

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Dedicated Microcomputers Limited	Company number 01630882
In the High Court of Justice, Chancery Division, Manchester District Registry (full name of court)	Court case number 2353 of 2016

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

We (a)
Russell Stewart Cash
FRP Advisory LLP
7th Floor
Ship Canal House
98 King Street
Manchester
M2 4WU

David Thornhill
FRP Advisory LLP
7th Floor
Ship Canal House
98 King Street
Manchester
M2 4WU


*Delete as
applicable

attach a copy of *our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 10 June 2016

Signed


Joint Administrators

Dated

13/6/16

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 researchers of the

Russell Stewart Cash
FRP Advisory LLP
7th Floor
Ship Canal House
98 King Street
Manchester
M2 4WU

DX Number

0161 833 3344
DX Exchange

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



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COMPANIES HOUSE

TUESDAY

Dedicated Microcomputers Limited (In Administration)
The Joint Administrators' Proposals
10 June 2016

Contents and abbreviations



Section	Content	The following abbreviations may be used in this report:	
1.	Introduction and Circumstances giving rise to the appointment of the Joint Administrators	FRP	FRP Advisory LLP
2.	Conduct of the administration	The Company	Dedicated Microcomputers Limited - In Administration
3.	The Joint Administrators' remuneration, disbursements and pre-administration costs	The Joint Administrators	Russell Stewart Cash and David Thornhill of FRP Advisory LLP
4.	Estimated Outcome for creditors	CVL	Creditors Voluntary Liquidation
Appendix	Content	CVA	Company Voluntary Arrangement
A.	Statutory information about the Company and the administration	SIP	Statement of insolvency practice
B.	Joint Administrators' Receipts & Payments Account	QFCH	Qualifying floating charge holder
C.	The Joint Administrators' remuneration, disbursements and costs information	HMRC	HM Revenue & Customs
		NetVu	NetVu Holdings Ltd, previously Aghoco 1389 Ltd
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D.	Schedule of pre-administration costs		

- Projected Result Statement
- Summary of work to be undertaken
- FRP disbursement policy
- Fee estimate
- FRP charge out rates

1. Introduction and circumstances giving rise to the appointment of the Administrators



On 15 April 2016, the Company entered administration and Russell Stewart Cash and David Thornhill were appointed as Joint Administrators.

This document, together with its appendices, forms the Joint Administrators' statement of proposals to creditors in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules

Certain statutory information about the Company and the administration is provided at **Appendix A**.

Background information regarding the Company

Incorporated in 1982, the Company traded as part of the AD Group, headquartered in Daresbury, Cheshire, manufacturing, installing and servicing bespoke CCTV systems worldwide.

The Company had traded at a loss for a significant number of years as turnover fell from a peak of £84m in 2004 to £10m in 2015, with the reduction in the Company's cost base lagging behind its declining revenue.

The Company's financial position was further impacted by a significant defined benefit pension scheme deficit of approximately £1.35m which sits in a dormant subsidiary, Dennard Limited. The Company has been contributing to the deficit reduction with payments of approximately £300k per annum, in addition to the annual Pension Protection Fund levy of £70k for the previous 11 years

A further legacy of the enlarged business was substantial Group debt with Barclays Bank Plc which stood at £14m in 2006. Despite the losses made by the Company and the wider AD Group, it was able to reduce this debt to c£4m.

The above has led to significant cashflow pressures over recent years. Despite numerous attempts by the Directors to sell or restructure the wider group, it has not been possible to turn the business around

Events leading to the appointment of the Joint Administrators

FRP was introduced to the Company by Maghsoud Einollahi, a 50% shareholder of NetVu, the Group's secured creditor, on 1 March 2016. The other shareholder is Michael James Newton ("MN"), a Director and ultimate beneficial owner of the Company.

FRP were subsequently engaged by the Company on 11 March 2016 to assist the Directors in reviewing their options and obligations, including the provision of advice in relation to the appointment of Joint Administrators and potential marketing of the business and assets where appropriate.

As noted in section 4 of the proposals, NetVu subsequently purchased the debt and security instruments of the Group's previous secured creditors, Barclays Bank Plc and Mike Newton, on 18 March 2016.

In order to protect the Company from proprietary creditor action, a notice of intention to appoint Joint Administrators ("NoI") was filed on 21 March 2016. A further NoI was filed on 6 April 2016 to prepare appropriately for the proposed trading period

On 13 April 2016, the directors sold various assets of the Company to the secured creditor Aghoco 1389 Limited, now known as NetVu Holdings Limited. The assets sold and consideration received are as follows:

Asset	Consideration (£)
100% Shareholding in Dedicated Microcomputers Inc	1
100% Shareholding in Dedicated Microcomputers (Malta) Ltd	1
Business name	1
Various IP	9,998
Various IT Assets	50,000
Total	60,001

1. Introduction and circumstances giving rise to the appointment of the Administrators

These transactions will be reviewed in further detail in due course, the key transactions being the sale of the shareholding in Dedicated Microcomputers Inc ("DM Inc.") and Dedicated Microcomputers (Malta) Limited ("DM Malta"). The sales appear to have been made at fair value.

The transaction provided a solvent solution for both DM Inc and DM Malta, their creditors, whilst preserving all 97 jobs and mitigating any employee claims. Both companies are entirely dependent on the Company for sales, management, and ongoing product development and support. The viability and value of these companies was therefore viewed to be nil given the insolvency of its parent company. Furthermore, once intra-group transactions are removed and appropriate stock provisions are made, both companies have been loss making with insolvent balance sheets.

A further update on the review into these transactions will be provided to creditors in my next progress report.

Appointment of the Joint Administrators

A notice of appointment of Joint Administrators was filed by the directors of the Company on 15 April 2016 whereupon Russell Stewart Cash and David Thornhill were appointed as Joint Administrators

2. Conduct of the administration

The objective of the administration

The Joint Administrators think that objective (a) of the administration, as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, being to rescue the Company as a going concern, will not be achieved due to the financial position of the Company.

As such, it is envisaged that objective (b) will be achieved, being a better result for the Company's creditors as a whole than would be likely if the Company had been wound-up, without first being in administration.

The Joint Administrators' actions to date

Continued Trading

The Joint Administrators have continued to trade the business to maximise realisations from the Company's debtor book and provide an opportunity to attempt to sell the business as a going concern.

