In accordance with Rule 3.60 of the Insolvency (England & Wales) Rules 2016 & Paragraph 83(3) of Schedule B1 to the Insolvency Act 1986.

AM22

Notice of move from administration to creditors' voluntary liquidation

Companies House

WEDNESDAY

A814QG9M
A08 13/03/2019 #148
COMPANIES HOUSE

1 Company details

Company number	0 2 7 3 9 2 0 2
Company name in full	RotaDyne (U.K.) Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Court details

Court name	High Court of Justice, Chancery Division, Companies Court
Court case number	1 5 2 6 2 0 1 6

3 Administrator's name

Full forename(s)	Matthew James
Surname	Cowlishaw

4 Administrator's address

Building name/number	Four Brindleyplace
Street	Birmingham
Post town County/	
Region	
Postcode	B 1 2 H Z
Country	

AM22

Notice of move from administration to creditors' voluntary liquidation

5 Administrator's name ❶

Full forename(s)	Clare
Surname	Boardman

❶ **Other administrator**
Use this section to tell us about another administrator.

6 Administrator's address ❷

Building name/number	1 City Square
Street	
Post town County/	Leeds
Region	West Yorkshire
Postcode	L S 1 2 A L
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

7 Appointor/applicant's name

Give the name of the person who made the appointment or the administration application.

Full forename(s)	
Surname	

8 Proposed liquidator's name

Full forename(s)	Matthew James
Surname	Cowlishaw
Insolvency practitioner number	0 0 9 6 3 1

9 Proposed liquidator's address

Building name/number	Four Brindleyplace
Street	Birmingham
Post town County/	
Region	
Postcode	B 1 2 H Z
Country	

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Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name [1]

Full forename(s)	Clare
Surname	Boardman
Insolvency practitioner number	0 1 2 7 3 0

[1] **Other liquidator**
Use this section to tell us about another liquidator.

11 Proposed liquidator's address [2]

Building name/number	1 City Square
Street	
Post town County/	Leeds
Region	West Yorkshire
Postcode	L S 1 2 A L
Country	

[2] **Other liquidator**
Use this section to tell us about another liquidator.

12 Period of progress report

From date	d1 d2 m0 m1 y2 y0 y1 y9
To date	d1 d2 m0 m3 y2 y0 y1 y9

Final progress report

☑ I have attached a copy of the final progress report.

13 Sign and date

Administrator's signature	Signature X X
Signature date	d1 d2 m0 m3 y2 y0 y1 y9

AM22

Notice of move from administration to creditors' voluntary liquidation

Presenter information

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

Contact name	Wendy Packwood
Company name	Deloitte LLP
Address	Four Brindleyplace
	Birmingham
Post town	B1 2HZ
County/Region	
Postcode	
Country	
DX	
Telephone	+44 121 632 6000

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Deloitte.

RotaDyne (U.K.) Limited (In Administration)

("the Company")

Court Case No. 1526 of 2016
High Court of Justice, Chancery Division,
Companies Court
Company Number: 02739202

Registered Office: c/o Deloitte LLP,
Four Brindleyplace, Birmingham, B1 2HZ

Final progress report to creditors pursuant to Rules 18.6 and 3.53 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

Christopher James Farrington and Matthew James Cowlishaw ("the Joint Administrators") were appointed Joint Administrators of the Company on 29 March 2016 by the directors of the Company. Following the retirement of Christopher James Farrington, Clare Boardman was appointed as a replacement Administrator on 7 September 2017 by the Court. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

12 March 2019

Key messages

Key messages

Joint Administrators of the Company

Matthew James Cowlishaw and

Clare Boardman

Deloitte LLP

Four Brindleyplace

Birmingham

B1 2HZ

Contact details

Email: :wpackwood@deloitte.co.uk

Website: www.deloitte-insolvencies.co.uk/k-r/rotadyne-(uk)-limited-(in-administration).aspx

