

The Insolvency Act 1986

# Notice of move from administration to dissolution

Name of Company

SEL (2010) Limited (previously SLP Engineering Ltd)

Company Number

03820643

In the

High Court of Justice  
Chancery Division  
Birmingham District Registry

(full name of court)

Court case number

8722 of 2009

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

We (a) Christopher William Pillar of PricewaterhouseCoopers LLP, The Atrium, St Georges Street, Norwich, NR3 1AG and Zelf Hussain of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT

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

having been appointed administrators of (b) SEL (2010) Limited

(c) Insert date of appointment

on (c) 27 November 2009 by (d) Bank of Scotland Plc, Hills Road, Cambridge, CB2 1JW

d) Insert name of applicant / appointor

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

We attach a copy of the final progress report

Signed

Joint Administrator

Dated

23/11/15

## 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 searchers of the public record.

Hugh Rothwell

PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP

Tel 0113 289 4165

DX Number

DX Exchange 0113 289 4000



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26/11/2015  
COMPANIES HOUSE

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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

THURSDAY



**SEL (2010) Limited (formerly SLP Engineering Limited) – in Administration**

**High Court of Justice, Chancery Division, Birmingham District Registry**

**Case No. 8722 of 2009**

**Joint Administrators' final progress report for the period ended 23 November 2015**

**23 November 2015**

D420N

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## 1. Overview of final position

### Final dividend prospects for SEL (2010) Limited creditors

	Amount
<b>For secured creditors:</b>	3,078,337
<b>For preferential creditors:</b> ie former employees (for arrears of wages up to £800 and holiday pay only) and unpaid pension contributions in certain circumstances.	n/a
<b>For unsecured creditors:</b> ie all other creditors which are neither secured nor preferential.	None

<b>Trading names:</b>	SEL (2010) Limited (formerly SLP Engineering Ltd)
<b>Former trading address:</b>	Commercial Road, Lowestoft, Suffolk, NR32 2TE Hamilton House, Battery Green Road, Lowestoft, NR32 1DE
<b>What the company did:</b>	Supplier of engineering and construction projects to the offshore oil and gas industry and other related markets
<b>What type of insolvency procedure is the company in:</b>	Administration
<b>The Administrators:</b>	Christopher William Pillar of PricewaterhouseCoopers LLP, The Atrium, St Georges Street, Norwich, NR3 1AG and, Zelf Hussain of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT.
<b>Administrators' website:</b>	<a href="http://www.pwc.co.uk/slp">www.pwc.co.uk/slp</a>
<b>What we said in our previous report:</b>	We expect the Bank/secured creditor will suffer a shortfall against its debt and we no longer expect any dividend to unsecured creditors
<b>What we are saying now:</b>	The Bank/secured creditor has suffered a shortfall against its debt, and there will be no dividend to unsecured creditors

**What do you need to do now:**      **There is no further action required from any creditors.**

**If you have any queries, please contact:**      Hugh Rothwell  
+44 (0) 113 289 4165

## **2. Overview of final position**

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### **2.1 Introduction**

In accordance with Rule 2.47 and 2.110 of the Insolvency Rules 1986 ("IR86"), we write to provide creditors with our final progress report as joint administrators. This details the progress of the Administration of SEL (2010) Limited ("the Company") since our previous report of 22 June 2015.

There have been insufficient asset realisations to provide any funds for unsecured creditors.

Details of the steps taken during the Administration, the assets realised, and the outcomes for creditors are set out below.

### **2.2 Steps taken during the Administration**

The Company was a supplier of engineering and construction projects to the offshore oil and gas industry and other related markets.

On appointment the Joint Administrators' decided to continue to trade whilst seeking a purchaser for the business and assets and preserving the value in the work in progress.

The receipts and payment account at Section 5 details all realisations in the Administration.

The main asset realisations are detailed below.

#### **Sale of business and assets**

Following discussions with nearly 70 interested parties over an eight month period, the business and assets of the Company were sold to Zefier III Ltd, a subsidiary of Smulders, on 6 August 2010.

#### **Sale of barge**

The barge was an asset of a subsidiary (SLP Sunrise Limited) and was secured by a charge over the barge by the Company. The sale of the barge completed on 5 August 2014 for consideration of \$1,864,130.

Following the sale of the barge, all liabilities within the subsidiary were settled and the corporate entity was dissolved. All of the net proceeds were paid to the Company under the inter-company debt and they were used to reduce the lender's secured debt shortfall.