28 employees were made redundant shortly following the Joint Administrators' appointment on 15 April 2016, with 10 employees retained to assist with the trading

A copy of the Joint Administrators' receipts and payments account to date is attached at Appendix B; this incorporates all cash transactions to 8 June 2016

As noted in the receipts and payments account, funds were made available from the secured creditor, NetVu, to facilitate the ongoing trading.

Receipt of trading sales of £383k (net of VAT) are expected in the coming weeks, in line with normal payment terms.

The trading period is continuing on a limited basis and it is anticipated that a final trading summary will be available to creditors with the Joint Administrators' progress report. It is currently estimated that a trading loss of approximately £40k will likely be incurred

Dedicated Microcomputers Limited (in Administration)
The Administrators' Proposals

Trading Strategy

Whilst a loss may have been incurred, the strategy of continuing to trade has allowed the Joint Administrators a period of time to attempt to sell the business and maximise realisations of the debtor book by providing continuity of service to the Company's customer base.

Trading was also continued to fulfil obligations as part of a transitional service agreement ("TSA") which the Joint Administrators entered into with the secured creditor immediately following appointment

This agreement was entered into alongside Anglo Design Holdings Limited, the parent company, to provide various head office support and other services required by NetVu during the trading period.

This TSA also ensured that all historic and ongoing warranty obligations provided by the Company would be met, reducing the risk of any significant erosion in the value of the debtor ledger and protecting sales during the trading period.

Marketing of the business and assets

An accelerated sale process was commenced shortly following the Joint Administrators' appointment

A total of 117 Parties were contacted to ascertain whether there was any interest in acquiring the business

Of these parties, a total of 5 signed non-disclosure agreements, however after reviewing further information in relation to the Company, no parties wished to submit a formal offer.

2. Conduct of the administration

Investments

In addition to the 100% shareholdings in DM Inc. and DM Malta, the Company also held investments in the share capital of a number of other subsidiary companies.

From the information available, it is believed that the majority of these are non-trading subsidiaries which have insolvent balance sheet positions and are therefore unlikely to have any value, however these will be reviewed in due course to ascertain whether realisations for the benefit of creditors will be forthcoming

Book Debts

As at the date of appointment, the Company's pre-appointment book debt ledger totalled £847k.

After excluding amounts due from other Group companies totalling £163k and applying specific and general provisions for known bad and doubtful debts, totalling £134k, the book debtor ledger was estimated to realise £550k as detailed in the estimated statement of financial position attached at Appendix C Collections to date total £258k.

The Company provided customers with product warranties of between one and three years. Due to the Company's insolvency, it was no longer possible to meet these obligations.

In order to prevent a significant erosion of debtor ledger realisations, an agreement has been reached with NetVu, whereby they will honour all warranty obligations in exchange for a fee of 15% of Company debt collections.

A further update on the debtor collection process will be provided in my next report to creditors.

Intercompany Book Debts

A reconciliation exercise is currently underway to ascertain the final intercompany position within the AD Group, however it is understood that on appointment there were balances of £280k and £689k due from group companies, being Anglo Design Mobile Ltd and Traffic Safety Systems Ltd

The recoverability of these balances is uncertain due to the financial position of the companies, with both companies having insolvent balance sheets, however the Joint Administrators will review the position as appropriate

Freehold Property

The business owns a freehold property at 16 Hilton Square, Swinton, which has been vacant for some time. The Joint Administrators have instructed David Currie & Co, a firm of real estate and asset consultants, to market the property for sale.

Whilst the marketing process is at an early stage, two offers for the property have already been received, however these have fallen short of the agents' valuation of the property. As such these offers have not been accepted.

A further update on the sale process will be provided in my next report to creditors.

Cash at Bank

On appointment, the Company had a balance of £52,772 in its various bank accounts. This has now been transferred to the Joint Administrators' bank account.

Receipts and Payments Account

A copy of the Joint Administrators' receipts and payment account to date is attached as **Appendix B**, in addition to an account for the trading period. This details asset realisations to date, in addition to a summary of the receipts and payments over the trading period

2. Conduct of the administration

The Directors' Statement of Affairs

The directors of the Company have been asked to submit a Statement of Affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986 and this is awaited. Details of the financial position of the Company at the latest practical date, prepared from information available to the Joint Administrators and including a list of creditors' names and addresses is provided at **Appendix E**. As and when the directors' Statement of Affairs is received it will be filed with the Registrar of Companies

Matters requiring investigation

I am required as part of my duties to establish what assets the Company owns and to consider the way in which the Company's business has been conducted, and am required under the provisions of the Company Directors Disqualification Act 1986 to report to the Secretary of State for Business Innovation and Skills on the conduct of the directors. If you have any information or concerns regarding the way in which the Company's business has been conducted, or have information regarding potential recoveries for the estate please contact me as soon as possible.

Matters to be progressed following this report

The Joint Administrators will continue to manage the affairs, business and property of the Company to achieve the purpose of the administration. In particular they will, inter alia:

- Continue to trade the business, including the provision of the agreed transitional services,
- Realise the Company's remaining assets, being book debts, a freehold investment property, stock and chattel assets,
- Investigate and, if appropriate, pursue any claims that the Company may have against any person, firms or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company;

- Do all such things and generally exercise all their powers as Joint Administrators as they in their discretion consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals,
- Distribute realisations to the secured and preferential creditors where applicable,
- Agree the claims of the unsecured creditors and distribute the Prescribed Part
- Ensure all statutory and compliance matters are attended to; and
- Pay all administration expenses and bring the administration to an end when deemed appropriate by the Joint Administrators

The end of the administration

The administration will end automatically after twelve months from the date of appointment of the Joint Administrators. This period can be extended with consent of the creditors for up to twelve months or longer by application to the Court as required

If the Joint Administrators think the Company has no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the administration into liquidation is not appropriate they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved

If the Joint Administrators are of the view that a dividend will become available to the unsecured creditors (other than by virtue of the prescribed part) it is appropriate for the Company to move from administration into CVL pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986. If applicable the Joint Administrators will take steps to place the Company into CVL.