Tel: +44 121 696 8661

	Commentary
Purpose of administration	• The purpose of the administration was to achieve a better result for the Company's creditors as a whole than a liquidation.
Achievement of the Joint Administrators' proposals	• The Joint Administrators continued to trade the business whilst running a sale of business process. As no suitable offers for the ongoing business were received, the Joint Administrators took the decision to make the majority of the employees redundant and sought to realise the assets of the Company in order to maximise the realisations in the interests of the creditors. A trading surplus of c.£51k was generated during the trading period and trading ceased on 15 April 2016. • The Joint Administrators collected book debts of c.£599k and realised stock and plant & machinery for £164k. • The Joint Administrators liaised with insurers to finalise the Company's proportion of an insurance claim so that we could update our records and admit the insurance company's unsecured claim in the administration. • A refund due on historical overcharged international payments of £21k has also been realised. • Please refer to pages 6 and 7 for further details.
Costs	• The basis of our fees was a set amount of £230k by the secured creditor. Please see page 13 for further details. • Disbursements of £258 have been incurred in the report period bringing total disbursements to £14,549 which is in excess of our initial estimate. Please refer to page 14 for further details. • No third party costs have been incurred in the report period. Total third party costs incurred during the administration amount to £154k which is in line with our initial estimate. Please refer to page 7 for further details.
Outcome for Creditors	• The secured creditor received a distribution of £300k on 12 July 2016. The secured creditor completed a refinance in September 2017 and as a result were paid in full. • Preferential creditors have been paid in full. • Unsecured creditors will be paid a dividend currently anticipated to be 11p/£ in the subsequent liquidation.
Extensions to and end of the administration period	• The administration was first extended by the Court on 25 April 2017 to 28 March 2018. • A further extension was granted for a period of 12 months to 28 March 2019. • The Company will now move automatically to Creditors' Voluntary Liquidation ("CVL"). • Please refer to page 11 for further details.

Summary Proposals

Summary of the Joint Administrators' Proposals

The Joint Administrators' proposals

Our proposals for the administration include:

- continuing to manage the affairs and any remaining assets of the Company and the settlement of all Administration expenses;
- making enquiries into the conduct of the directors of the Company and assisting any regulatory authorities with any investigation into the affairs of the Company in line with our statutory duties;
- agreement of the claims of any secured, preferential and unsecured creditors against the Company unless we conclude, in our reasonable opinion, that the Company will have no assets available for distribution;
- distributing funds to any secured and preferential creditors and, where applicable, to unsecured creditors under the Prescribed Part as and when their claims are agreed and funds permit, and to make distributions to unsecured creditors, other than out of the Prescribed Part; and
- that, following the realisation of assets and resolution of all matters in the Administration, and as quickly and efficiently as is reasonably practicable, we will implement the most appropriate exit route to formally conclude the Administration.
- that, if the Company is to be placed into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation ("WUC"), we (or any person appointed as a replacement office holder) propose to be appointed Joint Liquidators and for the purposes of section 231 of the Act the Joint Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

Specific approval was sought from the appropriate body to fix the basis of and the ability to draw our remuneration and expenses, including pre Administration costs and expenses, and to agree the time of our discharge on conclusion of the Administration. Please refer to page 13 for further details.

The Joint Administrators' proposals

Our proposals were deemed approved on 1 June 2016 following the expiration of 8 business days from the date of issue of our proposals in accordance with Rule 3.38(4) of the Rules.

Extensions to the administration

The administration was first extended by the Court on 25 April 2017 to 28 March 2018. A further extension was granted for a period of 12 months to 28 March 2019.

Steps taken during the administration

Statutory tasks

During the period of our appointment we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case set up and management;
- Statutory reporting;
- Appointment notifications;
- Correspondence with creditors;
- CDDA reporting;
- Case reviews;
- Correspondence with lawyers in relation to the insurance claim detailed; and
- Cashiering functions.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Trading

The Joint Administrators continued to trade the business for a period of 2-3 weeks whilst running a sale of business process. As no suitable offers for the ongoing business were received, the Joint Administrators took the decision cease trading on 15 April 2016 and make the majority of the employees redundant. A trading surplus of c.£51k was generated during the trading period as shown in the receipts and payments account and trading account on pages 8 and 9 respectively.

Books debts

As at the date of appointment, the Company's sales ledger showed 160 pre-appointment book debts totalling £748k. This was split between the UK ledger of £430k and the overseas ledger of £318k.

Collections of c.£599k were achieved and are shown on the receipts and payments account on page 8.

Chattel assets & stock

As at the date of appointment the Company owned a quantity of tangible assets including plant and machinery, fixtures and fittings and other items across its trading premises, with a combined book value of £109k. These assets, along with remaining stock, was sold on 7 June 2016 for a combined value of £164k.