#### **Book debts**

The Administrators have also achieved realisations totalling £1,377,155 from old and disputed contract debts.

#### **Freehold Property**

A sale of the freehold property at Gas Works Road completed in July 2012 for consideration of £60,000. This property had been excluded from the business and asset sale.

#### **Mellitah**

We have previously reported that we had been exploring our options for recovery of a large but disputed debt under the Mellitah contract via discussions with PwC Libya and specialist international contract agents. We last reported that no feasible offer had been received to pursue the debt. Given the ongoing unrest in Libya, which had compounded the problem of agreeing a contingent fee collection, a decision was made to abandon the debt as no one would make an outright offer to buy it. This was the only remaining asset capable of generating any significant return for the secured creditor. A small deposit account held in a Libyan Bank was also abandoned after unsuccessful attempts to try and repatriate the funds.

## **2. Overview of final position**

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In recent weeks, we received interest once again in pursuing the Mellitah debt, but only on a contingent fee basis with no guarantee of any success or the time required to obtain a result, though it was expected this would be a number of months. Despite further requests, no outright offer to buy the debt was made. Given the pending expiry of the Administration after six years and the unlikelihood of being granted a further extension, as such a collection would still not benefit the unsecured creditors, we asked the secured creditor if they wanted to take an assignment of the debt and Libyan bank deposit. The secured creditor has not been repaid in full and still has a substantial shortfall against its debt, and therefore the secured creditor has agreed to take an assignment of the Mellitah debt and the Libyan deposit account. This will now be dealt with outside the Administration by the secured creditor itself.

### **2.3 Receipts and payments account**

A full account of our receipts and payments for the period from 27 May 2015 to 23 November 2015, is set out in Section 5.

### **2.4 Expenses statement**

A statement of the expenses incurred by the Administrators in the period 27 May 2015 to 23 November 2015 is included at Section 6.

### **2.5 Outcome for creditors**

#### **Secured creditor**

The Bank held fixed and floating charge securities over the Company's assets. At the date of our appointment, the Bank had outstanding lending of approximately £17 million.

Distributions totalling £3,078,337 million have been made to the Bank, direct from this administration, from assets falling under its fixed and floating charges.

The Bank has suffered a substantial shortfall against its lending to the Company.

#### **Preferential creditors**

There were no preferential creditors in the Administration. During our period of trading, all employees who were employed at the date of appointment of the Administrators have been paid the wages, salaries and holiday pay which were outstanding at the date of our appointment.

#### **Unsecured creditors**

As explained in the previous report, unsecured creditors will not receive a dividend. No further action is required by the unsecured creditors.

The fixed and floating charges held by the Bank over the Company's assets were dated prior to 15 September 2003, which means that the prescribed part provisions contained within Section 176(A) of the Insolvency Act 1986 ("IA86") do not apply.

### **2.6 Administrators' remuneration**

In the circumstances of this case, the approval of our remuneration was a matter for the secured creditor. We have previously confirmed that the secured creditor has approved our fees on a time cost basis in line with applicable insolvency legislation. However, fees were only drawn after consultation with the Bank and on a business case basis.

The guidance for insolvency practitioners to provide creditors with details of time and disbursements charged to a case, changed in November 2011. The recommendations apply to earlier appointments unless the obligation is onerous or costly.

### 3. Overview of final position

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In this case, we believe that the time required for providing creditors with an analysis and detailed narrative on the time charged in each of the six-month periods since our appointment three years ago, would be excessive. This is because, as creditors are aware, we continued to trade the Company in administration for around nine months with very significant Administrators' time spent on trading supervision prior to the sale of the business to Smulders. As explained earlier in this report, no dividend to unsecured creditors will be available.

However, we can confirm that the total time charged to 23 November 2015, since our appointment, is £3,365,284, with disbursements of £56,499. The time is represented by 12,901 hours at an average hourly rate of £261. Against this, £2,897,994 of fees and £55,969 of disbursements have been drawn.

We have previously reported on the complexities of this case and the various matters arising that have required a considerable investment of time and resources. We refer you to our previous reports for further information on these matters.

#### 2.7 Creditors' rights

Creditors have the right to ask for more information within 21 days of this report as set out in Rule 2.48A of the Insolvency Rules 1986. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of this report as set out in Rule 2.109.