2. Conduct of the administration

Should a dividend not become available to the unsecured creditors but it is still appropriate for the Company to enter liquidation, the Joint Administrators will petition the Court pursuant to Paragraph 79 of Schedule B1 to the Insolvency Act 1986 for an order to bring the administration to an end with a consequential order for the compulsory winding up of the Company

Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a Liquidator, the proposed Liquidators in a CVL are to be the Joint Administrators or any successor office holder(s). Any act to be done by the Liquidators may be done by all or any one of them Pursuant to Paragraph 83(7)(a) of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

The Liquidators in a compulsory winding up will be appointed by the Court and may be the Joint Administrators, or any successor office holder(s)

If the Joint Administrators are of the view that it is appropriate for the creditors to consider the approval of a CVA the proposed supervisors are to be the Joint Administrators or any successor office holder(s). Creditors may nominate different supervisors at the meeting of creditors convened to consider the CVA proposals

Meeting of creditors

Based on information currently available, the Joint Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors, except from the prescribed part if applicable. They are therefore not required to call a creditors' meeting pursuant to Paragraph 51 of Schedule B1 to the Insolvency Act 1986. The Joint Administrators must however summon a meeting if requested to do so by creditors whose debts amount to at least 10% of the total debts of the Company. The request must be in the prescribed form (form 2.21B) and be made within eight business days of the date of this report, in accordance with the Insolvency Rules.

In accordance with the Insolvency Rules where the Joint Administrators have not called a creditors' meeting, the proposals set out below will be deemed to have been approved by the creditors unless at least 10% by value of the creditors requisition a meeting of creditors within eight business days of the date of this report.

3. The Administrators' remuneration, disbursements and pre-appointment costs



Joint Administrators' remuneration

A summary of the work to be undertaken during the administration is set out at **Appendix C** together with a projected result statement which includes an estimate of the expenses likely to be incurred by the Joint Administrators.

The Joint Administrators' remuneration will be drawn from the Company's assets and it is proposed that it will be charged by reference to the time incurred in attending to matters arising. Further details of how this will be calculated is set out below. The basis of the Joint Administrators' remuneration has not yet been approved by creditors, and the Joint Administrators have accordingly not drawn any remuneration in this case. The Joint Administrators' fees for dealing with the assets subject to a fixed charge will be agreed separately with NetVu.

Should the Company subsequently be placed into liquidation and the Joint Administrators appointed as liquidators, the basis agreed for the drawing of the Joint Administrators' remuneration will also be that utilised in determining the liquidators' remuneration, in accordance with the Insolvency Rules

Remuneration charged by reference to the time incurred in attending to matters arising

The Joint Administrators' remuneration which is proposed to be charged by reference to time incurred is set out on the fee estimates attached at **Appendix C**, details of any assumptions made in providing this estimate are set out therein. The time charged is based on computerised records capturing time charged by myself and my staff in dealing with the conduct of those aspect of the case being charged on a time cost basis. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and the experience required. Time is charged to the case in maximum units of six minutes. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters

Dedicated Microcomputers Limited (In Administration)
The Administrators' Proposals

Charge out rates are reviewed at least annually, details of FRP's charge out rates are included at **Appendix C**.

Joint Administrators' disbursements

The Joint Administrators' disbursements are a recharge of actual costs incurred by the Joint Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the administration of the Company, are paid by FRP at the HMRC approved mileage rate. It is proposed mileage is recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

Pre-administration costs charged or incurred by the Joint Administrators

The Company resolved to pay FRP Advisory LLP their time costs plus VAT for assisting with the placing of the Company into administration. This was paid before administration by the Company.

Attached at **Appendix D** is a statement of pre-administration costs charged or incurred by the Joint Administrators.

I am seeking to obtain approval for the payment of this amount in accordance with the Insolvency Rules.

Creditors' ability to challenge the Joint Administrators' remuneration and expenses

Creditors have a right to request further information from the Joint Administrators and further have a right to challenge the Joint Administrators' remuneration and other expenses under the Insolvency Rules following receipt of a progress report. Further details of these rights can be found in the Creditors' Guide to Fees which you can access by using the following link <http://creditors.frpadvisory.com/feesguide.htm> and select the "administrators" option. Alternatively, a hard copy of the relevant guide will be sent to you on request.

4. Estimated outcome for the creditors

Projected Result

We attach at **Appendix C** a projected result statement which has been prepared from the information provided by the directors, advice received in connection with the value of the Company's assets, estimated sums due to creditors and an estimate of our remuneration and other expenses that may be incurred during the course of this administration.

The notes accompanying the projected result statement details any assumptions made in compiling this estimate.

Based on the information available to date and the assumptions made I set out below the anticipated the outcome for creditors.

Outcome for Secured Creditor

The Company's sole secured creditor on appointment was NetVu.

NetVu purchased the debt and security instruments of the Company's former secured creditors, Barclays Bank Plc and Michael James Newton on 18 March 2016. Details of the security instruments held over the Company's assets are detailed below

Description	Created	Particulars
Guarantee & Debenture	18 October 2011	Fixed and floating charge over all property and assets Initially registered in favour of Barclays Bank Plc
Guarantee & Debenture	18 October 2011	Fixed and floating charge over all property and assets. Initially registered in favour of Michael James Newton
Legal Charge	30 March 2010	Fixed charge security over the freehold property at Hilton Square,

Dedicated Microcomputers Limited (In Administration)
The Administrators' Proposals

		Swinton. Initially registered in favour of Barclays Bank Plc
Guarantee & Debenture	31 January 2006	Fixed and floating charge over all property and assets. Initially registered in favour of Barclays Bank Plc
Deed of Charge	25 July 2002	Fixed and floating charge over all property and assets. Initially registered in favour of Barclays Bank Plc

The sums available to distribute to NetVu will depend on the amounts received from the Company's book debts, freehold property and net trading position, together with the costs of the Administration process.

It is anticipated that NetVu will suffer a shortfall

Outcome for Preferential Creditors

It is currently estimated that preferential creditors will total approximately £12k, being the employees' preferential element for arrears of pay, unpaid pension contributions and holiday pay as calculated in accordance with legislation. It is anticipated that preferential creditors will be paid in full.

Outcome for Unsecured Creditors

Based on the assumptions made in the projected result statement it is currently estimated that there will be sufficient funds available to make a distribution to unsecured creditors in due course from funds available under the prescribed part

4. Estimated outcome for the creditors

Based on the current estimate of the level of creditor claims this distribution is estimated at 4 pence in the £

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000

The prescribed part, based on net property estimated at £428k has been calculated to be approximately £86k. The prescribed part is available for all unsecured creditors and where there are only sufficient funds to enable a dividend to be paid to unsecured creditors from the prescribed part, this will be paid by the Joint Administrators

Appendix A

Statutory information about the Company and the administration



COMPANY INFORMATION:

Other trading names:	None
Date of incorporation	23/04/1982
Company number:	01630882
Registered office:	7th Floor, Ship Canal House, 98 King Street, Manchester, M2 4WU
Previous registered office:	No. 1 Thellow Heath Park, Northwich Road, Antrobus, Cheshire, CW9 6JB
Business addresses:	No. 1 Thellow Heath Park, Northwich Road, Antrobus, Cheshire, CW9 6JB

11 Oak Street, Swinton, Manchester, M27 4FL

Directors.

