

The Insolvency Act 1986

# Notice of move from administration to creditors' voluntary liquidation 2.34B

|   |  |
|---|--|
| Name of Company<br><b>Titan Holdings Limited</b>                                  | Company number<br><b>03286113</b>        |
| In the High Court of Justice<br>Chancery Division<br>Manchester District Registry | Court case number<br><b>3119 of 2008</b> |

(a) Insert name(s) and address(es) of administrator(s)      **W**e (a) Kerry Bailey and Jonathan Newell of PKF (UK) LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3HF

(b) Insert name and address of registered office of company      having been appointed Joint Administrators of (b) Titan Holdings Limited c/o PKF (UK) LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3HF

(c) Insert date of appointment      on (c) 9 December 2008 by (d) the company directors

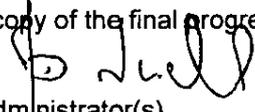
(d) Insert name of applicant / appointor

(e) Insert name(s) and address(es) of liquidator(s)      the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that (e) Kerry Bailey and Jonathan Newell of PKF (UK) LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3HF

hereby give notice that:

will be the Joint Liquidator(s) of the company (IP No(s) 8780, 6419)

~~W~~ We attach a copy of the final progress report.

Signed   
Joint / Administrator(s)

Dated **4 December 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.

|   |                   |
|---|-------------------|
| <b>James Williams</b><br>PKF (UK) LLP<br>3 Hardman Street |                   |
| Spinningfields<br>Manchester<br>M3 3HF                    |                   |
|   | Tel 0161 832 5481 |
| DX Number 715 600   | 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      DX33050 Cardiff



PC1      09/12/2009      1160  
COMPANIES HOUSE

WEDNESDAY



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TO ALL KNOWN CREDITORS

Our ref: KFB/JDN/SAF/JW/4013649/2400

4 December 2009

Dear Sirs

**Titan Holdings Limited ("Titan") (In Administration)**

**Report to creditors on the progress of the administration for the period 9 June 2009 to 8 December 2009, pursuant to rule 2.47 of The Insolvency Rules 1986.**

I write to give you a progress report on the conduct of the administration of the above company for the period from 9 June 2009 to 8 December 2009 and the financial position as at 3 December 2009. This report should be considered in conjunction with the Administrators' proposals dated 28 January 2009.

The following appendices are attached to this report:

1. Statutory information;
2. Summaries of the Joint Administrators' Receipts and Payments Accounts from 9 December 2008 to 3 December 2009;
3. Summaries of our time costs to 27 November 2009;
4. Forms 2.24B, Administrators' Progress Report; and
5. Forms 2.34B, Notice of move from Administration to Creditors' Voluntary Liquidation.

Tel 0161 832 5481 | Direct fax 0161 832 6307

Email James.Williams@uk.pkf.com | www.pkf.co.uk

PKF (UK) LLP | 3 Hardman Street | Spinningfields | Manchester | M3 3HF | DX 715600 Manchester

Important notice Partners and staff of PKF (UK) LLP acting as administrative receivers or administrators contract without personal liability. All insolvency appointment takers of PKF (UK) LLP are authorised by The Institute of Chartered Accountants in England and Wales, except R Barclay, W Duncan and B Jackson who are authorised by The Institute of Chartered Accountants of Scotland and R Connock who is authorised by The Association of Chartered Certified Accountants.

PKF (UK) LLP is a limited liability partnership registered in England and Wales with registered number OC310487.

A list of members' names is open to inspection at Farringdon Place, 20 Farringdon Road, London EC1M 3AP, the principal place of business and registered office. PKF (UK) LLP is authorised and regulated by the Financial Services Authority for investment business activities. The PKF International Association is an association of legally independent firms.



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## ASSET REALISATIONS

### Plant, stock & WIP

The assets of the company were valued by Philip Davies & Sons Auctioneers & Valuers prior to our appointment. Based on the valuation advice received, a sale of the free assets to Titan Manufacturing Limited ("TML"), a new company established by the directors, was completed on 11 December 2008.