Insurance Claim

The Joint Administrators liaised with insurers in relation to a claim between respective insurers resulting from a fire that took place at a customer's factory in 2011.

We liaised with the insurers in order to quantify the Company's proportion of the insurance settlement so that the insurers unsecured claim could be admitted in the administration. Whilst the quantum of the insurance settlement has now been agreed an unsecured creditor claim has not yet been submitted.

International payments overcharge refund

We were contacted by the Company's former bankers, Barclays, notifying us that the Company had been overcharged c.£11k plus interest on international payments charges between August 2005 and December 2015. The total refund due of c.£21k has been received.

Receipts and payment account

A receipts and payments account detailing all transactions up to 7 March 2019 is provided at page 8.

The Joint Administrators' proposals (cont.)

Distributions to creditors

A first and final preferential dividend of 100p in the £ amounting to £6,715 was declared and paid to preferential creditors on 27 March 2018.

A dividend will also be available to unsecured creditors in the subsequent liquidation. Claims have been agreed and we currently anticipate making a distribution of approximately 11p in the £.

Unrealised assets

The Administrators are not aware of any further unrealised assets.

We have filed the necessary forms at Companies House in order to facilitate a conversion to Creditors' Voluntary Liquidation. Further updates will be made from the liquidation.

Cost of the work done during the report period

The total costs and expenses incurred during the period of our appointment are detailed below.

- Legal Costs
  - Jones Day were instructed to provide advice in relation to validity of appointment, to complete a security review, to prepare an asset sale agreement and assist in the insurance claim. Fees amounting to c.£135k plus VAT have been paid.
- Debt collection costs
  - Freeths LLP were instructed to collect the UK ledger for an agreed commission of 5% of collections achieved. Fees amounting to c.£19k plus VAT have been paid
- Our remuneration and expenses. Further information on these costs are provided on page 13.

All professional costs are reviewed and analysed in detail before payment was approved and are shown in the receipts and payments account on page 8.

Receipts & payments account

Joint Administrators' final receipts and payments account
29 March 2016 to 7 March 2019

£	SoA values	Notes	Period	To date
Receipts				
Trading surplus			-	50,708
Rates Refund			-	376
Sundry Refunds			-	75
Book Debts	*837,816*		-	599,494
Insurance Refund			-	14,065
Cash at Bank	*101,942*		-	119,940
Toll tag charge refund			-	101
Bank Interest Gross		*1*	-	1,269
Stock	*138,822*		-	89,000
Barclays International refund			20,929	20,929
Plant & machinery	*54,419*		-	75,000
Total receipts	*1,132,999*		**20,929**	**970,955**
Payments				
Purchases			-	522
Heat & Light			-	8,584
Lease/HP Payments			-	2,740
Repairs & Maintenance			-	306
Sundry Expenses			-	701
Vehicle Running Costs			-	1,980
Postage			-	175
Delivery costs			-	90
Trading Material			-	975
Security			-	5,138
Removal costs			-	750
Water			-	95
Professional Fees			-	5,250
Specific Bond			-	230
Pre-appointment Administrators' Fees			-	50,000
Pre-appointment Administrators' Expenses			-	1,355
Administrators' Fees			-	230,000
Administrators' Expenses			-	12,022
Commission for book debt collections			-	18,853
Legal Fees			-	134,557
Legal Expenses			-	1,760
Stationery			-	321
Storage Costs			185	455
Postage & Redirection			-	918
Statutory Advertising			85	169
Rates			-	375
Insurance of Assets			-	30
Bank Charges			-	39
Department of Employment			-	6,191
Employees Wage Arrears			-	76
Employees Holiday Pay			-	448
Floating Charge Creditor			-	300,000
Total payments			**269**	**785,104**
Balance				**185,852**
Made up of:				
VAT Receivable		*2*		9,258
NIB Current A/c		*1*		176,593
Balance in hand				**185,852**

A receipts and payments together with a separate trading account is provided opposite and on the next page, detailing the transactions in the final period of the administration since our last report on 1 February 2019 and also summarising the transactions for the entire period of the administration.

Notes to receipts and payments account

Asset Realisations

Note 1 – All funds held by the Joint Administrators were banked in interest bearing accounts and subject to corporation tax.