Pauline Norstrom (resigned 18/04/2016)
Michael Newton (resigned 19/04/2016)
Nigel Petre (resigned 17/04/2016)

Company secretary.

Helen Doroszkewicz (resigned 17/04/16)

The directors and Company secretary have the following shareholdings in the Company.

Name	Shares	Type	%
Michael Newton	51,541	Non-Voting Deferred	19.2

ADMINISTRATION DETAILS:

Names of Joint Administrators:	Russell Stewart Cash and David Thornhill
Address of Joint Administrators:	FRP Advisory, 7th Floor, Ship Canal House, 98 King Street, Manchester, M2 4WU
Date of appointment of Joint Administrators	15 April 2016
Court in which administration proceedings were brought:	High Court of Justice, Chancery Division, Manchester District Registry
Court reference number:	2353 of 2016

Date of notice of intention to appoint Joint Administrators presented to Court 21 March 2016 & 6 April 2016

Administration appointment made by: Directors of the Company

Consent to the notice to appoint an Administrator by the qualifying charge holder was not required in this instance.

The appointment of the Joint Administrators included a declaration that they are acting jointly and severally as Joint Administrators of the Company in accordance with Paragraph 100 of Schedule B1 to the Insolvency Act 1986.

The EC Regulation on Insolvency Proceedings will apply in this matter and accordingly the administration will constitute main proceedings

Appendix A

Statutory information about the Company and the administration



FINANCIAL INFORMATION:

	Management Accounts to 31 January 2016 £'000s	Management Accounts to 30 June 2015 £'000s	Statutory Accounts to 30 June 2014 £'000s	Statutory Accounts to 30 June 2013 £'000s
Profit & Loss				
Turnover	4,344	10,368	15,208	18,799
Costs of Sales	(4,020)	(8,312)	(10,655)	(13,234)
Gross Profit	324	2,056	4,553	5,565
Administrative Expenses	(1,117)	(2,147)	(5,830)	(4,971)
Operating Profit/(Loss)	(793)	(91)	(1,277)	594
Interest & Exceptional Items	(776)	(1,359)	(2)	-
Losses Before Taxation	(1,569)	(1,450)	(1,279)	594
Taxation	-	-	(138)	(1)
Loss for Financial Year	(1,569)	(1,450)	(1,417)	593

Appendix A

Statutory information about the Company and the administration



FINANCIAL INFORMATION:

Balance Sheet	Management Accounts to 31 January 2016 £'000s	Management Accounts to 30 June 2015 £'000s	Statutory Accounts to 30 June 2014 £'000s	Statutory Accounts to 30 June 2013 £'000s
Tangible Fixed Assets	300	329	443	403
Intangible Fixed Assets	354	354	355	355
Total Fixed Assets	654	683	798	758
Current Assets	5,220	5,167	8,912	9,895
Total Assets	5,874	5,850	9,710	10,653
Current Liabilities	(2,284)	(691)	(3,101)	(2,627)
Net Assets	3,590	5,159	6,609	8,026
Capital & Reserves	701	701	701	701
Profit & Loss	2,889	4,458	5,908	7,325
Shareholders' Funds	3,590	5,159	6,609	8,026

N.B. The figures above do not include the AD Group's secured debt, which has crystallised on the insolvency of both the Company and its parent entity.

The current asset position also includes a book value for stock of £3,935k in January 2016, a significantly inflated figure which does not reflect the quantum of old and obsolete stock lines

Appendix B

Administrators' Receipts & Payments Account



**Dedicated Microcomputers Limited
(In Administration)
Joint Administrators' Trading Account
To 10/06/2016**

S of A £	£	£
POST APPOINTMENT SALES		
Secured Creditor Cost Contribution	22,929 28	22,929 28
PURCHASES		
Purchases (1)	157,498 20	
NetVu Purchases	31,940.23	(189,438 43)
OTHER DIRECT COSTS		
Sub Contractors	11,399 67	
Direct Wages	40,420 52	(51,820.19)
TRADING EXPENDITURE		
Telephone and Internet	9,932 75	
Carriage	150 00	
Hire of Equipment	1,998.00	
Employee Benefits	1,736.13	
Employee Expenses	3,088 31	
Anglo Design Employee Expenses	3,130 08	
Anglo Design Employee Wages	31,984 20	(52,019 47)
TRADING SURPLUS/(DEFICIT)		(270,348.81)

Dedicated Microcomputers Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 10/06/2016

S of A £		£	£
	SECURED ASSETS		
Uncertain	Freehold Land & Property	NIL	NIL
	COSTS OF REALISATION		
(10,000 00)	Administrators' Fees	NIL	
(5,000 00)	Legal Fees	NIL	
(5,000 00)	Agents/Valuers Fees	NIL	NIL
	SECURED CREDITORS		
(4,766,000 00)	NetVu Holdings Limited	NIL	NIL
	ASSET REALISATIONS		
20,000.00	Furniture & Equipment	1,312 50	
65,000 00	Stock	NIL	
550,000 00	Trade Debts	258,399 17	
52,771 65	Cash at Bank	52,771 65	
8,000 00	Intercompany Debtor	NIL	
	Trading Surplus/(Deficit)	(270,348.81)	
(40,000.00)	Trading Surplus/(Loss)	NIL	42,134.51
	COST OF REALISATIONS		
(163,791 00)	Administrators' Remuneration	NIL	
(10,000 00)	Legal Fees	NIL	
(21,677 00)	Legal fees - Pre-Administration	NIL	
	Refund of Overpayment	2,571.90	
	Bank Charges - Floating	273.00	(2,844 90)
	PREFERENTIAL CREDITORS		
(12,000 00)	Preferential Creditors	NIL	NIL
	UNSECURED CREDITORS		
(494,000.00)	Trade Creditors	NIL	
(1,000,000.00)	Landlords	NIL	
(100,000 00)	Employees	NIL	
(1,242,000 00)	Intercompany Creditors	NIL	NIL
(7,173,696.35)			39,289.61
	REPRESENTED BY		
	Vat Recoverable - Floating		4,324.10
	Bank 2 Current A/c - Floating		35,393.01
	Trade Creditors		(390.00)
	Vat Payable - Floating		(37.50)
			39,289.61

