

Section 106

Form 4.72

Return of Final Meeting in a
Creditors' Voluntary Winding Up

Pursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

00730330

Name of Company

Diamond H Controls Limited

✓ We

Mark Rodney Newton, Menzies Business Recovery LLP, Lynton House, 7-12 Tavistock Square, London, WC1H 9LT

Simon James Underwood, Menzies Business Recovery LLP, Lynton House, 7-12 Tavistock Square, London, WC1H 9LT

Note: The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~/summoned for 25 August 2015 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of, and that ~~the same was done accordingly~~ / no quorum was present at the meeting,

2 give notice that a meeting of the creditors of the company was duly held on/~~summoned for~~ 25 August 2015 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that the same was done accordingly/~~no quorum was present~~ at the meeting

The meeting was held at Menzies LLP, Lynton House, 7-12 Tavistock Square, London, WC1H 9LT

The winding up covers the period from 30 October 2013 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

That the Joint Liquidators receive their release

Signed



Date

25 August 2015

Menzies
Lynton House
7-12 Tavistock Square
London
WC1H 9LT

Ref D103/MRN/MRN/EZ/KS

WEDNESDAY



A12 26/08/2015 #149
COMPANIES HOUSE

Diamond H Controls Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 30 October 2013 To 25 August 2015

S of A £		£	£
	ASSET REALISATIONS		
	Intellectual Property Rights	40,000 00	
21,796 00	Cash at Bank	25,604 05	
	Bank Interest Gross	33 84	
			65,637 89
	COST OF REALISATIONS		
	Specific Bond	160 00	
	Preparation of S of A	7,500 00	
	Liquidator's remuneration	37,062 28	
	Companies House	13 00	
	Land Registry	11 00	
	Agents/Valuers Fees (1)	10,471 25	
	Pension Advice	500 00	
	Legal Fees (1)	4,570 00	
	Legal fees (2)	1,500 00	
	Corporation Tax	5 80	
	Storage Costs	3,411 56	
	Statutory Advertising	423 00	
	Bank Charges	10 00	
			(65,637 89)
	UNSECURED CREDITORS		
(1,548,536 40)	Intercompany Loan - BI Group Plc	NIL	
(4,843,000 00)	Diamond H Controls Pension Plan	NIL	
			NIL
	DISTRIBUTIONS		
(9,184,180 00)	Ordinary Shareholders	NIL	
			NIL
(15,553,920.40)			0 00

REPRESENTED BY

NIL



Mark Rodney Newton
Joint Liquidator

DIAMOND H CONTROLS LIMITED (IN CREDITORS' VOLUNTARY LIQUIDATION)

**JOINT LIQUIDATORS' FINAL REPORT PURSUANT TO
RULE 4.49D OF THE INSOLVENCY RULES 1986**

FROM 30 OCTOBER 2013 TO 25 AUGUST 2015

DATED: 25 AUGUST 2015

SUMMARY INFORMATION

Type of insolvency procedure	Creditors' Voluntary Liquidation
Registered office	Lynton House 7-12 Tavistock Square London WC1H 9LT
Registered number	00730330
Former trading address	Barlow Road Aldermans Green industrial Estate Coventry CV2 2LD
Principal activity	Manufacture of Domestic Appliance Controls
Liquidators' names and address	Mark Rodney Newton & Simon James Underwood Menzies LLP* Lynton House 7-12 Tavistock Square London WC1H 9LT
Date of liquidation	30 October 2013
Date of Liquidator's appointment	30 October 2013
Details of any changes in office holder	None
Contact details	020 7387 5868 mnewton@menziesbr.co.uk
Dividends	Amount
For unsecured preferential creditors	N/A
For unsecured non-preferential creditors	NIL

*At the outset of this case, the Joint Liquidators' firm was Menzies Business Recovery LLP. With effect from 1 July 2015 Menzies Business Recovery LLP was acquired by Menzies LLP.

