

The Insolvency Act 1986  
**Notice of move from administration to  
dissolution**

**2.35B**

Name of Company DHD Engineering Services Limited	Company number 03792693
In the High Court of Justice, Chancery Division, Manchester District Registry	<i>For court use only</i> 1509 of 2009

(a) Insert full name(s) and address(es) of administrators

We (a) Stephen Gerard Clancy and Steven Muncaster of MCR, The Chancery, 58 Spring Gardens, Manchester, M2 1EW,

(b) Insert name and address of the registered office of company

having been appointed Joint Administrators of (b) DHD Engineering Services Limited The Chancery, 58 Spring gardens, Manchester, M2 1EW ("the company")

(c) Insert date of appointment

On (c) 21 May 2009 by (d) the directors of the company

(d) Insert name of appointor

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

We attach to this notice a copy of the final progress report

Signed Stephen Clancy  
Joint Administrator

Dated 19.11.2010

**Contact Details:**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searches of the public...

MCR  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW  
  
Tel 0161 827 9000

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

SATURDAY



**APPENDIX 4**

**FORM 2.35B – NOTICE OF MOVE FROM ADMINISTRATION TO DISSOLUTION**

## **JOINT ADMINISTRATORS' PROPOSALS**

The Joint Administrators propose the following:

- That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.
- That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.
- That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under paragraph 84 of Schedule B1 of the Insolvency Act 1986 to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease.
- That the Joint Administrators, in the event that they form the view that a distribution can be made to unsecured creditors, take the necessary steps to put the Company into Creditors' Voluntary Liquidation. It is proposed that the Joint Administrators, currently Stephen Gerard Clancy and Steven Muncaster of MCR would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986 (as amended) the creditors may nominate a different person as the proposed Liquidator(s), provided such nomination is made before these proposals are approved.
- That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing
- That the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the Administration.
- That MCR be authorised to draw fees of £6,945 plus VAT in respect of time costs incurred in assisting in placing the Company into Administration in accordance with Rule 2.67(1)(c)
- That the Joint Administrators be authorised to draw their firm's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), if any.
- That the Joint Administrators be authorised to instruct and pay MCR Receivables Management Limited to assist with the collection of book debts, where considered appropriate.

**DHD Engineering Services Limited  
(In Administration)**

**Final Progress Report of the Joint Administrators  
for the period from 21 May 2009 to 19 November 2010  
pursuant to Rule 2.110 of the  
Insolvency Rules 1986 as amended**

**19 November 2010**

**Names of Joint Administrators:** Stephen Gerard Clancy  
Steven Muncaster

**Date of Appointment:** 21 May 2009

**Date of Report:** 19 November 2010

**Appointed by:** The directors of the Company

**Court Reference:** High Court of Justice, Chancery Division,  
Manchester District Registry no 1509 of 2009

**MCR**  
**The Chancery**  
**58 Spring Gardens**  
**Manchester**  
**M2 1EW**

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## 1. INTRODUCTION

- 1.1 Stephen Gerard Clancy and Steven Muncaster of MCR were appointed Joint Administrators of DHD Engineering Services Limited ("the Company") on 21 May 2009 by the directors of the Company pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986 ("the Act")
- 1.2 The purpose of this report is to provide creditors with a final account of the progress of the Administration, in accordance with Rule 2.110 of the Insolvency Rules 1986, as amended ("the Rules").
- 1.3 This report should be read in conjunction with the earlier reports to creditors dated 13 July 2009, 17 December 2009 and 17 May 2010.
- 1.4 Please note that the previous report sent to creditors dated 17 May 2010 contained an error at point 9.3 which should have read six months and not twelve months

## 2. BACKGROUND

- 2.1 The Company was incorporated on 21 June 1999. Statutory Information on the Company and a summary of its financial position is included within Appendix 1.
- 2.2 The purpose of the Administration was to achieve one of the following hierarchical objectives:
- Rescuing the Company as a going concern, or
  - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
  - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.3 As previously reported, the Joint Administrators have been successful in achieving the third objective.

## 3. PROGRESS OF THE ADMINISTRATION TO DATE

- 3.1 The manner in which the affairs and business of the Company have been managed since the appointment of Joint Administrators are set out below.

### Sale of Business and Assets

- 3.2 As previously reported to creditors, a sale of the business and assets was achieved on 21 May 2009 for a consideration of £49,000 to DHD Total Engineering Solutions Limited. A breakdown of the sales consideration is detailed below

	£
Plant and Machinery	40,000
Business and Goodwill	4,996
Stock and Work in Progress	4,000
Customer Contracts	1
Intellectual Property	1
Marketing and Media	1
Sales Information	1
	<u>49,000</u>

3.3 The sale consideration has been received in full by the Joint Administrators

#### **Book Debts**

3.4 The Company's book debts were subject to an invoice finance agreement with Euro Sales Finance Plc ("Euro Sales"), part of The Royal Bank of Scotland Invoice Finance Limited.

3.5 MCR Receivables Management Limited ("RML"), a company associated with MCR, were engaged by Euro Sales to assist in the collection of the Company's book debts.

