<b>Totals</b>		<b>£2,887,539.70</b>			<b>2,468,500</b>



Signature

Date

5/7/18

# THE NORFOLK BUILDING CO (UK) LIMITED

## ESTIMATED OUTCOME AND COMPARISON WITH LIQUIDATION AT 3 JULY 2018

		CVA Estimated Outcome		Liquidation Estimated Outcome	
	Notes	Book Value	Est. to Realise	Estimated to Realise	
		£	£	£	£
<b>Excluded Assets</b>					
Snettisham development	1	1,635,000		1,500,000	
Tower Street, King's Lynn development	1	350,000		300,000	
Ingoldisthorpe development	1	1,200,000		650,000	
Total Value		3,185,000		2,450,000	
Sedgeford Financial Services Limited	1	-2,547,842		-2,547,842	
Surplus/deficit carried down		637,158		-97,842	
<b>Motor vehicle (Nissan Navara)</b>					
Motor vehicle (Nissan Navara)	2	5,034		4,000	
Southern Finance		-877		-877	
Surplus		4,157			3,123
<b>Motor vehicle (Citroen Berlingo)</b>					
Motor vehicle (Citroen Berlingo)	3	5,724		4,500	
PCF Asset Finance Limited		-5,005		-5,005	
Surplus/deficit carried down		719		-505	
<b>Plant &amp; machinery (JCB Excavator)</b>					
Plant & machinery (JCB Excavator)	4	12,000		10,000	
JCB Finance Limited		-10,507		-10,507	
Surplus/deficit carried down		1,493		-507	
<b>Office furniture &amp; equipment</b>					
Office furniture & equipment	5	2,000	-	500	
<b>Motor vehicle (Ford Transit Tipper)</b>					
Motor vehicle (Ford Transit Tipper)	6	1,608	-	1,200	
<b>Work in progress</b>					
Work in progress	7	105,000	-	0	
<b>Debtors</b>					
Debtors	8	70,000	-	0	
<b>Cash at bank</b>					
Cash at bank	9	2,500	-	2,500	4,200
		181,108	-		
<b>Included Assets</b>					
Surplus profits from developments	10		?		
West Norfolk Restoration Limited	11		46,000		46,000
Voluntary Contributions (£7,000 per month x 36)	12		252,000		
<b>Estimated Total Assets Available</b>					
			298,000		53,323
<b>Costs</b>					
Nominee's fee		6,000			
Supervisor's fees		6,000			
Disbursements		1,658		-	
Secretary of State fees				6,000	
Official Receiver's fees				5,000	
Liquidator's fees				65,000	
Legal fees & disbursements				10,000	
Asset agent's fees & disbursements				25,000	
Petition costs (estimate)	13	875		1,500	
VAT (will be recovered)			-14,533	-	-112,500
Available for Unsecured Creditors			283,467		-59,177
<b>Preferential Creditors</b>					
Employee claims (wages & holiday pay)	14		-		-18,059
Assets available for non-preferential creditors			283,467		-77,236
<b>Non-Preferential Creditors</b>					
Trade & expense		59,783		59,783	
Employee claims (redundancy & notice pay)	14	-		14,224	
VAT, PAYE & corporation tax	15	219,743		219,743	
The Norfolk Plumbing Co (UK) Limited	16	-		11,500	
Director's loan account	17			0	
Deficit to secured creditors brought down			-279,526	98,854	-404,104
Surplus / -Shortfall to Unsecured Creditors			3,941		-481,340
<b>Dividend to Non Preferential Creditors</b>					
			100.00 p in £		0.00 p in £

# THE NORFOLK BUILDING CO (UK) LIMITED

## Notes to Estimated Outcome Statement

### 1. Housing Developments

The company has 3 building projects in progress with financial support from Sedgeford Financial Services Limited "Sedgeford" who will continue to provide funding to complete the developments. Sedgeford have registered legal charges against the properties as security for money advanced, which have also been registered at Companies House.