Total consideration for the sale of the free assets was agreed at £65,000 to be apportioned as follows:-

|        |         |
|--------|---------|
| Plant: | £10,000 |
| Stock: | £30,000 |
| WIP:   | £25,000 |

Forecasts prepared by TML indicated that whilst a return to profitability could be achieved, they had insufficient working capital and were unable to raise funds at the outset to purchase the assets outright. It was therefore agreed the £65,000 would be paid in instalments as follows:-

|  |         |
|--|---------|
| 15 December 2008                         | £10,000 |
| 22 December 2008                         | £5,000  |
| 5 January 2009                           | £5,000  |
| And £5,000 a week thereafter for 9 weeks |         |

The first instalment of £10,000 has been received and the first five instalments of £5,000 (to 26 January 2009) were paid into the Administration bank account.

In February 2009 the directors advised that the company's order intake had dropped dramatically. The company began to experience cash flow difficulties and fell behind with the agreed £5,000 instalments.

Between February 2009 and November 2009 strenuous attempts were made to secure a recovery of the sums outstanding.

A number of agreements were entered into but, after an initial payment, the agreements were subsequently dishonoured.

In September 2009, a Statutory Demand was served in advance of proceeding to a petition for the compulsory winding up of TML. Under this threat, TML recommenced payments. A sum of £3,000 now remains outstanding.

### Book debts

The book debts are factored with Skipton Business Finance Limited ("Skipton"). They are formally assigned to Skipton and therefore the company no longer has title to them.

### SECURED CREDITORS

The unencumbered assets of the company are subject to floating charge debentures with Skipton Business Finance Limited dated 1 July 2004 and the Royal Bank of Scotland plc dated 31 March 2005.

If the sales consideration is received in full, there maybe a small distribution under Skipton's floating charge, after allowing for the prescribed part. However, this is currently far from certain.

### PREFERENTIAL CREDITORS

All employees were transferred to TML. As a result there are no preferential creditors.

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## **NON PREFERENTIAL CREDITORS**

From information provided by the director and correspondence received from creditors, it appears that there are 217 creditors owed approximately £750,429 in total. However, not all creditors have notified us of their claims and as a result this figure is only provisional.

Included in the above, the company has liabilities to H M Revenue and Customs in respect of unpaid VAT totalling £56,594 and unpaid PAYE/NIC totalling £374,120. These claims are estimated as returns are currently outstanding.

### **Prescribed Part**

Section 176A of the Insolvency Act 1986 requires Administrators to set aside a prescribed amount of a company's 'net property' towards the satisfaction of non-preferential claims. Net property is the amount of property that would otherwise be available for the satisfaction of claims of holders of debentures secured by, or holders of, any floating charge created by the company on or after 15 September 2003. In this case there are two debentures dated after this date.

There will be sufficient funds to make a small distribution to the unsecured creditors under the terms of the Prescribed Part.

## **ADMINISTRATORS' PROPOSALS**

The Joint Administrators' proposals were accepted at a meeting of creditors on 13 February 2009.

## **INVESTIGATIONS**

The conduct of the directors has been investigated and a report has been submitted to the Secretary of State, as required by Statute. The contents of this report remain confidential.

## **JOINT ADMINISTRATORS' REMUNERATION AND COSTS**

From the date of our appointment to 27 November 2009, we have incurred total time costs of £41,810 plus VAT which represents 301 hours at an average charge out rate of £138.54 per hour. A detailed time cost summary is attached to this report.

The unsecured creditors approved the Joint Administrators' remuneration on a time cost basis by reference to PKF (UK) LLP's normal rates. However, we have also sought approval of our remuneration from the secured creditors, Skipton Business Finance Limited and the Royal Bank of Scotland plc.

To date £33,500 plus VAT has been drawn on account of our time costs. We have requested approval from the secured creditors to draw further remuneration in the sum of £8,500 plus VAT. If approval is received, these fees will be drawn from the surplus passed into the Liquidation.