Appendix C

The Administrators' remuneration, disbursements and costs information



Dedicated Microcomputers Limited
Estimated Outcome Statement as at 10 June 2016

Fixed Charge Asset	£'000s
Freehold Property	Not Disclosed
Joint Administrators Fees	(10)
Agents Fees	(5)
Legal Fees	(5)
Available to Fixed Charge holders	(20)
Amounts outstanding to Secured Creditor	4,766
(Shortfall) to fixed charge holders	(4,786)

1

Floating Charge Assets	£'000s
Fixed charge surplus b/d	-
Chattel Assets	20
Trade Debtors	550
Intercompany Debtor - AD Holdings	8
Stock	65
Trading Loss	(40)
Cash at Bank	53
Administrators Fees	(164)
Pre-appointment legal fees	(22)
Post-appointment legal fees	(10)
	440
Preferential Creditors	(12)
Prescribed Part	86
Available for floating charge holders	366
Amounts outstanding to floating chargeholders	(4,786)
Total surplus/(shortfall) to secured creditors	(4,420)
Available to unsecured creditors	86
Unsecured Creditors	2,195
Shortfall to Unsecured Creditors	(2,110)
Prescribed Part p/£	3.90
Trade Creditors	494
Employees (Est)	459
Intercompany Creditors	1,242
	-
Amount of unsecured creditors	2,195

1 Expected realisations from the property have not been disclosed so as to not prejudice the ongoing sale process

FRP Advisory LLP
Dedicated Microcomputers Limited
A2 - Secured Creditors Statement of Affairs Figures

Key	Name	£
CN05	NetVu Holdings Limited No 1 Thelwall Heath Park Northwich Road Northwich Cheshire CW9 6JB	4,766,000 00
1 Entries Totalling		4,766,000.00

FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CA00	Alsamex Products Pixmore Avenue Letchworth Herts SG6 1JT	578 40
CA01	Arrow Electronics (UK) Limited London Road Campus London Road CM17 9NA	39 10
CA02	Arval PHH PHH Centre Windmill Hill SN5 6PE	(686 61)
CA03	Automatic Alarms Ltd 9 Kenyon Business Park Pilkington Street Bolton BL3 6HL	298 72
CA04	Avnet Technology Solutions The Capital Building Southern Industrial Area Oldbury RG12 8FZ	14,529 76
CB00	B & M Secure Shredding 16 Dock South Road Bromborough CH62 4SQ	457 50
CB01	Barclaycard Merchant Services Northampton NN4 7SG	84 51
CB02	Barclaycard Visa 1234 Pavilion Drive Northampton NN4 7SG	(503 90)
CB03	Barlow Sheet Metal Wessex gate Industrial Estate Portsmouth Road PO8 9LP	1,950 44
CB04	Bechtile Direct UK Unit 6 Lansdowne Court Bumpers Farm Ind Estate SN14 6RZ	2,819 27
CB05	BT Business Direct Alpha Beta House, Enterprise Park Horwich Bolton Lancs BL6 6PE	13,343 28

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CC00	Canon (UK) Ltd Woodhatch RH2 8BF	165 84
CC01	Chubb Fire Ltd P O Box 18069, Excel Centre AB23 8SF	48 88
CC02	City of Salford City Treasury Civic Centre Chorley Road	106,755 60
CC03	Combined Precision Components Faraday Drive Fulwood PR2 9PP	64 81
CC04	CommuniGator Ltd Peper Harow Godalming GU08 6BQ	4,320 00
CC05	Concept (A&R) Maintenance Ltd Inv 8073 Unit 16 Welch Hill Mill Welch Hill Street WN7 4DU	231 30
CC06	Corona Energy Edward Hyde Building 38 Clarendon Road WD17 1JW	131 58
CC07	Creditsafe Business Solutions Bryn House Caerphilly Business Park Van Road CF83 3GG	660 00
CC08	Girencester Computer Centre Limited Inv 0105827/0105862/0105895 T/A CTEC Communications 3 Swindon Street Highworth Wilts SN6 7AH	0 00
CD00	Dedicated Micros Middle East Premises 407, Floor 4, Building 11 P O Box 500291 Dubai United Arab Emirates	0 00

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CD02	DBK Technitherm Ltd Unit 11, Llantrisant Business Pk Llantrisant CF72 8LF	4,513 80
CD03	Dedicated Micros Suite 200, 101 West Landstreet Road 32824	52 00
CD04	Dedicated Micros Malta Ltd 00138 BLB017, BULEBEL INDUSTRIAL ESTATE Zejtun MALTA ZTN3000	1,242,000 00
CD05	DHL Global Forwarding (UK) Ltd Eastworth House Eastworth Road Chertsey Surrey KT16 8SH	703 93
CD06	DigiKey 701 Brooks Avenue South Thied River Falls Minnesota 56701 United States	2,855 55
CD07	DKV Euro Service GmbH + Co KG Balcke-Durr-Allee 3, 40882 Ratingen Germany	0 00
CE00	Ebuyer UK Ltd Howden DN14 7UW	700 01
CF00	Farnell Electronic Comps Ltd Accounts Receivable P O Box 208 LS12 9BH	41 10
CF01	Fresh Start Waste Services Ltd acct DED10001 Scott House 114 Higher Green lane Astley Manchester M27 7JB	629 39
CF02	FRP Advisory LLP 7th Floor Ship Canal House 98 King Street M2 4WU	0 00

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CG00	Gazprom Marketing & Trading Retail Ltd acct 10038003 1st Floor 1 City Road East Manchester M15 4PN	19,799 06
CG01	GE Lighting Ltd Pintail Close Victoria Business Park NG4 2SG	2,109 10
CG02	Gebhardt European Conveyor Sys 5 argent Way Sonora Fields ME10 5AR	565 80
CG03	GMS Business Communications Churchgate House 56 Oxford Street M60 7HJ	120 00
CG04	Manchester Chamber of Commerce Priory Tec Park Saxon Way HU13 9PB	617 10
CG05	Grosvenor Electronics Supplies Priory Tec Park Saxon Way Priory Park Hessle HU13 9PB	0 00
CH00	H M Revenue and Customs Central Insolvency Sift Team 3NW Queens Dock Liverpool L74 4AA	0 00
CH01	H M Revenue & Customs Debt Management & Insolvency, Durrington Bridge House Barrington Road Worthing West Sussex BN12 4SE	0 00
CH02	Hammer Plc Intec 1, Intec Business Park Wade Road RG24 8NE	25,735 69
CH03	Haslam Printers Standish Street PR7 3AJ	169 20