1. INTRODUCTION

- 1 1 We were appointed Joint Liquidators of Diamond H Controls Limited ("the Company") on 30 October 2013. We now present our final report to creditors pursuant to The Insolvency Rules 1986.
- 1 2 At the date of our appointment the Company had ceased trading and accordingly we took steps to realise the remaining assets. As Joint Liquidators, we were also obliged to investigate the Company's affairs.
- 1 3 A receipts and payments account for the period 30 October 2013 to date is attached at Appendix I. Details of progress during the period are set out in sections 2 to 4 below.

2. ASSET REALISATIONS

Cash at bank

- 2 1 The directors' Statement of Affairs reflects cash at bank for £21,796.00. The sum of £25,604.05 has been received in this respect.

Bank Interest

- 2 2 Gross bank interest totalling £33.84 has been received.

Intellectual Property Rights

- 2 3 The sum of £40,000 plus VAT has been received in respect of the sale of the Company's intellectual property rights. I refer creditors to my progress report dated 23 December 2014 for full details in this respect.

Other Assets

- 2 4 We are not aware of any other assets of the Company.

3. INVESTIGATIONS

- 3 1 We are obliged under the Company Directors Disqualification Act 1986 to conduct an investigation and report our findings with regards to the affairs and conduct of the Company's directors, in addition to any person acting as a shadow director, who was in office within three years prior to the Company entering into Liquidation.
- 3 2 The investigation required a thorough review of the Company's books and records delivered up, in addition to reviewing the questionnaires completed by the directors and creditors of the Company.
- 3 3 The Company's affairs have been investigated and we have complied with our obligations under Section 7(3) of the Company Directors Disqualification Act 1986.

Antecedent Transactions

- 3 4 We have undertaken an investigation and sought legal advice in respect of potential preference payments in accordance with Section 239 of the Insolvency Act 1986. Details of our investigations are provided in our progress report.
- 3 5 In conclusion, it was considered that at the time the payments were made, the Company was able to meet its liabilities as they fell due and the payments made did not render the Company insolvent. It did not appear the directors could or would have been aware that the Company would become insolvent and enter into an insolvency process. The payments were also made at a time when a licence agreement was in place with a Company in China, which was the source of the Company's income and there is no evidence of the directors being aware that the Company in China would later become insolvent and placed into liquidation. Consequently, no action was taken in this respect.

4. CREDITORS' CLAIMS

- 4 1 I will deal with these in order of priority prescribed by legislation.

Secured creditor

- 4 2 There are no secured creditors of the Company.

Unsecured preferential creditors

- 4 3 Certain creditors have preferential status under the Insolvency Act 1986. These creditors are paid in priority to non-preferential creditors. I am not aware of any preferential creditors of the company and have received no claims in this respect.

Section 176A of the Insolvency Act 1986

- 4 4 Under Section 176A of the Insolvency Act 1986, when a company has granted a floating charge to a creditor after 15 September 2003, a prescribed part of the company's net property, which would otherwise be available to the floating charge creditor, is set aside for the benefit of unsecured non-preferential creditors. In this particular case no floating charge was created and accordingly Section 176A does not apply.

Unsecured non-preferential creditors

- 4 5 The Company's shareholder, BI Group Plc, has submitted a claim for £1,548,436.
- 4 6 The Pension Protection Fund have submitted a provisional claim for £9,162,000 in respect of the pension scheme deficit.
- 4 7 HM Revenue and Customs have submitted a claim for £11,778 in respect of VAT.
- 4 8 It should be noted that the claims received have not been adjudicated or agreed for dividend purposes due to there being insufficient funds available to pay creditors.

5. DIVIDENDS

- 5 1 I refer creditors to our progress report dated 24 December 2014 whereby notice was given in accordance with Rule 11 7 of the Insolvency Rules 1986 that no dividend would be declared due to the funds realised already being used and allocated for defraying the expenses of the liquidation.