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Disbursements incurred since the date of our appointment total £234.30 and are detailed as follows:

|                     | Category 1<br>Disbursement<br>£ | Category 2<br>Disbursement<br>£ |
|---------------------|---------------------------------|---------------------------------|
| Mileage             |                                 | 88.54                           |
| Motor Expenses      |                                 | 1.65                            |
| Company Search Fees | 16.00                           |                                 |
| Bonds               | 158.00                          |                                 |
|                     | <u>174.00</u>                   | <u>90.19</u>                    |

Category 1 disbursements are those which generally comprise external supplies of incidental services specifically identifiable to the client. Category 2 disbursements are generally services supplied internally and require approval. We received specific approval from unsecured creditors to draw category 2 disbursements.

To date, disbursements of £234.30 have been drawn on account.

#### PROFESSIONAL FEES

We have incurred legal fees in relation to the sale of the free assets totalling £6,545 plus VAT. These fees have been discharged in full.

We have incurred agent's fees and disbursements in relation to the valuation of company assets totalling £2,416 plus VAT. These have also been discharged in full.

#### MOVE FROM ADMINISTRATION TO CREDITORS' VOLUNTARY LIQUIDATION

As detailed above, there is still deferred consideration outstanding. There will also be a distribution to creditors under the terms of the Prescribed Part.

In accordance with the Joint Administrators' Proposals approved at the meeting of creditors held on 13 February 2009, the company will move from Administration to Creditors' Voluntary Liquidation.

I attach Form 2.34B, Notice of move from Administration to Creditors' Voluntary Liquidation.

Yours faithfully

**Jonathan Newell**  
Joint Administrator

Enc



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**Titan Holdings Limited  
In Administration**

**STATUTORY INFORMATION**

|   |   |  |
|---|---|--|
| <b>Company Number</b>                           | 03286113  |  |
| <b>Date of Incorporation</b>                    | 2 December 1996   |  |
| <b>Registered Office<br/>(Pre-appointment)</b>  | Titan Works<br>Claremount Road<br>Boothtown<br>Halifax<br>West Yorkshire<br>HX3 6NT                                 |  |
| <b>Registered Office<br/>(Post-appointment)</b> | PKF (UK) LLP<br>Sovereign House<br>Queen Street<br>Manchester<br>M2 5HR   |  |
| <b>Trading Address</b>                          | Titan Works<br>Claremount Road<br>Boothtown<br>Halifax<br>West Yorkshire<br>HX3 6NT                                 |  |
| <b>Company Directors and Shareholding</b>       | Frank Minshull<br>170 shares of £1  | Jeremy Rupert Viewing<br>50 shares of £1 |
|   | Douglas Tait<br>300 shares of £1  | David Waterhouse<br>40 shares of £1      |
|   | Robin Attwood<br>50 shares of £1  | Jonathan Bilney<br>40 shares of £1       |
| <b>Company Shareholders</b>                     | Steven Rushworth<br>300 shares of £1  | Robert Francis Sokel<br>50 shares of £1  |
| <b>Nature of Business</b>                       | Manufacture of hydraulic equipment  |  |
| <b>Date of Appointment</b>                      | 9 December 2008   |  |
| <b>Appointees</b>                               | Kerry Franchina Bailey & Jonathan Newell<br>PKF (UK) LLP<br>Sovereign House<br>Queen Street<br>Manchester<br>M2 5HR |  |
| <b>Appointers</b>                               | The Directors   |  |

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**Court and Court Reference**

High Court of Justice  
Chancery Division  
Liverpool District Registry  
3119 of 2008

**EU Regulations**

The European Community Regulation on Insolvency Proceedings applies to Titan Holdings Limited and the proceedings are the main proceedings.