**Snettisham:** This project is the construction and sale of 17 properties. The sale of 7 properties has already been completed and the other 10 have been sold, subject to contract. If the company continues to trade, these sales will complete over the next 2-3 months and the proceeds will be paid to Sedgeford under their legal charge.

If the company went into liquidation, Sedgeford will take possession of these properties in order to exercise control over the sale of the properties and this will incur legal costs and claims for compensation and penalties will be imposed by Sedgeford. Some purchasers may seek release from their contracts because of the vendor's liquidation and concerns about guarantees on workmanship and others may request discounts for this reason.

**Tower Street, King's Lynn:** This project is the construction and sale of 3 town-houses, which have already been sold, subject to contract, with a Gross Development Value of £420,000. Work stopped approximately 6 months ago so that the company could concentrate on the completion of the Snettisham development. If the company continues to trade, this development will be completed in 8-12 weeks and sales will be completed over the following 2-3 months with the proceeds being paid to Sedgeford under their legal charge.

If the company went into liquidation, Sedgeford will take possession of these properties and instruct alternative contractors to complete the development at higher costs than those that will be charged by the company. This will also incur legal costs and claims for compensation and penalties will be imposed by Sedgeford. Purchasers may seek release from their contracts because of the vendor's liquidation.

**Ingoldisthorpe:** This project is the construction of 15 houses with a Gross Development Value estimated at £5,000,000. The purchase price of the land was £650,000, legal, planning and other fees will cost approximately £300,000 and the development costs will be approximately £2,000,000, thus generating a profit of approximately £2,000,000. Sedgeford have agreed to fund the total cost of this development in return for 50 per cent of the profits.

If the company continues to trade, it will commence work on this development in September 2018 and initially build 6 properties, including 3 low-cost social houses with a combined sale value of £330,000, as required under the planning permission, and 3 detached houses with a combined sale value of £1,300,000. Further properties will be built as and when these are sold, but if they are sold "off plan" fairly quickly, then this will provide evidence of demand and consideration will be given to acquiring more funding from Sedgeford in order to increase the initial build.

If the company went into liquidation, Sedgeford will take possession of the land, which will probably be sold fairly quickly in order to mitigate the accruing interest on their debt and, under these conditions, the land will achieve less than the open market value and could possibly realise the same amount that was originally paid by the company for the land. Legal costs will be incurred and claims for interest, compensation and penalties will be imposed by Sedgeford.

Sedgeford is presently owed the sum of £2,547,842 in respect of capital advanced and they will advance further money to complete the developments at Tower Street and Ingoldisthorpe. Sedgeford have not yet applied interest to the amount owed because they have agreed to 'roll over' the interest onto the development at Ingoldisthorpe.

## **2. Motor Vehicle (Nissan Navarra)**

The company acquired a 2012 Nissan Navarra Tekna DCi Pick-up with the assistance of a finance agreement from Southern Finance.

The 36-month finance agreement, which is dated 1 October 2015, requires monthly payments of £275.59 with an option to purchase fee (if applicable) of £50.00 payable with the final instalment on 1 October 2018.

This motor vehicle presently has a book value of £5,034 and, if the company went into liquidation, the finance agreement will be terminated, and the vehicle repossessed and sold. Under these conditions, the vehicle will realise no more than the sum of approximately £4,000. No assessment has been made of the early termination penalties that will be imposed by the finance provider.

## **3. Motor Vehicle (Citroen Berlingo)**

The company acquired a 2015 Citroen Berlingo HDi 75 625 Enterprise with the assistance of a finance agreement from PCF Asset Finance Limited.

The 60-month finance agreement, which is dated 6 March 2015, requires monthly payments of £229.98 with a title transfer fee of £175.00 payable with the final instalment on 6 March 2020. The company's liability has been guaranteed by Mr O'Callaghan.

This motor vehicle presently has a book value of £5,724 and, if the company went into liquidation, the finance agreement will be terminated, and the vehicle repossessed and sold. Under these conditions, the vehicle will realise no more than the sum of approximately £4,500. No assessment has been made of the early termination penalties that will be imposed by the finance provider.