Note 2 – The Company was registered for VAT and all sums shown opposite are shown net of VAT.

This report has been prepared using numeric tables prepared on Excel spreadsheets. As figures have been rounded apparent summing errors may appear in certain of the tables herein.

Trading Account

Joint Administrators' final trading account
29 March 2016 to 15 April 2016

£	To date	Estimated future movements	Estimated outcome
Receipts			
Sales	123,094	-	123,094
Contributions from purchase towards	45,750	-	45,750
Total receipts	**168,844**	-	**168,844**
Payments			0
Employee costs	91,741	-	91,741
Rents	13,832	-	13,832
Rates	2,941	-	2,941
Telephone	1,376	-	1,376
Miscellaneous costs (incl Security)	8,247	-	8,247
Total Payments	118,136	-	118,136
Trading surplus	**50,708**		**50,708**

Notes to trading account

Total sales for the short trading period amounted to c.£123k and a further c.£46k was paid by the purchaser of the assets, as a contribution towards ongoing holding costs, which was a condition required by the Joint Administrators in order to agree to the transaction.

Final trading costs totalled c.£118k resulting in a trading surplus of c.£51k.

Information for creditors

Information for creditors

Outcome for creditors

Secured creditors

At the date of our appointment, Fifth Third Bank was owed £12.2m in relation to their charge registered on 31 December 2013, and as shown in the Company's statement of affairs. During the administration the Joint Administrators distributed £300k to the secured creditor. During the period since our last report the Joint Administrators have discovered that in September 2017 Fifth Third Bank completed a group refinance resulting in full repayment of their debt. Accordingly, there are no funds owing to Fifth Third Bank and therefore the Company has no secured debt.

Preferential creditors

We received 19 claims and a first and final dividend of 100p in the £ amounting to £6,715 was declared and paid to preferential creditors on 20 December 2016.

Prescribed Part

As the secured creditor has now been paid in full the Prescribed Part provisions do not apply to this case.

Unsecured creditors

Prior to the recent discovery that the secured creditor had refinanced and had been repaid in full we had issued a notice of intended dividend to unsecured creditors under the Prescribed Part, estimating a dividend of 3p in the £. Now that the Prescribed Part no longer applies we will issue a further notice of intended dividend with a revised estimated dividend of 11p in the £. Unsecured creditor claims have been agreed and a distribution will now be made in the subsequent liquidation.

End of the administration

The administration will end when the appropriate notice has been registered at Companies House, following which the Company will move into creditors' voluntary liquidation to enable the payment of a dividend to unsecured creditors.

Remuneration and expenses

Remuneration and expenses

Joint Administrators' remuneration

Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte-insolvencies.co.uk/k-r/rotadyne-(uk)-limited-(in-administration).

Should you require a paper copy, please send your request in writing to us at the address on page 3 of this report and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed on 21 June 2016 by the secured and preferential creditors as a set amount of £230,000, plus VAT thereon.

Set amount

We have drawn remuneration *of £230,000 (plus* VAT) against the agreed set fee of £230,000 as shown in the receipts and payments account on page 8.

Remuneration and expenses

Detailed information

Disbursements

Our disbursements are in excess of estimates provided in the proposals due to costs incurred during a slightly longer than anticipated trading period and are summarised below:

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

Specific approval is required before these costs and expenses can to be drawn from the administration estate and was given by Secured and preferential creditors on 21 June 2016.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Details of all disbursements are given below and from which it can be seen that we have not recovered our disbursements in full.

Post appointment

Category 1 disbursements

£ (net)	Period	Total	Paid	Unpaid
Travel	-	2,673	2,673	-
Accommodation	-	5,572	5,572	-
Parking	-	68		68
Subsistence	-	1,774	1,774	-
Specific Bond	-	240	230	10
Telephone	-	143	-	143
VAT	-	8	8	-
Advertising	-	85	-	85
Storage	-	92	76	16
Stationery	-	881	734	148
Postage/Couriers	258	828	307	521
Total disbursements	**258**	**12,364**	**11,374**	**991**

Category 2 disbursements

£ (net)	Period	Total	Paid	Unpaid
Website set up	-	500	500	-
Mileage	-	1,685	1,685	-
Total disbursements		**2,185**	**2,185**	-

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

Deloitte.