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**Titan Holdings Limited  
(In Administration)**

**Receipts and Payments Account  
09 December 2008 to 03 December 2009**

| <b>RECEIPTS</b>                          | <b>Total (£)</b>             |
|--|------------------------------|
| Plant & Machinery                        | 9,993.00                     |
| Stock/WIP                                | 52,000.00                    |
| Business Intellectual Property           | 1.00                         |
| Commercial Records and the Customer List | 1.00                         |
| Bank Interest Net of Tax                 | 47.26                        |
| Specific Contracts                       | 1.00                         |
| Computer System                          | 1.00                         |
| Fixtures & Fittings                      | 1.00                         |
| Goodwill                                 | 1.00                         |
| Information Technology                   | 1.00                         |
|  | <hr/> <b>62,047.26</b> <hr/> |
| <br><b>PAYMENTS</b>                      |                              |
| Office Holders Fees                      | 33,500.00                    |
| Office Holders Expenses                  | 234.30                       |
| Agents/Valuers Fees                      | 2,320.00                     |
| Agents/Valuers Disbursements             | 96.00                        |
| Legal Fees                               | 6,545.00                     |
| Statutory Advertising                    | 299.18                       |
| Insurance of Assets                      | 143.85                       |
|  | <hr/> <b>43,138.33</b> <hr/> |
| <b>Balance</b>                           | <hr/> <b>18,908.93</b> <hr/> |
| <br><b>MADE UP AS FOLLOWS</b>            |                              |
| Bank 1 - Current                         | 18,908.93                    |
|  | <hr/> <b>18,908.93</b> <hr/> |

Titan Holdings Limited  
(In Administration)

SIP9 Analysis of Joint Administrators Timecosts as at 27 November 2009

| Tasks   | Grade: | Partner / Director | Manager    | Supervisor / Senior Administrator | Administrator / Assistant | Total      |
|---|--------|--------------------|------------|-----------------------------------|---------------------------|------------|
|   |        | Amount (£)         | Amount (£) | Amount (£)                        | Amount (£)                | Amount (£) |
|   |        | Hours              | Hours      | Hours                             | Hours                     | Hours      |
|   |        | £380.00            | £267.00    | £150.00                           | £63.00                    | £139.00    |
| Average Cost per hour:                                  |        |                    |            |                                   |                           |            |
| Partner/Senior Manager Review                           |        | 1,137.00           | 69.00      |                                   |                           | 1,206.00   |
| Planning & Monitoring                                   |        | 6,064.00           | 1,413.60   |                                   | 299.90                    | 7,777.50   |
| Time Summaries & Billing                                |        |                    | 388.95     |                                   | 191.90                    | 580.85     |
| Cashiering Function Generally                           |        | 97.15              | 960.45     |                                   | 2,369.42                  | 3,427.02   |
| Office Holders Tax Liabilities                          |        |                    | 82.80      |                                   | 275.55                    | 358.35     |
| CDDA 1986 Work  |        |                    | 400.20     |                                   | 749.30                    | 1,149.50   |
| Secured Creditors (reporting/accounting for funds, etc) |        | 3,257.50           | 3,721.05   |                                   | 1,843.00                  | 8,821.55   |
| Partly Secured Creditors (including of lease and HIP)   |        |                    |            |                                   | 50.15                     | 50.15      |
| Non Preferential Creditors                              |        |                    | 69.00      |                                   | 783.30                    | 852.30     |
| Employee Claims   |        |                    |            |                                   | 321.55                    | 321.55     |
| Fixed Asset Realisation                                 |        | 1,061.20           | 1,376.40   |                                   | 194.00                    | 2,631.60   |
| Stock Realisations                                      |        |                    |            |                                   | 1,234.95                  | 1,234.95   |
| Book Debt Realisations                                  |        |                    |            | 24.00                             | 29.50                     | 29.50      |
| Other Asset Realisations                                |        | 574.50             | 69.00      | 0.15                              | 144.55                    | 812.05     |
| Post Appointment Trading                                |        | 379.00             |            |                                   | 0.00                      | 379.00     |
| Insurance & Bonding                                     |        |                    |            |                                   | 126.60                    | 126.60     |
| Legal Correspondence/Litigation                         |        |                    | 267.00     |                                   |                           | 267.00     |
| General Administration                                  |        |                    | 667.50     | 88.20                             | 2,899.70                  | 3,655.40   |
| Statutory Compliance (including CRO returns and lodges) |        | 1,828.80           | 603.00     | 0.60                              | 714.10                    | 3,145.90   |
| Pre Appointment Work (including investigation work)     |        | 663.25             |            |                                   |                           | 663.25     |
| Annual/Periodic Reporting/Meeting (ie S48 or S105)      |        | 758.00             |            |                                   | 339.25                    | 1,097.25   |
| Supervision and Closure of Operations                   |        |                    |            |                                   |                           |            |
| Negotiations/Discussions with Prospective Purchasers    |        | 2,274.00           |            |                                   |                           | 2,274.00   |
| Secretarial   |        |                    |            |                                   | 690.00                    | 690.00     |
| ROT Claims  |        |                    |            |                                   | 259.35                    | 259.35     |