## **4. Plant & Machinery (JCB Excavator)**

The company acquired a new JCB 8018 CTS Excavator Cab with the assistance of a finance agreement from JCB Finance Limited.

The 48-month finance agreement, which is dated 30 September 2016, requires monthly payments of £387.36 with a final payment of £435.36 on 30 September 2020.

This excavator presently has a market value of approximately £12,000 and, if the company went into liquidation, the finance agreement will be terminated, and the excavator repossessed and sold. Under these conditions, the excavator will realise no more than the sum of approximately £10,000. No assessment has been made of the early termination penalties that will be imposed by the finance provider.

**5. Office Furniture & Equipment**

The office furniture and equipment owned by the company, which comprise computers, printers, desks and chairs and have a combined book value of approximately £2,000.

If the company went into liquidation, this office furniture and equipment will be sold by agents instructed by the liquidator and, under these conditions, will realise no more than the sum of approximately £500.

**6. Motor Vehicle**

The company owns a 2009 Ford Transit Tipper motor vehicle, which has a book value of £1,608.

If the company went into liquidation, the vehicle will be sold by agents instructed by the liquidator and, under these conditions, will realise no more than the sum of approximately £1,400.

**7. Work in Progress**

At any time, the company has undertaken work at the various sites where it is working that is not yet at a stage to be agreed with the client and invoiced. The director estimates that this work in progress presently has a value of approximately £105,000.

Whilst a value for the work undertaken by the company may subsequently be determined in liquidation, this value is likely to be exceeded by counterclaims for the additional costs of completing the work, penalties and compensation.

**8. Debtors**

The Company is presently owed debts of approximately £70,000, which should be fully recoverable if the company continues to trade.

However, if the company ceased trading, these invoices, which are in respect of stage payments for ongoing contracts, are unlikely to be paid. Alternative contractors will be instructed to complete the works at significantly higher costs than those agreed by the company in view of their employment at short notice and without the opportunity to undergo a full tender process to obtain the most competitive price. There will also be penalties and claims for compensation raised against the company.

Any debtors that relate to completed works will also be reluctant to readily make the payments due to the loss of guarantees on the company's workmanship and concerns about latent defects. After taking these factors into account, an assessment has been made on the approximate amount that is likely to be recovered if the company went into liquidation.

**9. Cash at Bank**

The company's bank account with Barclays Bank presently holds the sum of approximately £2,500. The company has previously made use of a £25,000 overdraft facility, primarily pending receipt of the draw down of money from Sedgeford Financial Services Limited, but this will no longer be used. The director does not believe that he has guaranteed the company's liability to the bank.

#### **10. Surplus Profits from Developments**

It is not possible to predict whether the profits from the development at Ingoldisthorpe will be received within the 3-year duration of the CVA because this depends on how quickly houses sell, which determines how quickly more houses are built. The company will receive a 50% share of the profits, after the secured debt owed to Sedgeford has been fully repaid, and additional money will be paid into the CVA after assessing the company's funding requirements at that time.

The Supervisor of the CVA will be advised when Sedgeford have been fully repaid and will be provided with details of all subsequent receipts from the sale of properties, together with the company's assessment of how much the director believes is available for payment into the CVA. A similar assessment will be made in respect of surplus profits received from other contracts that may be undertaken by the company during the term of the CVA.

#### **11. West Norfolk Restoration Limited**

During the financial year ended 31 July 2017, the company made a loan of £46,000 to West Norfolk Restoration Limited so that a plot of land could be purchased by that company for development. Mr O'Callaghan is the sole director and the owner of 100% of the issued share capital of West Norfolk Restoration Limited. The company's accounts to 31 July 2017 confirmed that this amount will be repaid in full together with a market amount of interest and this will be paid into the CVA within 12 months of the CVA being accepted.

#### **12. Voluntary Contributions**

The director has assessed the company's forecasted income and expenses for the next 12 months and believes that the company can comfortably afford to pay £7,000 per month into the proposed CVA; in addition to the company making ongoing payments to suppliers and to HM Revenue & Customs for PAYE & CIS. These payments will continue until all creditors have been fully repaid, which is estimated at a maximum of 3 years although full payment will be quicker if profits are realised earlier from the housing development at Ingoldisthorpe (paragraph 1 above).

