

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

Name of Company
DAWNAY, DAY INVESTMENT BANKING LTD

Company number
04397988

In the
HIGH COURT OF JUSTICE [full name of court]

Court case number
5944 OF 2008

- (a) Insert name(s) and address(es) of administrator(s) **I/We (a) John A G Alexander and Melvyn J Carter of Carter Backer Winter, Enterprise House, 21 Buckle Street, London, E1 8NN**
- (b) Insert name and address of registered office of company **having been appointed administrator(s) of (b) Dawnay, Day Investment Banking Limited of Enterprise House, 21 Buckle Street, London, E1 8NN**
- (c) Insert date of appointment **on (c) 18 July 2008**
- (d) Insert name of applicant / appointor **by (d) The Directors**
- (e) Insert name(s) and address(es) of liquidator(s) **hereby give notice that the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that (e) John A G Alexander and Melvyn J Carter of Carter Backer Winter, Enterprise House, 21 Buckle Street, London, E1 8NN**
- will be the liquidator(s) of the company (IP No(s) 5053 & 5773)**
- I/We attach a copy of the final progress report.**
- Signed *[Signature]*
Joint/Administrator(s)
- Dated **13 February 2009**

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

John Alexander of Carter Backer Winter

Tel: 020 7309 3800

DX Number: 513

DX Exchange: London City

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

Companies House, Crown Way, Cardiff, CF14 3UZ
Cardiff

DX 33050



A01 17/02/2009 328
COMPANIES HOUSE

TUESDAY

DAWNAY, DAY INVESTMENT BANKING LIMITED (In Administration) ("the Company")
Registered Office: Enterprise House, 21 Buckle Street, London, E1 8NN
Company number: 04397988

**JOINT ADMINISTRATORS' PROGRESS REPORT PURSUANT TO RULE 2.47 OF
THE INSOLVENCY RULES 1986**

&

**JOINT ADMINISTRATORS' FINAL REPORT PURSUANT TO RULE 2.117 OF
THE INSOLVENCY RULES 1986.**

Melvyn Carter and I, of Carter Backer Winter, Enterprise House, 21 Buckle Street, London, E1 8NN, were appointed Joint Administrators of the Company by its Directors on 18 July 2008. We were appointed to act jointly and severally in the exercising of any and all functions exercisable by an Administrator appointed under the provisions of Schedule B1 of the Insolvency Act 1986, as amended ("the Act").

The objective of the Administration, as defined in paragraph 3(1)(b) of schedule B1 of the Act, was to achieve a better result for the Company's creditors as a whole than would have been likely if the Company were wound up (without first being in administration). I confirm it is now appropriate to move the Company to Creditor's Voluntary Liquidation, therefore bringing the Administration to an end. The Administration will be deemed to have ended when the attached notice is filed at Companies House. At the same time, the Joint Liquidators' appointment will be effective.

There have been no extensions to the initial period of the Administration. An abstract of our period and final Receipts and Payments is attached for your attention.

Asset realisations

On appointment, we identified and secured the Company's assets. A receipts and payments account is attached which includes a comparison with the Directors' Statement of Affairs ("SofA").

On our appointment we instructed agents to dispose of the Company's fixtures and fittings and, office equipment on our behalf. A final account is expected shortly albeit only nominal funds are anticipated, after costs, as the market for second hand furniture is notoriously difficult despite the high spec of the furniture sold.

According to the Directors' SofA, the Company invested £423,669 in Dawnay, Day Corporate Finance Limited ("DDCF"). DDCF is also in administration and we are the Joint Administrators. This should be considered an inter-company loan rather than an investment as the Company was not a shareholder of DDCF and therefore this represents a claim in DDCF which should be admitted for dividend purposes. It is possible that a dividend will be paid to the creditors of DDCF. However, at this stage it is too early to estimate what any dividend might be.

The Directors' SofA also details a number of other investments which have an estimated to realise value of £26,390. These investments are unlisted and the position is being monitored with a view to disposing of the shareholdings at an appropriate time to maximize value.

The Company was due £79,427 from trade debtors. The Directors' estimated that only £33,300 would be recoverable, being reduced on a percentage basis, depending on age. Collection is continuing and will be recoverable in the liquidation.

The Directors estimated that £110,314 would be recoverable in respect of other debtors. These debtors include Pershing Securities Limited ("Pershing"). Pershing acted as a broker on behalf of the Company. They held a deposit paid by the Company which will be released, less costs, once all shareholdings have been 'collected' by the shareholders. This exercise is nearing completion and is an asset that will be dealt with in the Liquidation.