This information can also be found in the guide to fees at the below address:  
[www.icaew.com/en/technical/insolvency/creditors-guides](http://www.icaew.com/en/technical/insolvency/creditors-guides)

Alternatively, a copy can be obtained free of charge by telephoning Hugh Rothwell on 0113 289 4165.

#### 2.8 Discharge from liability

As approved by the secured creditor, we will be discharged from liability pursuant to Paragraph 98(1) of Schedule B1 IA86 in respect of any action of ours as administrators when our appointment ceases to have effect.

#### 2.9 Ending the administration

We have achieved objective (b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration). All assets have been realised and funds distributed, so it is appropriate to bring the Administration to an end. Form 2.35B, Notice of move from administration to dissolution, was filed with the Registrar of Companies on 23 November 2015 in accordance with Paragraph 84 (1) Sch. B1 IA86. Following registration of the Notice, the Company will be dissolved three months later.

Yours faithfully  
For an on behalf of the Company



Chris Pillar  
Joint Administrator

*Christopher W Pillar and Zelf Hussain have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents without personal liability. Each are licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. The joint administrators are bound by the Insolvency Code of Ethics which can be found at <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>*

*The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration.*

### 3. Statutory and other information

<b>Court details for the Administration:</b>	High Court of Justice, Chancery Division, Birmingham District Registry, Case No 8722 of 2009
<b>Full name:</b>	SEL (2010) Limited (previously SLP Engineering Ltd)
<b>Trading name:</b>	SLP Engineering Ltd
<b>Registered number:</b>	03820643
<b>Registered address:</b>	Commercial Road, Lowestoft, Suffolk, NR32 2TE
<b>Company directors:</b>	David Anthony Edwards, Dennis Clarke, and Christopher Richard Blyth
<b>Company secretary:</b>	Peter Richard Neal
<b>Shareholdings held by the directors and secretary:</b>	None
<b>Date of the Administration appointment:</b>	27 November 2009
<b>Administrator's name and address:</b>	Christopher William Pillar of PricewaterhouseCoopers LLP, The Atrium, St Georges Street, Norwich, NR3 1AG
<b>Additional Administrator's appointment:</b>	Zelf Hussain, of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT on 19 August 2013
<b>Administrators' resignations:</b>	Edward Mark Shires, of PricewaterhouseCoopers LLP, Donnington Court, Pegasus Business park, Castle Donnington, East Midlands, DE74 2UZ on 19 August 2013  Stephen Mark Oldfield, of PricewaterhouseCoopers LLP, The Atrium, St Georges Street, Norwich, NR3 1AG on 19 August 2013
<b>Details of any extension(s) to the initial period of appointment:</b>	On 19 November 2010 the Administration was extended to 26 November 2011, On 14 November 2011 the Administration was extended to 26 November 2012, On 26 November 2012 the Administration was extended to 26 November 2013, On 14 November 2013 the Administration was extended to 26 November 2014, On 13 November 2014 the Administration was extended to 26 November 2015
<b>Appointor's name and address:</b>	Bank of Scotland Plc, Hills Road, Cambridge, CB2 1JW
<b>Objective being pursued by the Administrators:</b>	(b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration)



### 3. Statutory and other information

<b>Division of the Administrators' responsibilities:</b>	In relation to paragraph 100(2) Sch B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as administrators may be done by any or all of the persons appointed for the time being holding that office
<b>Proposed end of the Administration:</b>	By notice to the Registrar of Companies under Paragraph 84 Sch B1 IA86, following registration of which the Company will be dissolved three months later
<b>Estimated dividend for the unsecured creditors:</b>	Nil
<b>Estimated values of the prescribed part and the Company's net property:</b>	Not applicable Prescribed part provisions will not apply as the floating charges were created prior to 15 September 2003.
<b>Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:</b>	Not applicable
<b>The European Regulation on Insolvency Proceedings (Council Regulation (EC) No.1346/2000 of 29 May 2000):</b>	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings

## 4. Summary of Joint Administrators' Proposals

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The Administrators made the following proposals for achieving the purpose of the administration