#### **13. Petition Costs**

A winding up petition has been issued against the company by HM Revenue & Customs and the costs in connection with the issue of the petition will be paid as an expense of the CVA before any dividends are paid to creditors. The winding up petition states that these costs amount to £875.

#### **14. HM Revenue & Customs**

HM Revenue & Customs issued a winding up petition against the company on 7 June 2018 for the sum of £196,269.67 in respect of unpaid PAYE and CIS up to 5 March 2018 and unpaid corporation tax for the financial years ended 31 July 2015 and 31 July 2016.

**VAT** - The company's quarterly VAT returns have been filed up to date and always show a refund because the company primarily deals with new build properties, which are zero-rated for VAT purposes. Some property conversions are undertaken, which have a reduced VAT rate of 5%, but this output VAT is always exceeded by the input VAT on purchases.

**PAYE & CIS** – The liability for PAYE & CIS for the 3 months to 5 June 2018 amounts to £23,895.16. The liability for the month ended 5 July 2018 will be paid by the company before the due date.

**Corporation Tax** – The winding up petition shows unpaid corporation tax of £750 for the year ended 31 July 2015 (£3,815.40 less payments/credits of £3,065.40) and £7,242.20 for the year ended 31 July 2016.

The accounts for the year ended 31 July 2017 show a pre-tax profit of £75,727 and a provision for corporation tax of £10,578.

#### **15. Employee Claims**

If the company went into liquidation, the employment of the company's 9 employees, including the director, will be terminated, and they will submit claims for unpaid wages, holiday pay, redundancy and wages in lieu of notice.

The Government's redundancy service will pay the employees, up to certain limits, and then submit preferential claims in the liquidation for unpaid wages and holiday pay and non-preferential claims for redundancy and wages in lieu of notice.

#### **16. The Norfolk Plumbing Co (UK) Limited**

The sum of £11,500 is owed to The Norfolk Plumbing Co (UK) Limited, which has the same director and shareholder as The Norfolk Building Co (UK) Limited and is therefore a connected person pursuant to section 249 of the Insolvency Act 1986.

If creditors accept the CVA, The Norfolk Plumbing Co (UK) Limited will waive its claims to dividends from the CVA in order to increase the level of dividends payable to the company's other creditors.

#### **17. Director's Loan Account**

The director does not believe that he owes any money to the company or vice versa.

The balance, if any, on the Director's Loan Account will be confirmed when the accounts for the year ended 31 July 2018 have been finalised.

If it is established that the director owes money to the company, then this will be paid into the CVA within 6 months from the date established, but if the company owes money to the director, he will waive his claim to dividends from the CVA in order to increase the level of dividends payable to the company's other creditors.







## Cash Flow Projections

**THE NORFOLK BUILDING CO (UK) LIMITED**

[illegible]

**TH FINANCIAL RECOVERY****CHARGE OUT RATES AND DISBURSEMENT POLICY**Effective from 1<sup>st</sup> April 2018**CHARGE OUT RATES**

<b>Category</b>	<b>£ per hour</b>
Partner / Director	275
Manager	200
Senior Administrator	150
Junior Administrator	90

NB: Time is recorded in six minute units.

**CATEGORY 2 DISBURSEMENTS POLICY**

<b>Disbursement</b>	<b>£</b>
Mileage expenses incurred specifically relating to the case (up to 10,000 miles – 0.25 per mile thereafter)	0.45 per mile
Money laundering search (per case)	12
Company search (per case)	10
Document storage (per box for the life of the case)	50
Use of Board Room (meeting / virtual meeting)	60

IN THE MATTER OF THE INSOLVENCY ACT 1986 (AS AMENDED)

AND IN THE MATTER OF  
THE NORFOLK BUILDING CO (UK) LIMITED

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NOMINEE'S REPORT

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I, Jonathan Mark Taylor of T H Financial Recovery