The Directors estimated that £306,144 would be recoverable in respect of the inter-company loans. These debtors include Lockhart Securities Limited ("Lockhart") and Dawnay, Day International Limited ("DDI"). No monies were anticipated in respect of DDI as this Company is also in Administration but a claim has been submitted.

Lockhart was a former trading arm of the Company, which was sold as part of a sale of business agreement in June 2008. The Company owed Lockhart £485,000. Lockhart owed the Company £306,144. The advice from the Company's solicitors was that these funds could not simply be offset against each other and therefore simultaneous transactions were required. The Company issued their side of the payment. However, the return funds were not received prior to our appointment.

Asset realisations continued

Lockhart was not in a position to settle the claim, which was not disputed, in full and therefore a commercial decision was taken to accept £150,000 from Lockhart in full settlement of the debt due. DDI, acting by its Joint Administrators BDO Stoy Hayward, have claimed that the monies due from Lockhart are due to DDI. We dispute this claim as we have been advised that the debt is properly due to DDIB. The matter is with our solicitors and the settlement funds are currently held in escrow with BDO Stoy Hayward's solicitors pending a resolution.

Cash at bank was received of £89,604. The original sum received from the Company's former account included a receipt from Hobart Capital Markets Limited which had been received in error after our appointment which we subsequently repaid.

Creditors

The Directors' SofA listed liabilities totalling £2,775,242. No adjudication of the claims received to date has been undertaken. This will be undertaken during the subsequent Liquidation if and when there are sufficient funds to enable a dividend to be paid. Please see the attached schedule to confirm we have received your proof of debt.

Administrators' Remuneration

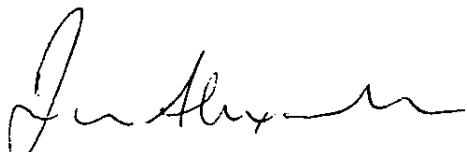
At a meeting of creditors held on 23 September 2008, the creditors resolved that the Joint Administrators' remuneration be fixed on the basis of time properly spent by the Joint Administrators and their staff in attending to matters arising in the Administration, to be charged at Carter Backer Winter's standard rates for this type of work, and to be drawn as and when funds are available. Fees relating to the Administration have been drawn totalling £92,164 plus VAT. Any unsettled Administration costs will be a prior claim on the liquidation assets.

The Company is registered for VAT and therefore VAT is recoverable. Disbursements drawn total £2,199 plus VAT, where appropriate. In addition, creditors approved a resolution to allow us to draw our pre-appointment time totalling £405 plus VAT.

Exit from Administration

The approved proposals envisaged that the Company would exit administration by moving to a creditors' voluntary liquidation. Melvyn Carter and I will be the Joint Liquidators in accordance with the agreed Administration proposals. Notice of this appointment will be circulated in due course.

Dated: 13 February 2009



J A G ALEXANDER
JOINT ADMINISTRATOR

In the High Court of Justice

No. 5944 of 2008

Dawnay, Day Investment Banking Limited (In Administration)

**Joint Administrators' Final Receipts & Payments Account
For the period from 18 July 2008 to 17 January 2009
and for the Final Period from 18 January to 13 February 2009**

	SofA	To Period End 17 January 2009
	£	£
INCOME		
Fixtures & Fittings	2,646	-
Office Equipment	1,608	-
Investments;		
Dawnay, Day Corporate Finance Limited	Nil	-
Other unlisted investments	26,390	-
Trade Debtors	33,299	-
Other Debtors	110,314	1,645.33
Employee Loans	Nil	106,665.50
Intercompany Loans;		
Dawnay, Day International Limited	Nil	-
Dawnay, Day Lockhart Limited	306,144	-
Cash at Bank	84,294	89,604.33
Interest		2,373.51
		<u>200,288.67</u>
EXPENDITURE		
Joint Administrators' Pre-appointment Fees		405.00
Joint Administrators' Remuneration		92,163.75
Joint Administrators' Disbursements		2,198.97
Agents Fees		212.50
Legal Fees*		3,000.00
Bank Charges		53.63
		<u>(98,033.85)</u>
		<u>£ 102,254.82</u>
BALANCE		
Cash at Bank		85,388.98
VAT Control Account (Reclaimed but not yet received)		16,865.84
		<u>£ 102,254.82</u>

N.B. Only interest of £152 has been received in the final period between 18 January to 13 February 2009, being the date of this report.

N.B. The balance of funds will be transferred to the Joint Liquidators on their appointment.

N.B. The assets not recovered during the administration will be transferred to the Joint Liquidators to recover.