The Insolvency Act 1986

# Administrator's progress report

# 2.24B

|   |
|---|
| Name of Company<br>Titan Holdings Limited |
|---|

|                            |
|----------------------------|
| Company Number<br>03286113 |
|----------------------------|

|   |
|---|
| In the High Court of Justice<br>Chancery Division<br>Manchester District Registry |
|---|

|  |
|--|
| Court case number (For court use only)<br>3119 of 2008 |
|--|

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

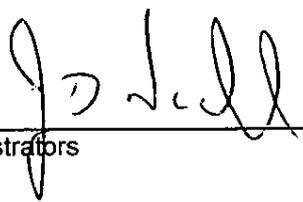
We<sup>(a)</sup>  
 Kerry Bailey of PKF (UK) LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3HF  
 and  
 Jonathan D Newell of PKF (UK) LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3HF

administrators of the above company attach a progress report for the period

(b) Insert dates

|                    |
|--------------------|
| From               |
| (b)<br>9 June 2009 |

|                        |
|------------------------|
| To                     |
| (b)<br>8 December 2009 |

Signed   
 For the Joint Administrators

Dated 8 December 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

|  |             |
|--|-------------|
| Kerry Bailey<br>3 Hardman Street, Spinningfields, Manchester, M3 3HF<br>Tel 0161 832 5481<br>DX Number 715 600 | DX Exchange |
|--|-------------|

|                                      |
|--------------------------------------|
| Companies House receipt date barcode |
|--------------------------------------|

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The Insolvency Act 1986

# Notice of move from administration to creditors' voluntary liquidation 2.34B

|   |  |
|---|--|
| Name of Company<br><b>Titan Holdings Limited</b>                                  | Company number<br><b>03286113</b>        |
| In the High Court of Justice<br>Chancery Division<br>Manchester District Registry | Court case number<br><b>3119 of 2008</b> |

(a) Insert name(s) and address(es) of administrator(s)      **!We (a) Kerry Bailey and Jonathan Newell of PKF (UK) LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3HF**

(b) Insert name and address of registered office of company      **having been appointed Joint Administrators of (b) Titan Holdings Limited c/o PKF (UK) LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3HF**

(c) Insert date of appointment      **on (c) 9 December 2008 by (d) the company directors**

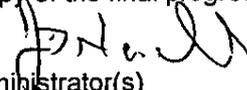
(d) Insert name of applicant / appointor

hereby give notice that:

(e) Insert name(s) and address(es) of liquidator(s)      **the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that (e) Kerry Bailey and Jonathan Newell of PKF (UK) LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3HF**

**will be the Joint Liquidator(s) of the company (IP No(s) 8780, 6419)**

**! We attach a copy of the final progress report.**

Signed   
Joint / Administrator(s)

Dated **8 Dec 2008**

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|   |                          |
|---|--------------------------|
| <b>James Williams<br/>PKF (UK) LLP<br/>3 Hardman Street</b> |                          |
| <b>Spinningfields<br/>Manchester<br/>M3 3HF</b>             |                          |
|   | <b>Tel 0161 832 5481</b> |
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Companies House receipt date  
barcode

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