**HEREBY REPORT** to the Court as follows:

- 1        I am the Nominee under the Proposal of the Director of the company in respect of a voluntary arrangement with the company's creditors under Part I of the Insolvency Act 1986 in respect of its debts. I am duly qualified to act as an Insolvency Practitioner and Nominee in respect of the proposed voluntary arrangement of the above company.
- 2        As required by Section 2 of the Insolvency Act 1986 the Director has delivered to me a Proposal for a Voluntary Arrangement, together with a Statement of Affairs, copies of which are attached.
- 3        I have considered the Director's Proposal and Statement of Affairs and I have had the opportunity of discussing these with the Director.
- 4        My report and comments on the Director's proposal are set out below.
- 5        I confirm that, as is my standard practice, I have advised the Director that it is an offence to make a false representation for the purpose of obtaining the approval of the company's creditors and members to a proposal for a voluntary arrangement.

- 6 The Director has co-operated fully with me as Nominee at all times and supplied to me all of the information that I have requested.
- 7 The main centre of business of the company is The Studio, 6 Hanse House, South Quay, King's Lynn, Norfolk PE30 5GN and I consider that the EC Regulations on Insolvency Proceedings will apply and that these proceedings will be the main proceedings as defined in Article 3 of the EC Regulation.
- 8 My investigations into the company's circumstances comprised a review of the information provided to me by the Director, namely business accounts, supplier statements/invoices, creditor correspondence, bank statements for a consecutive 3-month period, finance agreements, VAT returns, PAYE/CIS returns and documentation, information and explanations provided by the company's Account Manager.
- 9 The Director proposes that the company continues to trade and, whilst I have not seen a formal business plan to justify this decision, I have seen a profit & loss projection, which shows that the company will be able to generate sufficient profits to make payments into the proposed CVA. I have not substantiated the figures included in the profit & loss forecast but I have no reason to doubt their accuracy. The company's bank statements for the 3-month period ended 8 June 2018 show average monthly receipts into the bank account of £123,359, which indicates that the income of £100,000 per month on the cash flow forecast is a conservative and realistic amount. This income includes the regular draw-down of money from Sedgeford Financial Services Limited "Sedgeford" to finance the completion of the housing developments, which the director advises includes a contribution to the administrative overheads of the business.
- 10 The director advises that the main reason for the company's present financial difficulties is that 2 building projects were significantly delayed due to contaminated land and this has caused cash flow problems from which the company has not yet recovered.

- 11 The director contends that these projects still made profits and I note that the accounts to 31 July 2017 show that the company made a pre-tax profit of £75,727. I have no trading figures for the subsequent period to date but the company's statement of affairs, which is provided at Appendix 4 to the director's proposal, does seem to indicate an increase in the net asset value since the previous accounts.
- 12 During my discussions with the director, he has always accepted that it was his inexperience as a property developer that resulted in the company's problems with the two developments but he believes that he has learned valuable lessons and that this type of problem will not affect the company again. The director has stated verbally and in writing his determination that the company will fully repay 100 pence in the £ to creditors via the CVA.
- 13 The asset valuations in the Statement of Affairs are based on the Director's estimates.
- 14 The director has provided a schedule of the current work in progress being undertaken by the company and this shows 4 contracts with total contract values of £1,873,000, the value of work completed to date, the amount invoiced, completion dates and estimated profits. The estimated profits amount to £670,000, which will be realised over the contract periods, and represent gross profits that will firstly be used to finance the company's overheads and then the proposed monthly payments into the CVA. The latest invoiced amounts are shown separately on the company's statement of affairs, which the proposal states will not be paid if the company went into liquidation and could not complete the contracts.
- 15 The proposal advises that the sum of £46,000 is owed to the company by West Norfolk Restoration Limited "West Norfolk" and that this will be paid into the CVA, plus interest, within 12 months of the CVA being accepted. Mr O'Callaghan is the sole director and shareholder of West Norfolk and he advises that the money was loaned to West Norfolk to purchase a plot of land for development on a joint venture with another party. This was not undertaken via the company in order separate the accounting and administration involved with this particular project and more easily apportion costs with the third party. The company's accounts to 31 July 2017 disclose

that £46,000 was loaned to West Norfolk and that this amount plus a market amount of interest will be repaid to the company. A search at Companies House shows that West Norfolk was incorporated on 1 July 2015 and filed dormant company accounts to 31 July 2016. Accounts for the year ended 31 July 2017 show current assets of £121,050 and creditors falling due within one year of £120,950, which presumably includes the loan of £46,000 from the company.