6. COSTS AND EXPENSES

Pre-appointment costs

- 6 1 At the meeting of the Board of Directors held on 9 October 2013 and at the meeting of creditors held on 30 October 2013, it was resolved that my firm be paid the sum of £7,500 plus VAT and disbursements to prepare on behalf of the board, the statement of affairs to be laid before the creditors' meeting in accordance with section 99(1) of the Act, together with a report for submission to the meeting, in addition to convene meetings of members and creditors to place the Company in liquidation. This has been paid in full as an expense of the liquidation under Rule 4 62 of the Rules

Joint Liquidators' remuneration

- 6 2 At the meeting of creditors held on 30 October 2013 it was also resolved that our remuneration be fixed by reference to the time properly given by us and our staff in attending to matters arising in the winding up
- 6 3 Given the matters surrounding the sale of the I P rights and the detailed investigations, much of the work described in the sections above was undertaken by me and an administrator. Additional assistance was provided by a cashier dealing with banking duties and support staff. All time spent on administering various duties has been charged directly to the case in 6 minute units
- 6 4 In addition to the work described in sections 2 and 3 above, the following was also undertaken
- i Preparation and circulation of a report to creditors,
 - ii Filing of forms and returns with the Registrar of Companies,
 - iii Conducting case reviews,
 - iv Preparation and submission of VAT and Corporation Tax returns for the liquidation period,
 - v Submission of forms and dealing with various matters and correspondence in respect of the Company's pension scheme,
 - vi Maintenance of bank accounts, sundry administrative matters and compliance generally with the Insolvency legislation, and
 - vii Conducting an investigation and seeking legal advice in respect of a potential preference under Section 239 of the Act

- 6 5 I attach at Appendix II a breakdown of our time costs by work category. The time costs incurred throughout the duration of the liquidation total £39,579.50 with 229.3 hours spent administering the liquidation. The remuneration charged and paid was £37,062.28 plus VAT.
- 6 6 An explanatory note "A Creditors' Guide to Liquidators' Fees" is available free of charge by contacting Menzies Business Recovery LLP, alternatively it can be found on the following link - http://www.menzies.co.uk/docs/Fee_Guide_-_liquidation_-_liquidators_fees.pdf
- 6 7 Menzies Business Recovery LLP's charge out rates are as follows

	<i>From 01 10 14 Rate per hour (£)</i>	<i>From 01 09 12 to 30 09 14 Rate per hour (£)</i>
Partner & Director	350-395	315-370
Manager	250	200
Administrator	100-150	85-125
Assistant & support	75	50-85

Liquidators' disbursements

- 6 8 In relation to disbursements, where my firm has incurred a cost that is directly referable to this matter and the payment was made to a third party, these costs have been reimbursed. The disbursements paid are shown on the receipts and payments account at Appendix I.
- 6 9 No disbursements have or will be claimed which, while directly referable to this matter, did not involve a payment to a third party. Neither will any cost be reimbursed which included an element of shared or allocated cost (e.g. photocopying).
- 6 10 Disbursements which have been incurred and paid are as follows

	<i>(£)</i>
Land Registry Search Fee	11.00
Companies House	13.00
Insolvency Bond	160.00
Statutory Advertising	423.00
Storage	<u>3,410.52</u>
	<u>4,017.52</u>

Professionals, sub-contractors and other expenses

- 6 11 Where appropriate, we have employed professionals to advise in relation to certain specialist matters. In particular, we engaged professional agents, Metis Partners, and solicitors, Lester Aldridge LLP in respect of the sale of the Company's intellectual property as detailed at section two of this report. We also engaged 2020 Trustees Limited, formerly Alexander Forbes, to provide advice in respect of the Company's pension scheme. Specialist pension solicitors, Neon Legal, were also instructed to provide advice regarding a potential preference investigated under S 239 of the Act.
- 6 12 The firms engaged to provide this professional advice were chosen on the basis of their experience and knowledge of the areas on which they were advising, taking into account the

complexity of the assignment. The fees charged have been reviewed for reasonableness, given the amount and level of work undertaken