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CH04	Heads Recruitment Ltd acct DM100 Kinada House 442 Flixton Road Flixton Manchester M41 6EY	13,992 34
CI00	IOI Technology Corporation 4F No 125, Lane 235 Pao-Chiao Rd Hsin Tian City Taiwan	3,034 22
CJ00	J G Fenn Ltd Acct DEDMCUPB Second Floor West Court Riverside Park Campbell Rd ST4 4FB	£97 01
CJ01	J D Photo-Tools Ltd Unit 3A, Meridian Centre King Street OL8 1EZ ***POST RETURNED***	66 00
CJ02	Jarros Ltd Units 1-5 Excalibur Indust Est Fields Road Alsager ST7 2LX	474 98
CL00	Lifecare Sheikh Zayed Road, Dubai UAE ***POST RETURNED***	2,715 94
CM00	Macfarlane Packaging Uk Ltd Siskin parkway East PO Box 2389 CV3 4ZZ	0 00
CM01	Magellan World Ltd St Ann's House, 111 Guildford Road GU18 5RA	85 74
CM02	MaxTronic International Co Ltd 8F-1, No 127, Lane 235 Baoqiao Rd Xindian Dist., New Taipei City 231, Taiwan	129 03

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CM03	Messaging Warehouse (UK) Ltd Unit 3 Winsor House, Battersea Road Heaton Mersey Industrial Estate Stockport Cheshire SK4 3EA	278 30
CM04	Mouser Electronics 1000 North Main Street Mansfield Texas 76063-1514 United States	595 34
CM05	Mr Salim Idris c/s DM Dubai ***POST RETURNED***	37,446 93
CN00	Neopost Ltd South Street RM1 2AR	200 18
CN01	NetNames Third Floor, Prospero House 241 Borough High Street SE1 1GB	1,494 22
CN02	Network Packaging Ltd Unit 5, Lanesfield Drive Spring Road Industrial Estate Ettingshall WV4 6UA	500 94
CN03	Norbain Security Products PLC Eskdale Rd, Winnersh Triangle RG41 5TS	6,600 00
CP00	PAUL-TEC (AUSTRALIA) PTY LTD 12/14 BODEN ROAD SEVEN HILLS NSW 2142 Australia	0 00
CP01	Peer 1 Hosting 10 Sovereign Court Suite 410, 8 Graham Street B1 3JR	1,335 96
CP02	Peer 1 Hosting 2300 NW 89th Place Miami Florida 33172 United States	1,156 33

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CP03	Phoenix Fire Protection Svcs Ltd 5 Moss Avenue Rochdale OL16 4AA	370 50
CP04	PHS Treadsmart Western Industrial Estate CF83 1XH	572 03
CP05	Pipeline Industries Ltd Inv 25803 Unit 15, Peel Mills Ind Estate Chamberhall Street BL9 0LU	375 00
CP06	Polar Instruments Europe Ltd 23 The Parkwood Centre Aston Road PO7 7HT	1,742 64
CP07	PPL 1 Upper James Street W1F 9DE	233 05
CP08	Pro Active Publications P O Box 332 DA1 9FF	118 80
CP09	Proactive Despatch Unit 17 Lea Green Business Park Eurolink St Helens WA9 4TR	123 78
CP0A	Pro-Vision Distribution Ltd Inv 89398 Knights Way Battlefield Enterprise Park Shrewsbury SY1 3AB	900 00
CP0B	Premier Farnell PLC Canal Road London LS12 2TU	0.00
CQ00	Quigg Partners LEVEL 7 THE BAYLEYS BUILDING 28 BRANDON STREET PO BOX 3035	246 66
CR00	Red Lion Property Ltd 4th Floor Derby House 64 Athol Street Douglas Isle of Man IM1 1JD	18,240 80

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CR01	Red Rose Packaging (Newby Packaging) Newby Road Industrial Estate Hazel Grove SK7 5DA	1,355 75
CR02	Redeker Sellner Dahs & Widmaller 265 Strand WC2R 1BH	1,818 00
CR03	Remguard The Mews, Arley Road Appleton Thorn WA4 4RR	228 00
CR04	Root Solutions Church Farm Barn CB4 5BP	3,672 00
CS00	S.T. Heating Services Ltd 224 Worsley Road Swinton Manchester M27 0YF	294 00
CS01	Seisouth Reionies Company 4F, No 36, Sec 1, Chiang An E road Taipei City Taiwan	5,376 16
CS02	ServiceCal Ltd Unit A9 Axis Point Hareshill Business Park Hilltop Road OL10 2RQ	332 40
CS03	Shenzhen Sunell Technology Corp 3-5/F Aerospace Micromotor Bldg Langshan 2nd Road High Tech Ind park, Nanshan Dist Shenzhen P R China	145 16
CS04	SJL Print Media St James' House Fifth Street Trafford Park Manchester M17 1JX	750 36
CS05	SJM Eurostat UK Ltd Unit 2 Capital Court Blitern Road Exeter EX2 7FW	300 56

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CS06	SMS LOGISTICS 65, Birkkara Hill St Julians SJT1143 Malta	2,114 67
CS07	Sodexo Unit 5, Albany Court Albany Business Park, Frimley Rd, GU16 7QR	199 95
CS08	Southern Electric P O Box 17 PO9 5DD	1,915 64
CS09	STILL Materials Handling Ltd Aston Way Leyland PR26 7UX	107 06
CT00	Tai Master Enterprise Co Ltd 2F, No 98, Bixiu Rd, Qaotou Dist Taiwan	8,484 99
CT01	The Carroll Cleaning Company Spring Hey Mill Green Lane HX4 8DQ	2,333 79
CT02	The Stationery Office Limited National Publishing PO Box 276 51 Nine Elms Lane SW8 5DT	363 60
CT03	Toyota Material Handling UK Ltd 706 Stirling Rd Trading Estate SL1 4SY	340 70
CU00	Underwriters Laboratories Inc P O Box 5262 6802 EG Arnhem Netherlands	4,156 68
CU01	Uniform Industrial Corp No 1, Lane 15 Chih Chiang St, Tu Cheng Dist Taiwan	17,109 84
CU02	United Utilities PO Box 1259 Warrington WA4 9QZ	8,961 01