- i) The Administrators will continue to manage and finance the Companies' business, affairs and property from trading revenues, asset realisations and the ultimate sale of the business in such manner as they consider expedient with a view to achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration)
- ii) The Administrators may investigate and, if appropriate, pursue any claims that the Companies may have under the Companies Act 1985 or IA86 or otherwise. In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Companies or to maximise their realisations or for any other purpose incidental to these proposals
- iii) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator, or the Administrators and that the costs of so doing be met as a cost of the Administration as part of the Administrators' remuneration
- iv) Creditors' committees for either of the Companies will be established if sufficient creditors are willing to act on it. Where the Administrators consider it appropriate, they will seek sanction from the committee to a proposed action rather than convening a meeting of all creditors
- v) The Administrators will consult with the creditors' committee, if one is appointed, concerning the necessary steps to extend the Administration beyond the statutory duration of one year if an extension is considered advantageous. The Administrators shall either apply to the court or seek consent from the appropriate classes of creditors for an extension
- vi) The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances -
  - (a) If there are insufficient funds with which to make a distribution to unsecured non-preferential creditors, which is currently uncertain, once all of the assets have been realised and the Administrators have concluded all work within the Administrations, the Administrators will file a notice under Paragraph 84(1) Sch B1 IA86 with the Registrar of Companies, following registration of which the Companies will be dissolved three months later, or
  - (b) Once asset disposals are complete, the Administrators will place one or both of the Companies into creditors' voluntary liquidation. In these circumstances, it is proposed that Stephen Oldfield, Chris Pillar and Mark Shires be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by any or all of them. In accordance with Paragraph 83(7) Sch.B1 IA86 and Rule 2.117(3) IR86, creditors may nominate alternative liquidators, provided that the nomination is made after the receipt of these proposals and before they are approved, or
  - (c) Once asset disposals are complete, the Administrators will apply to the court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given, the Administration will be brought to an end by notice to the Registrar of Companies under Paragraph 84 Sch B1 IA86, following registration of which the Companies will be dissolved three months later. If permission is not granted the Administrators will place the Companies into creditors' voluntary liquidation or otherwise act in accordance with any order of the court; or
  - (d) Having given the notice required by Rule 2.114 IR86 to all known creditors of the Companies, the Administrators may make an application to court pursuant to Paragraph 79 Sch B1 IA86 to end the Administration. The Administrators will, at the same time, petition the court to make a winding up order against the relevant company and may seek the appointment of Stephen Oldfield, Chris Pillar and Mark Shires of PricewaterhouseCoopers LLP. Anything required or authorised to be done by the Joint Liquidators will be done by any or all of them

## **4. Summary of Joint Administrators' Proposals**

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- vii) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch B1 IA86 in respect of any action of theirs as Administrators at a time resolved by the secured creditor, or if a distribution has been or may be made to the preferential creditors, at a time resolved by the secured creditor and over 50% of the preferential creditors by value disregarding debts of any creditor who does not respond to an invitation to give or withhold approval, or in any case at a time determined by the Court
- viii) It is proposed that the Administrators' fees be fixed by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in Statement of Insolvency Practice No 9) be charged in accordance with the Administrators' firm's policy. As the Administrators have stated that a distribution to non-preferential unsecured creditors is uncertain, should there prove to be insufficient property to enable a distribution it will be for the secured creditor and, if applicable, preferential creditors to determine these instead
- ix) The Administrators also propose that the Companies' books and records may be destroyed one year after dissolution

## 5. Receipts and payments account for the period from 27 May 2015 to 23 November 2015

SEL (2010) Limited (formerly SLP Engineering Limited - in administration)  
Summary of financial information as at 23 November 2015