3.6 The Company's book debts totalled £504,382 which included invoices raised after the date of the commencement of the Administration which related to work completed prior to the Administration

3.7 As previously advised, a surplus was passed to the Joint Administrators which can be seen on the Joint Administrators' Receipts and Payments Account at Appendix 2

#### **Inter Company Debts**

3.8 At the date of appointment, the records of the Company showed inter-company debts in favour of the Company from James Engineering Limited of £120,800 and DHD Total Engineering Solutions Limited ("DHD TES") of £124,857

3.9 James Engineering Limited was placed into Administration on 1 April 2009 and no repayment of this debt will be received.

3.10 DHD TES advised that there were claims for set-off against costs which were invoiced to the Company for services provided. Evidence of these claims were provided to the Joint Administrators and an agreement was reached to repay the proven balance outstanding of £35,175. Payment was to be received over a twelve month period at the rate of £2,731.25 per month commencing October 2009.

3.11 Payments totalling £10,925 have been received.

3.12 The Joint Administrators have been advised that DHD TES was placed into Creditors Voluntary Liquidation on 2 August 2010 and the appointed Liquidator has advised that no dividend payment is likely to be received by the Company

#### **Sundry refunds**

3.13 Sundry refunds of £2,036 have been received into the Joint Administrators' estate account.

#### **Joint Administrators' Receipts and Payments Account**

3.14 The Joint Administrators' Receipts and Payments Account is shown in Appendix 2

### **4. JOINT ADMINISTRATORS' REMUNERATION**

4.1 In accordance with Rule 2.106A(5A) of the Rules, the Joint Administrators' remuneration was approved by the secured creditors Euro Sales and National Westminster Bank plc and was fixed by reference to the time properly given by them and their staff



- 4.2 The Joint Administrators' time costs for the period 21 May 2009 up to and including 19 November 2010 total £63,848. A schedule of these time costs is set out at Appendix 3.
- 4.3 The Joint Administrators have drawn £63,483 plus VAT in remuneration and have reclaimed £389 60 plus VAT in disbursements.

## **5. DIVIDEND PROSPECTS / PRESCRIBED PART**

### **Secured Creditors**

#### **Euro Sales Finance Plc ("Euro Sales")**

- 5.1 In consideration for the monies advanced under the invoice finance agreement the Company granted Euro Sales a composite all assets guarantee and debenture, dated 25 April 2000, which confers fixed and floating charges over all of the assets of the Company.
- 5.2 At the date of appointment, the Company's indebtedness to Euro Sales totalled £282,974 subject to accruing interest and charges.
- 5.3 Following the completion of the book debt collection the indebtedness to Euro Sales has been repaid in full.

#### **National Westminster Bank plc ('Nat West')**

- 5.4 In consideration for the monies advanced under an agreed overdraft facility the Company granted Nat West a composite all assets guarantee and debenture, dated 15 July 2002, which confers fixed and floating charges over all of the assets of the Company.
- 5.5 At the date of appointment, the indebtedness due to Nat West was £49,996 subject to further interest and charges.
- 5.6 The sum of £23,000 has been repaid to Nat West.
- 5.7 It had been expected that the indebtedness due to Nat West would have been repaid in full once all funds have been received in respect to the inter-company debt with DHDTEs. However, for the reasons stated above, this has not been possible.

### **Preferential Creditors**

- 5.8 The Joint Administrators are not aware of any preferential creditor claims in this matter.

### **Prescribed Part**

- 5.9 Pursuant to Section 176A of the Insolvency Act 1986 where a floating charge is created after 15 September 2003 a Prescribed Part of the Company's net property shall be made available to unsecured creditors.
- 5.10 As all charges registered against the Company pre-date the Enterprise Act 2002 there will be no Prescribed Part is not applicable in this matter.

**Non Preferential Creditors**

- 5.11 Based on the information available, it is anticipated that there will be insufficient funds available to make a distribution to the non-preferential creditors of the Company

**6. CREDITORS' MEETING**

- 6.1 As advised to creditors in the Joint Administrators Proposals dated 13 July 2009, pursuant to Paragraph 52(1) of Schedule B1 to the Act, a creditors meeting was not required to be held.
- 6.2 In accordance with Rule 2.33(5) of the Rules, the Joint Administrators Proposals were deemed to have been approved by creditors.

**7. JOINT ADMINISTRATORS' PROPOSALS**

- 7.1 The Joint Administrators' Proposals as approved by the creditors are attached to Form 2.35B at Appendix 4.

**8. END OF ADMINISTRATION**

- 8.1 A Notice to move from Administration to Dissolution – Form 2.35B ("the Notice") will now be submitted to the Registrar of Companies pursuant to Paragraph 84 of Schedule B1 to the Act.
- 8.2 Following registration of the Notice by the Registrar of Companies, the Joint Administrators' appointment will cease to have effect, and they will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act
- 8.3 At the end of three months beginning with the date of the Notice being registered by the Registrar of Companies the Company will be dissolved.

**9. OTHER MATTERS**

- 9.1 If you require further information or assistance, please do not hesitate to contact my colleague, Steve Barry.