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FRP Advisory LLP
Dedicated Microcomputers Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CU03	UPS Ltd AR Dept St David's Way Bermuda Park CV10 7SD	28,982.30
CU04	UPS SCS (UK) Ltd UPS House Forrest Road TW13 7DY	166.10
CW00	WardHadaway 1A Tower Square Wellington Street Leeds LS1 4DL	3,762.00
CW01	Worldspan Communications Ltd Unit 19 Red Lion Business Centre Red Lion KT6 7QD	172.56
CX00	Xiamen Leading Optics Co Ltd Po Box 28136, No 26 Xinmei Road Haicang Xingang District PR China	58.06
97 Entries Totalling		1,637,368.27
@ - Denotes associate creditor		

Signature _____

FRP ADVISORY LLP ("FRP")

HOURLY CHARGE OUT RATES WITH EFFECT FROM 1 MAY 2016

Grade	£/hour
Appointment taker/Partner	495
Managers/Directors	340-465
Other Professional	200-295
Junior Professional/Support	125-175

Time costs are maintained on computerised records of all time spend on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frpadvisory.com/fees-guide.html>. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

DISBURSEMENT POLICY

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

There are two types of disbursements, direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

Category 1 disbursements:

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance.

Category 1 disbursements can be drawn without prior approval.

Category 2 disbursements

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

FRP ADVISORY LLP

DEDICATED MICROCOMPUTERS LIMITED - IN ADMINISTRATION

Details of work anticipated to be undertaken by the office holders in connection with this assignment

Administration and planning

Pre-appointment matters

Obtain all relevant information in order to properly consider all options and the relevant impact of each option available and consider the most suitable formal insolvency procedure in the circumstances.

If employees are affected to ensure the employer is recommended to seek appropriate advice to comply with relevant employment regulations. Assisting employees where appropriate with completion of their documentation for making claims to the Redundancy Payments Office

Where appropriate liaising with secured lenders and other significant creditors

Complying with internal take on procedures to identify any professional or ethical or conflict matters

Conducting money laundering risk assessment procedures and know your client identification procedures as required by the Money Laundering Regulations.

Consider if there are other industry specific regulatory or statutory issues to address (e.g. FCA registration).

Consider if any environmental or health and safety issues to deal with

Post appointment matters

Set up and administer estate bank accounts.

Correspond with accountants/auditors/bankers/insurers/solicitors and other advisors to request further information to assist in general enquiries

Regularly review the case as required by the regulatory bodies to ensure all statutory matters are adhered to and the case is progressing.

Assets

Arrange insurance as required to protect available assets

Take the necessary steps to ensure all assets are protected and under the control of the office holder(s).

Identify all assets and instruct agents to provide valuation and marketing advice and sell business and or assets in accordance with any relevant legislation

Consideration of any VAT bad debt relief claim which may be made

Consider likelihood of additional recoveries being made e.g. Antecedent transactions, mis-selling.

Where applicable, disclaim assets which are onerous.

FRP ADVISORY LLP

DEDICATED MICROCOMPUTERS LIMITED - IN ADMINISTRATION

Details of work anticipated to be undertaken by the office holders in connection with this assignment

Statutory Compliance and Reporting

Deal with all appointment formalities, including notification to relevant parties, filings with the Court, the Registrar of Companies; and statutory advertising.

Arrange for an insolvency bond to protect the assets available for preferential and unsecured creditors

If required, establish a creditors' committee and regularly report to them as necessary.

Deal with tax and VAT matters arising following appointment.

To request the completion of a statement of affairs and arrange for this to be filed with the Registrar of Companies.

Report to all relevant parties, and filing these reports with the relevant entities, in accordance with the legislation.

Convene meetings of creditors as required by legislation

Obtain approval for the basis of the Joint Administrators' fees

Establish the existence of any pension schemes, staging dates for auto-enrolment, and take appropriate action to notify all relevant parties and appoint independent trustees if required

Report to creditors as required by legislation to update them on the progress of the matter during the reporting period and filing statutory reports as required. Dealing with any queries arising following circulation of statutory reports

Bring the conduct of the insolvency process to a close when all matters are complete in accordance with the relevant requirements

Trading

Adhere to FRP's internal protocols to obtain approval to continue to trade.

Prepare trading forecasts and obtain funding if necessary to support ongoing trading.

To set up accounts with suppliers and agree terms

To set up relevant systems to ensure trading is monitored

Ensure details of all relevant social media sites, e mail addresses and websites are captured and appropriately controlled.

Liaise with utility companies and other suppliers as necessary

FRP ADVISORY LLP

DEDICATED MICROCOMPUTERS LIMITED - IN ADMINISTRATION

Details of work anticipated to be undertaken by the office holders in connection with this assignment

Creditors

Deal with creditors or third parties claiming ownership or reservation of title to assets in the possession of the insolvent estate.

Assist employees with their claims and liaising with the Redundancy Payments Office

Establish the position with regards assets on finance and arranging for assets to be returned to finance company if needed.

Establish the position with regards leasehold properties and liaising with landlords

Ascertain if a prescribed part distribution is applicable

Liaise with HMRC to establish their claim and seeking tax advice to minimise claims and maximise returns to creditors where appropriate

If sufficient funds are available to make a distribution to creditors to advertise for claims, request submission of claims from all known creditors and adjudicate on those claims where there are sufficient funds to make a distribution either agreeing or rejecting, in full or in part

Investigations

Conduct initial enquiries into the conduct of the insolvent and if appropriate associated parties.

Following conclusion of these investigations, report any findings, as required, to the Department of Business Innovation and Skills and/or the Insolvency Service.