	Total for the period from appointment to 26 May 2015	For the period from 27 May 2015 to 23 November 2015	Total from appointment to 23 November 2015
	£	£	£
<b>Fixed Charge Realisations</b>			
Freehold Property	680,000 00	-	680,000 00
Leasehold Property	1,430,887 82	-	1,430,887 82
Sale of Business	1 00	-	1 00
Goodwill	997 00	-	997 00
Rental Income	72,173 79	-	72,173 79
Intellectual Property Rights	2 00	-	2 00
Contribution to legal costs	3,631 91	-	3,631 91
	<b>2,187,693 52</b>	-	<b>2,187,693 52</b>
<b>Fixed Charge Payments</b>			
Legal Fees	(78,781 28)	-	(78,781 28)
Distribution to Chargeholder	(650,000 00)	(141,565 97)	(791,565 97)
Agents' Disbursements	(2,850 00)	-	(2,850 00)
Agents' Fees	(30,526 61)	-	(30,526 61)
Legal Disbursements	(2,576 00)	-	(2,576 00)
	<b>(764,733 89)</b>	<b>(141,565 97)</b>	<b>(906,299 86)</b>
<b>Balance of Fixed Charge Funds</b>	<b>1,422,959 63</b>	<b>(141,565 97)</b>	<b>1,281,393 66</b>
<b>Floating Charge Realisations</b>			
Plants and Machinery	2,190,538 00	-	2,190,538 00
Book Debts	1,377,155 23	-	1,377,155 23
Intercompany debtors	72,988 03	-	72,988 03
Refunds	144,256 87	-	144,256 87
Share in Joint Venture	106,985 74	-	106,985 74
Shares in Sea & Land Precast Ltd	1,000 00	-	1,000 00
Office Equipment	10,000 00	-	10,000 00
Stock	30,000 00	-	30,000 00
Interest Received Gross	16,912 92	355 27	17,268 19
Other interest received	220 81	-	220 81
Trading Surplus (*note 1)	1,440,839 72	-	1,440,839 72
	<b>5,390,897 32</b>	<b>355 27</b>	<b>5,391,252 59</b>
<b>Floating Charge Payments</b>			
Agent's Fees - Plant & Machinery	(23,421 11)	-	(23,421 11)
Postage & Packaging & Printing	(3,081 12)	-	(3,081 12)
Legal fees & expenses	(175,122 02)	-	(175,122 02)
Office Holder's Fees - Administration	(1,475,000 00)	(422,994 33)	(1,897,994 33)
Office Holder's Fees - Trading Supervision	(1,000,000 00)	-	(1,000,000 00)
Office Holder's Expenses	(42,939 74)	(13,028 90)	(55,968 64)
Statutory Advertising	(2,081 47)	-	(2,081 47)
Agent's Fees	(156,998 81)	-	(156,998 81)
IT costs	(96 42)	-	(96 42)
Liens - Barge	(131,540 13)	-	(131,540 13)
Bank charges	(1,803 00)	(39 00)	(1,842 00)
Insurance	(40,729 03)	-	(40,729 03)
Professional Fees	(24,598 84)	-	(24,598 84)
Regulatory Fees	(875 00)	-	(875 00)
Repairs & maintenance	(233,407 86)	-	(233,407 86)
Transport & carriage	(25,631 17)	-	(25,631 17)
Utility costs	(402 77)	-	(402 77)
General trading costs	(702 67)	-	(702 67)
Sundry duties and levies	(1,500 00)	-	(1,500 00)
Storage	(23,769 55)	(16,120 23)	(39,889 78)
Filing fees	(1,510 00)	-	(1,510 00)
Storage costs	(4,617 86)	-	(4,617 86)
Corporation Tax	(400 00)	-	(400 00)
	<b>(3,370,228 57)</b>	<b>(452,182 46)</b>	<b>(3,822,411 03)</b>
<b>NET FLOATING CHARGE REALISATIONS</b>	<b>2,020,668 75</b>	<b>(451,827 19)</b>	<b>1,568,841 56</b>
<b>Net balance</b>	<b>3,443,628 38</b>	<b>(593,393 16)</b>	<b>2,850,235 22</b>
VAT paid on costs (*note 2)	(564,923 48)	1,459 06	(563,464 42)
<b>Secured Creditors</b>	<b>(2,286,770 80)</b>	-	<b>(2,286,770 80)</b>
<b>Funds in Hand</b>	<b>591,934 10</b>	<b>(591,934 10)</b>	-

Note 1 Trading surplus has been reported in previous reports. The Company has ceased to trade and therefore this figure will not change.

Note 2 The balance outstanding of £563,464 42 relates to intergroup VAT costs incurred whilst trading. The balance is irrecoverable.

## 6. Expenses incurred in the period

SEL (2010) Limited (formerly SLP Engineering Limited) - in administration

Expenses incurred\* for the period 27 May 2015 to 23 November 2015

	Unpaid expenses as at 26 May 2015	Expenses incurred in period	Expenses paid in period	Unpaid expenses as at 23 November 2015
Legal fees	-	-	-	-
Legal disbursements	1,697 00	(1,697 00)	-	-
Storage	-	16,120 23	16,120.23	-
Office holders' time costs	846,553 50	43,730.95	422,994.33	467,290 12
Office holders' expenses	13,020 26	529 99	13,028.90	521.35
<b>Total</b>	<b>861,270.76</b>	<b>58,684.17</b>	<b>452,143.46</b>	<b>467,811.47</b>

\* Please note that this schedule provides an estimate of expenses incurred for the period 27 November 2009 to 23 November 2015. It should be noted that not all costs have not been recovered in full