Hours

	Partner	Manager	Other Senior Professional	Assistants and Support Staff	Total Hours	Total Cost	Average Hourly Rate	Disbursement	£
Administration and Planning	7.25	0.70	83.20	20.17	111.32	30,388.81	£272.99	Advertising	1,007.00
Case conferences and meetings (legal)	4.00	0.00	0.00	0.00	4.00	1,620.00	£405.00	Couriers	14.63
Cashiering	0.00	0.00	0.00	11.33	11.33	0.00	£0.00	Insolvency Bond	400.00
Compliance	7.50	0.00	14.55	0.00	22.05	7,766.25	£352.21	Insurance	129.86
Employees	3.50	1.00	33.90	8.50	46.90	14,382.50	£306.66	Search Fees	8.00
Statutory Meeting Attendance	1.50	0.00	0.00	0.00	1.50	607.50	£405.00	Storage	486.44
Taxation	0.00	0.00	0.30	0.75	1.05	236.25	£225.00	Travel/Fares	153.04
Creditors	0.25	0.00	41.50	0.75	42.50	13,727.50	£323.00		
Investigations (Non disqualification)	0.50	0.00	5.50	1.00	7.00	2,185.00	£312.14		
Debtor Realisations	4.00	0.00	0.00	0.00	4.00	1,620.00	£405.00		
Realisation of Assets	27.75	0.00	36.80	3.25	67.80	22,900.00	£337.76		
	56.25	1.70	215.75	45.75	319.45	£95,433.81	£298.74		£2,198.97
Cost per employee category	£22,241.25	£637.50	£70,268.75	£2,286.31		£95,433.81			

Dawnay, Day Investment Banking Limited - In Administration

List of Creditors in accordance with the Directors Statement of Affairs

Name of Preferential Creditor	£	Claims Received
Employee guaranteed bonuses	439,920.00	
Employee expenses	1,771.00	
Redundancy Payments Service		6,411.90
Employees (collective preferential and unsecured claims)	-	<u>1,070,101.67</u>
	<u>441,691.00</u>	<u>1,076,513.57</u>

Unsecured Creditors (Schedule 1C of the Proposals)

Archon Solicitors	1,410.00	1,410.00
Bloomberg LP	1,795.71	-
Bupa Corporate	1,572.97	-
City of Westminster	-	3,306.60
Caroline Whiteley	1,322.00	-
City of Edinburgh Council	358.32	-
Dawnay, Day Global Investments	3,525.00	-
DDAV	550.00	-
Deloitte & Touche	7,050.00	-
Dunedin Independent	230.00	-
Equifax Europe	24.00	-
Experian Limited	30.17	63.05
Early Years Vouchers Limited	257.25	-
FSA	17,065.01	22,093.00
Fidessa Plc	38,590.65	167,051.97
Hints Limited	3,290.00	3,290.00
Hammond Partners	147.90	-
Kings Road Dairy	27.65	-
LMA Recruitment	-	2,415.27
Map Performance	52.35	-
New York Stock Exchange	81.23	-
Omego	323.15	6,066.45
Payroll Plus Limited	1,772.78	1,772.78
Reuters Limited	7,559.28	-
Sterling Digital Print	2,344.18	-
Single Source Binding	233.21	-
Stanford Burgess Limited	3,377.65	3,853.50
T.J. Beverages Limited	697.39	697.39
TSX Inc	396.70	-
UOE UK Limited	424.34	-
Vodafone Corporate Limited	1,892.00	-
	<u>96,400.89</u>	<u>212,020.01</u>

Other Unsecured Creditors (Schedule 1D of the Proposals)

Credit Agricole Cheuvreux	34,283.00	34,283.00
Provenlec	2,417.00	-
HM Revenue & Customs (PAYE)	163,797.97	383,065.07
	<u>200,497.97</u>	<u>417,348.07</u>

Accruals (Schedule 1E of the Proposals)

Rent & Rates	26,017.00	-
Group Recharges	22,522.00	-
PSA	71,112.00	-
	<u>119,651.00</u>	<u>0.00</u>

Subordinated Loan	1,250,000.00	
£1 2.5% Non-cumulative redeemable preference shares	667,001.00	
	<u>1,917,001.00</u>	

Total estimated liabilities as per Directors' Statement of Affairs 2,775,241.86 1,705,881.65

NB: No adjudication of the claims received has been undertaken.

CARTER BACKER WINTER

CORPORATE RECOVERY AND INSOLVENCY DEPARTMENT

SPECIALIST INSOLVENCY APPOINTMENTS

TIME COST CHARGE-OUT RATES

	<u>1 January 2008</u>	<u>1 January 2009</u>
	<u>£ Per Hour</u>	<u>£ Per Hour</u>
Partner	405	435
Managers	375	390
Administrators	325	350
Junior Assistants	185	195
Cashier	0	0
Support Staff	0	0