Following initial investigations, to consider if potential action could be taken to swell the assets available in the estate. To weigh up the merits of proceeding, the most appropriate course of action and possible further consultation with creditors

Legal and Litigation

Seek legal advice as and when needed throughout the assignment



Dedicated Microcomputers Limited (In Administration)

Time charged for the period 15 April 2016 to 10 June 2016

	Apprentice Trainers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost	Average Hourly Rate £
Administration and Planning	10 00	5 50	26 40	2 80	44 70	12,089 50	270 46
Case Accounting			12 25		12 25	2 484 50	202 82
Case Control and Review	10 00		6 50		16 50	5 737 00	347 70
Case Accounting - General			5 40	2 80	8 20	1 468 00	179 02
General Administration		1 00			1 00	375 00	375 00
Insurance		0 50	1 50		2 00	375 00	187 50
Strategy		4 00	0 75		4 75	1 650 00	347 37
Asset Realisation		15 50	7 90		23 40	7 289 00	311 50
Asset Realisation			4 15		4 15	704 00	169 64
Freehold/Leasehold Property		1 00			1 00	375 00	375 00
Debt Collection		3 00	3 75		6 75	2 160 00	320 00
Sale of Business		11 50			11 50	4 050 00	352 17
Creditors		10 50	47 85	2 25	60 90	14,406 00	237 72
Unsecured Creditors			2 70	0 20	2 90	534 00	184 14
Secured Creditors			5 50		5 50	1 622 50	295 00
Employees		10 50	37 80	2 05	50 15	11 891 50	237 12
ROT			0 95		0 95	170 00	178 95
Pensions			0 90		0 90	156 00	173 33
Landlord			0 20		0 20	32 00	160 00
Investigation			0 40		0 40	70 00	175 00
CDDA Enquiries			0 40		0 40	70 00	175 00
Statutory Compliance		7 00	32 10		39 10	9,061 00	231 74
Post Appt TAX/VAT			1 00		1 00	295 00	295 00
Statutory Compliance - General			3 95		3 95	1,037 00	262 53
Statutory Reporting/ Meetings		4 00	23 70		27 70	6 335 00	228 70
Appointment Formalities		3 00	1 90		4 90	1 114 00	227 35
Statement of Affairs			0 75		0 75	120 00	160 00
Bonding/ Statutory Advertising			0 80		0 80	160 00	200 00
Trading		51 00	96 70		147 70	40,679 50	275 42
Trading forecasting/ Monitoring		51 00	48 30		99 30	28 812 50	289 16
Trade-sales/ Purchase			48 40		48 40	11 867 00	245 19
Total Hours	10 00	89 50	211 35	5 05	315 90	83,595 00	264 82
Total Cost £	4,476 00	29,450 00	49,087 00	583 00			
Average Hourly Rate £	447 50	329 05	232 25	115 45			

Disbursements for the period
15 April 2016 to 10 June 2016

Category 1	Value £
Advertising	84 80
Postage	74 28
Sundries/General	250 00
Taxis	338 95
Travel	193 85
Bonding	450 00
Grand Total	1,391 88

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

Grade	From	1st July 2013	1st May 2016
Apprentice taker / Partner	370-400	450-495	
Managers / Directors	270-370	340-465	
Other Professional	160-225	200-295	
Junior Professional & Support	70-105	125-175	

Appendix D

Schedule of pre-administration costs



Appendix D

Schedule of pre-administration costs

	Note	Fees Charged (£)	Expenses Incurred (£)	Costs Paid to Date (£)	Outstanding Fees to be Paid (£)
FRP Advisory LLP	1 & 2	36,558	1	30,000	-
Pinsent Masons LLP	3	21,677	-	-	21,677
Unpaid pre-administration costs for which approval is being sought	4	58,235	1	30,000	21,677

Notes

- 1 The costs detailed above have been incurred in accordance with the letter of engagement dated 11 March 2016 between the Company and FRP Advisory LLP ("FRP") which was signed by the Company on 11 March 2016. The letter of engagement provided that pre-appointment fees would be charged on a time cost basis. Payment of £30,000 plus VAT and disbursements was made to FRP by the Company in this respect.
- 2 Under the terms of the engagement letter dated 11 March 2016, FRP were to provide the Company with the following services:
 - i Advise the directors in relation to the appointment of Joint Administrators;
 - ii Assist the directors and members in filing the appropriate legal notices to obtain a court moratorium;
 - iii Assist the directors in reviewing any short term cash flow forecasts to manage the Company's working capital prior to the appointment of Joint Administrators,
 - iv. Liaise with the Company's funder in respect of, amongst other matters, funding required during the hiatus period and obtaining their consent to the appointment of Joint Administrators and any sale of business and assets;
 - v. Assist the directors in preparing a sales memorandum to market the business, together with supporting information to be made available to potential purchasers ("Interested Parties") of the business and/or assets;
 - vi Identify and approach potential interested parties and conduct negotiations as appropriate with a view to the sale of the business and/or assets and provide the Company with regular progress reports on the sales process and status of negotiations with Interested Parties;
 - vii. As may be required, prepare a contingency plan for the event that a sale of the business and/or assets as a going concern appears unlikely;
 - viii Deal with any matters in connection with our statutory obligations, including but not limited to those contained within Statement of Insolvency Practice 16, in order to effect a sale of the business of the Company, and
 - ix. Provide advice to the Company and its secured lenders on any other matters we consider should be brought to their attention
- 3 The work undertaken by Pinsent Masons LLP consisted of drafting and filing the relevant documentation to place the Company into Administration, in addition to providing advice on the Company's foreign employees and generally
4. The payment of these unpaid costs as an expense of the administration is subject to approval in accordance with the Insolvency Act 1986 and is not part of the proposals subject to approval in accordance with Paragraph 53 of Schedule B1 to the Insolvency Act 1986.



FRP Advisory LLP
7th Floor, Ship Canal House
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Manchester
M2 4WU
Tel +44(0)161 833 3344
Fax +44(0)161 833 5633
www.frpadvisory.com

Registrar of Companies
Companies House
Crown Way
Maindy
Cardiff
CF14 3UZ

Your ref 01630882

Our ref. D1155MAN/AO052/SF/TC

Please Contact Thomas Coates

Telephone Number: 0161 833 5638

Email Address: thomas.coates@frpadvisory.com

Date: 10 June 2016

Dear Sirs

DEDICATED MICROCOMPUTERS LIMITED - IN ADMINISTRATION ("THE COMPANY")

I enclose the following for filing:

- Form 2 17B, and
- Statement of Administrator's Proposals, together with enclosures.

Please acknowledge safe receipt by endorsing the attached copy letter and returning it to the above office

Yours faithfully
For and on behalf of
Dedicated Microcomputers Limited

A handwritten signature in black ink, appearing to read 'R Stewart Cash', written over a horizontal line.

Russell Stewart Cash
Joint Administrator

Licensed in the United Kingdom by the Institute of Chartered Accountants in England & Wales and bound by the Insolvency Code of Ethics

The Joint Administrators act as agents of the Company and without personal liability.

The affairs, business and property of the Company are being managed by Russell Stewart Cash and David Thornhill who were appointed Joint Administrators on 15 April 2016.