- 16 I have been given copies of the 3 finance agreements mentioned in the director's proposal and also an email from Sedgeford dated 2 July 2018 in which they confirm the amount presently owed to them at that date, which is £340,907 in respect of Tower Street, £1,434,670 for Snettisham and £772,265 for Ingoldisthorpe.
- 17 The voluntary arrangement cannot alter the rights of any secured creditor without their consent.
- 18 HM Revenue and Customs are the majority creditor, being owed more than 78% of the total debt included in the CVA, however their attitude towards the proposal is presently unknown. The debt owed to HM Revenue & Customs includes PAYE & CIS to 5 June 2018 and the director advises that the PAYE to 5 July 2018 will be paid by the company by the due date; as will all future PAYE & CIS. The debt also includes corporation tax for the financial year ended 31 July 2017 and an estimate of the VAT refundable since the last return was submitted.
- 19 H M Revenue & Customs issued a winding up petition against the company on 7 June 2018 and the hearing is currently listed for 25 July 2018. If it is necessary, I will respectfully ask HM Revenue & Customs if they will seek an adjournment of the hearing of the petition in order to provide all of the company's creditors with the opportunity of considering the director's proposal for a Company Voluntary Arrangement as an alternative to the liquidation of the company.
- 20 The liabilities of the company are shown at the amounts ascribed to them by the Director. There are no practical steps I can take to confirm independently that the Director has disclosed all of the company's liabilities, however the schedule of

creditors is complete and accurate based on the documentation that the Director has provided to me.

- 21 I am not aware of any guarantee or contractual claims, liabilities under property leases (actual or contingent), contingent liabilities, debts for an unliquidated amount. The director has provided the original letter they received from the landlord, which does not suggest that there are any contractual obligations.
- 22 The director advises that the company does not, and has not previously, operated a pension scheme other than the Government's workplace pension scheme.
- 23 The director advises that the company owes a debt of £11,500 to The Norfolk Plumbing Co Limited and that he is the sole director and shareholder of this company. He advises that this company will waive its claim to dividends from the CVA.
- 24 I am not aware of any creditors with special rights e.g. insured claims.
- 25 I am not aware of any claims, including transactions at an under-value, preferences, extortionate credit transactions or voidable charges, which may be challenged or considered void by an Administrator or a Liquidator.
- 26 The information and explanations provided to me by the Director have not been audited. Except where stated, I have necessarily relied on the information and explanations given to me by the Director.
- 27 The Proposal and the Statement of Affairs are a fair and reasonable reflection of the facts given to me by the Director during our discussions, and of the documents provided to me, and to this extent reliance can be placed upon them.
- 28 I have prepared an Estimated Outcome Statement derived from the Director's Statement of Affairs which is attached to this report. The Estimated Outcome Statement compares the likely consequences of approval by creditors of the Proposal,

as drafted, as compared to that which is likely in the event of the liquidation of the company.

- 29 The Estimated Outcome Statement is prepared after taking into account the expected costs of the proceedings. Specifically, and as provided for at Paragraph 16.5 of the Proposal, £6,000 is proposed to be paid to me for acting as Nominee. This amount will be increased by £500 in the event that it is necessary for any meeting of creditors convened to consider the Proposal to be adjourned.
- 30 This firm was referred to the director by Raven & Co. Raven & Co will be paid an amount of £3,000 by T H Financial Recovery for their assistance with the preparation of the financials associated with the proposal. Note this will be paid from the Nominee's fee (discussed above) and is **not** an additional cost. We take this opportunity to advise you that Raven & Co introduces a significant volume of our work, resulting in a substantial proportion of our fee income.
- 31 The Proposal also provides, at Paragraph 16.7, for the Supervisor to be remunerated on the basis of time costs. The Estimated Outcome Statement includes an estimate of the Supervisor's remuneration of £6,000, plus disbursements and VAT. This estimate is based on the following assumptions:-
- That the company pays all contributions due to the Supervisor on a timely basis
  - That financial and other management information will be provided to the Supervisor in accordance with the terms of the Proposal, time being of the essence.
  - The assets / contributions will be realised within 36 months and without any contentious matters arising
  - Creditors' claims are received on a timely basis and are not subject to any significant dispute