  
**Stephen Clancy**  
Joint Administrator

**APPENDIX 1**

**STATUTORY INFORMATION**

**STATUTORY INFORMATION**

<b>Date of Incorporation</b>	21 June 1999	
<b>Registered Number</b>	03792693	
<b>Company Director</b>	Peter James Cuff David Herbert Deering	
<b>Company Secretary</b>	Peter James Cuff	
<b>Shareholders</b>	David Herbert Deering	
<b>Registered Office</b>	Current:	Formerly:
	The Chancery 58 Spring gardens Manchester M2 1EW	Abbey Road South Wrexham Industrial Estate Wrexham LL13 9RF
<b>Any Other Trading Names</b>	<b>DHD Engineering Services (Northern) Limited</b> <b>DHD Fabrications (Northern) Limited</b> <b>Underfield Limited</b>	

**APPENDIX 2**  
**JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

**DHD Engineering Services Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

	From 18/05/2010 To 19/11/2010	From 21/05/2009 To 19/11/2010
<b>SECURED CREDITORS</b>		
Chargeholder (1)	NIL	23,000 00
	<u>NIL</u>	<u>(23,000 00)</u>
<b>ASSET REALISATIONS</b>		
Plant & Machinery	NIL	40,000 00
Business & Goodwill	NIL	4,996.00
Stock	NIL	4,000.00
Debtors	3,527 28	64,428 71
Marketing & Media Information	NIL	1 00
Customer Contracts	NIL	1 00
Intellectual Property	NIL	1 00
Sales Information	NIL	1.00
Sundry Refund	NIL	962 30
Bank Interest Gross	4.62	94 00
Repayment of Inter-Company Debt	NIL	10,925 00
Rates Refund	NIL	1,073 59
	<u>3,531 90</u>	<u>126,483 60</u>
<b>COST OF REALISATIONS</b>		
Butyl Products Limited	NIL	2,479.00
Debtor Collection Fees	NIL	22,974 53
Joint Administrators' Remuneration	15,296 29	63,483 29
Joint Administrators' Disbursements	NIL	389 60
Professional Fees	NIL	570 00
Liner - Consumables	NIL	160.00
Agents/ Valuers fees	NIL	2,000.00
Legal fees	NIL	10,743.00
Storage Costs	25.55	25.55
Corporation Tax	19.74	19 74
Stationery & Postage	NIL	590 89
Bank Charges	NIL	48 00
	<u>(15,341 58)</u>	<u>(103,483 60)</u>
	<b>(11,809.68)</b>	<b>NIL</b>

**APPENDIX 3**  
**SCHEDULE OF JOINT ADMINISTRATORS' TIME COSTS**

## DHD ENGINEERING SERVICES LIMITED - DDE002

Analysis of Administrators' time costs for the period 21/05/2009 to 19/11/2010

Classification of Work Function	Hours					Total	Time	Av hourly
	Partner	Manager	Senior	Assistant	Support	Hours	Cost	Rate
							£	£
<b>Administration and Planning</b>								
Cashiering & accounting	0 70	2 30	2 50	6 70		12 20	2,731 50	223 89
Financial review			0 50			0 50	90 00	180 00
General admin		15 00	38 40	11 00		64 40	12,093 00	187 78
General correspondence	5 50	25 00	17 70	1 20		49 40	12,519 50	253 43
IPS set up & maintenance		0 30				0 30	97 50	325 00
Meetings		1 60				1 60	448 00	280 00
Proposals	3 30	1 90	11 00	0 20		16 40	3,932 50	239 79
Statement of affairs			3 20			3 20	576 00	180 00
Statutory matters (Meetings, Reports and Notices)		10 50	34 80	0 40		45 70	9,200 00	201 31
Strategy planning & control	11 40	7 50	9 00			27 90	8,385 50	300 56
<b>Investigations</b>								
CDDA, reports & Communicaton	1 60		6 90			8 50	1,874 00	220 47
<b>Realisation of Assets</b>								
Book debts	7 20	0 20	5 20	0 60		13 20	4,008 00	303 64
Fixed charge assets		0 40	4 70			5 10	956 00	187 45
Floating charge assets	9 00		1 00			10 00	3,775 00	377 50
<b>Trading</b>								
Trading - Accounting	0 80					0 80	316 00	395 00
<b>Creditors</b>								
Employee matters			1 00	0 10		1 10	189 50	172 27
Secured Creditors	0 70					0 70	276 50	395 00
Unsecured creditors		2 80	3 00	1 60		7 40	1,474 00	199 19
<b>Case Specific Matters</b>								
Closings		2 20		1 80		4 00	905 00	226 25
<b>Total Hours</b>	<b>40 20</b>	<b>69 70</b>	<b>138 90</b>	<b>23 60</b>	<b>0 00</b>	<b>272 40</b>		<b>234 39</b>
<b>Total Fees Claimed (£)</b>	<b>16,150 00</b>	<b>19,726 50</b>	<b>25,222 50</b>	<b>2,748 50</b>	<b>0 00</b>		<b>63,847 50</b>	

### Category 2 Disbursements:

There are no category 2 disbursements for this case to date