- 6 13 The sum of £10,471 25 plus VAT has been paid to Metis Partners for their fees and disbursements incurred, which represents 25% of realisations from the sale of the intellectual property and for providing a valuation report. Metis Partners were instructed based on their expertise in the field of Intellectual Property realisations and valuations. Due to the uncertainty of any potential value of this asset, it was agreed they would charge 25% on any realisations, on a no sale no fee basis
- 6 14 Legal fees and disbursements totalling £4,570 00 plus VAT has been paid to Lester Aldridge LLP. Their fees were charged on a time cost basis agreed on a reduced fee basis
- 6 15 The sum of £1,500 00 plus VAT has been paid to solicitors Neon Legal regarding advice obtained in relation to the company's pension scheme. Their fees were charged on a time cost basis, agreed on a reduced fee basis
- 6 16 A fixed fee of £500 plus VAT has been paid to 2020 Trustees Limited for providing advice and a report in respect of the Company's pension scheme

Creditors' right to request information

- 6 17 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with Rule 4 49E of The Insolvency Rules 1986, such a request or application for leave must be made within 21 days of receipt of this report

Creditors' right to challenge remuneration and/or expenses

- 6 18 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 4 131(4) of The Insolvency Rules 1986. In accordance with Rule 4 131, such applications must be made within eight weeks of receipt of this report

7 CONCLUDING REMARKS

- 7 1 We have now concluded our work in relation to the liquidation. No further reports are due to be sent
- 7 2 Please do not hesitate to contact our office should you require any further information



Mark R Newton
Joint Liquidator

Diamond H Controls Limited
(In Creditors' Voluntary Liquidation)

Summary of Receipts & Payments
From 30 October 2013 to 25 August 2015

RECEIPTS	Statement of Affairs (£)	From 30/10/2013 To 29/10/2014 (£)	From 30/10/2014 To 25/08/2015 (£)	Total (£)
Intellectual Property Rights	0 00	40,000 00	0 00	40,000 00
Cash at Bank	21,796 00	25,604 05	0 00	25,604 05
Bank Interest Gross	0 00	29 02	4 82	33 84
	21,796.00	65,633.07	4.82	65,637.89
PAYMENTS				
Specific Bond		160 00	0 00	160 00
Preparation of S of A		7,500 00	0 00	7500 00
Liquidators' remuneration		34,000 00	3,062 28	37,062 28
Companies House		13 00	0 00	13 00
Land Registry		11 00	0 00	11 00
Agents/Valuers Fees		10,471 25	0 00	10,471 25
Pension Advice		500 00	0 00	500 00
Legal Fees		6,070 00	0 00	6,070
Corporation Tax		0 00	5 80	5 80
Storage Costs		887 64	2,523 92	3,411 56
Statutory Advertising		338 40	84 60	423 00
Bank Charges		10 00	0 00	10 00
		59,961.29	5,676.60	65,637.89
BALANCE		5,671.78	-5,671.78	0.00

Diamond H Controls (In Creditors' Voluntary Liquidation)

Analysis of Liquidators' Time Costs

Report Date: 30 October 2013 to 25 August 2015

SIP9 Category	Partner / Director	Manager	Senior	Administrator	Cashier / Support	Total Hours	Charge (£)	AvgRate (£)
Administration and planning	23 20	13 10	-	44 40	1 50	82 20	14,189 00	172 62
Creditors	0 30	-	-	26 00	-	26 30	2,882 50	109 60
Investigations	-	-	-	62 80	-	62 80	6,338 00	100 92
Realisation of assets	48 00	-	-	10 00	-	58 00	16,170 00	278 79
Special Projects	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-
Hours	71 50	13 10	-	143 20	1 50	229 30		
Charge (£)	22,810 00	1,478.00	-	15,184.00	107.50		39,579.50	