- It is not necessary for the Supervisor to convene a further meeting of creditors with a view to obtaining approval for modifications to the Proposal
- 32 The Estimated Outcome Statement indicates that if the Director' Proposal is approved as drafted, non-preferential creditors may reasonably expect a dividend of 100 pence in the pound.
- 33 If creditors reject the Proposal, it is likely that the company will suffer alternative insolvency proceedings. In the event of liquidation, the Estimated Outcome Statement shows that there will be no dividend for non-preferential creditors. However, it should be noted that realisations stated in the outcome statement are estimated and consequently any realisations in excess of those estimates would potentially increase the dividend to unsecured creditors in liquidation.
- 34 The reasons that net asset realisations may be expected to be lower in liquidation are that the company would cease to trade and the secured creditors will take possession of the assets that are the subject of their security. The proceeds from the realisation of these assets will be used to offset the debts owed to the secured creditors and there are unlikely to be any surplus funds. The debt owed to Sedgeford represents the amount of capital advanced to the company. Interest, which has not yet been calculated, will be 'rolled over' onto the Ingoldisthorpe development. If the company went into liquidation, the company will not undertake this development and Sedgeford will calculate and apply the interest, which means that a surplus from the realisation of the assets covered by their security is even less likely. The debts owed to the company represent stage payments on contracts that are in process and these will not be paid if the company went into liquidation because the client will have to instruct alternative contractors to complete the work and this will incur extra costs and the clients will also claim penalties and compensation for delays and breach of contract.
- 35 There will be no distribution to shareholders in either event, although if the voluntary arrangement is implemented fully the shareholders will benefit from post-arrangement profits generated by the future continuation of the company.

- 36 I have advised the Director of his obligation to make full disclosure in the Proposal of any connected party transactions in the 12 month period prior to my appointment as Nominee, and this information is set out in the Proposal. I have also advised the Director that his loan account is a connected party transaction and must as such be dealt with in the Proposal on a full disclosure basis. The director does not believe that he has ever had a loan account and I have seen no evidence of a loan account in the paperwork I have examined nor in the company's annual financial accounts. However, the director has agreed to include a paragraph in the proposal stating that if it is established that if he does owe money to the company, this will be paid into the CVA and if the company owes money to him, he will waive his claim to dividends from the CVA.
- 37 The company has not previously been subject to any insolvency proceedings, and, insofar as I am aware, the Director has not previously been an officer of any other company, or a partner in any partnership, limited or otherwise, which has suffered insolvency proceedings. I have also confirmed this by making enquiries at Companies House and the register of Disqualified Directors.
- 38 In addition, insofar as I am aware, the Director has not previously been adjudged bankrupt or made an application for an interim order in the last 12 months. I have also confirmed this by making a search at the Individual Insolvency Register maintained by The Insolvency Service.
- 39 Mr O'Callaghan is a sole director and 100% shareholder of The Railway Sidings Yard (Snettisham) Management Company Limited, which he advises is trading but has not traded with company. He is also a co-director and shareholder of Riverside King's Lynn Limited, which again is trading but has not traded with the company. Mr O'Callaghan is also a director of two dormant companies, namely Vandal Man Limited and West Norfolk Alterations Limited.
- 40 I consider that the Director' Proposal complies in all material respects with the Insolvency Act 1986 and Insolvency Rules 2016, and that the proposal has a real prospect of being implemented in the way it is to be presented it will be.

- 41 I am not aware of any already-manifest yet unavoidable prospective unfairness.
- 42 For the reasons set out above, I conclude that this is a serious and viable proposal, in that it is feasible, it is fair to creditors, it is fair to the shareholders, it is an acceptable alternative to liquidation, and it is fit to be considered by creditors and shareholders.
- 43 In my opinion, there is a reasonable prospect of the Proposal being approved by creditors and shareholders, and being implemented by the Director.
- 44 Meetings of creditors and members should therefore be summoned to consider the Proposal, pursuant to Section 3 of the Insolvency Act 1986.
- 45 I propose to convene the meetings for 10:00 and 10:15 on Tuesday, 24 July 2018. The creditor meeting to consider the proposal will be via virtual meeting in accordance with the Insolvency Rules 2016. The shareholders meeting to be held at Empire Way Business Park, Liverpool Road, Burnley BB12 6HH.

Dated this 5<sup>th</sup> day of July 2018



**Jonathan Mark Taylor MIPA, MABRP**

(authorised to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association)

Nominee

Proxy (Company Voluntary Arrangement)

**THE NORFOLK BUILDING CO (UK) LIMITED**

Name of Creditor/Member \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of Proxy Holder

1 \_\_\_\_\_  
2 \_\_\_\_\_  
3 \_\_\_\_\_

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend, please state the name(s) of the alternatives as well

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's/member's proxy holder at the meeting of creditors/members to be held on 24 July 2018, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

## Voting Instructions for resolutions

\*Please delete as appropriate

1. For the acceptance/rejection\* of the proposed voluntary arrangement (with the following modifications)

Any other resolutions which the proxy-holder is to propose or vote in favour of or against should be set out in numbered paragraphs in the space provided below Paragraph 1. If more room is required, please use the other side of this form

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This form must be signed

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name in CAPITAL LETTERS \_\_\_\_\_

Only to be completed if the creditor/member has not signed in person

Position with creditor/member or relationship to creditor/member or other authority for signature

\_\_\_\_\_  
\_\_\_\_\_

Are you the sole member/shareholder of the creditor? ☐ Yes / ☐ No

This proxy may be completed with the name of the person or the chair of the meeting who is to be the proxy-holder.

Remember: there may be resolutions on the other side of this form

## DEBT CLAIM FORM

## The Norfolk Building Co (UK) Limited

## PROPOSED COMPANY VOLUNTARY ARRANGEMENT

Date of Meeting of Creditors: 24 July 2018

1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> <li>For UK companies: its registered number</li> <li>For other companies: the country or territory in which it is incorporated and the number if any under which it is registered</li> <li>The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act</li> </ul>	
4.	Total amount of claim, including any Value Added Tax, as at the relevant date, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£ ) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [Note the office holder may call for any document or evidence to substantiate the claim at his discretion]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category  Amount(s) claimed as preferential £
	<b>AUTHENTICATION</b>	
	Signature of Creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Date	
	If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor	
	Are you the sole member of the Creditor?	YES / NO

# THE NORFOLK BUILDING CO (UK) LIMITED

## PROPOSED COMPANY VOLUNTARY ARRANGEMENT "CVA"

### CVA SUMMARY

#### Dividends to Unsecured Creditors

Dividend in CVA (estimated) 100 pence in the £

Dividend in Liquidation (estimated) 0 pence in the £

#### Meeting of Creditors

Date & Time of Meeting of Creditors 24 July 2018 @ 10:00

Meeting Venue Virtual Meeting (joining instructions in letter)

#### Proposal Summary

Directors' Proposal The Company should continue trading in order to generate future profits from which to make payments into the CVA

Number of Jobs Saved 9 (including director)

Payment by Company into CVA £7,000 per month for 36 months

Total Amount to Be Paid into CVA £298,000

Nominee's fee (fixed) £6,000

Supervisor's fees (estimate) £6,000 (over 3 years)

#### Unsecured Creditors

Preferential £0

Non-Preferential £279,526

#### Legal Proceedings

Winding up Petition Issued 7 June 2018 for hearing on 25 July 2018

Outcome The Company will most likely go into liquidation if the CVA proposal is not accepted.