

The Insolvency Act 1986

**Statement of administrator's proposals****2.17B**

Name of Company Galvanic Technical Services Limited	Company number 4062696
In the High Court of Justice, Companies Court, Chancery Division [full name of court]	Court case number 9195 of 2008

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

We (a) John David Ariel and Matthew Wild both of Baker Tilly Restructuring and Recovery LLP, 12 Gleneagles Court, Brighton Road, Crawley West Sussex RH10 6AD

\* Delete as applicable

attach a copy of ~~\*my~~/our proposals in respect of the administration of the above company.

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

(b) Insert date

(b) 4 December 2008

Signed

Joint Administrators

Dated

4.12.08

**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

	Tel
DX Number	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



A28 06/12/2008 277  
COMPANIES HOUSE

SATURDAY

**IN THE HIGH COURT OF JUSTICE      NO 9195 OF 2008**  
**CHANCERY DIVISION**  
**COMPANIES COURT**

**IN THE MATTER OF**  
**GALVANIC TECHNICAL SERVICES LIMITED**

**JOINT ADMINISTRATORS' PROPOSALS AND REPORT**

**4 DECEMBER 2008**

**JOHN ARIEL AND MATTHEW WILD**  
**JOINT ADMINISTRATORS**

**Appointed 21 October 2008**

**Baker Tilly Restructuring and Recovery LLP**  
**12 Gleneagles Court, Brighton Road, Crawley, West Sussex, RH10 6AD**

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## **1. ADMINISTRATORS' APPOINTMENT**

John Ariel and Matthew Wild of Baker Tilly Restructuring and Recovery LLP, 12 Gleneagles Court, Brighton Road, Crawley, West Sussex, RH10 6AD were appointed Joint Administrators ("Administrators") of Galvanic Technical Services Limited ("the Company") on 21 October 2008 by the directors of the Company.

The notice of appointment was filed in the High Court of Justice under reference number 9195 of 2008.

The Administrators' appointment specified that they would have power to act jointly and severally. The Administrators have exercised and will continue to exercise all of their functions jointly and severally as stated in the notice of appointment.

The Administrators hereby present their Proposals and Report pursuant to Paragraph 49 of the Insolvency Act 1986 (as amended) and Rule 2.33 of the Insolvency Rules 1986 (as amended)

## **2. STATUTORY INFORMATION**

We attach as Appendix A an extract of statutory information, including details of the directors, company secretary and secured creditors from the Company's file held at Companies House.

Please note that the Registered Office of the Company has changed to c/o Baker Tilly Restructuring and Recovery LLP, 12 Gleneagles Court, Brighton Road, Crawley, West Sussex, RH10 6AD.

## **3. EVENTS LEADING UP TO THE ADMINISTRATION**

### **Brief background**

Galvanic Technical Services Limited was incorporated on 31 August 2000. The business operation was initially solely that of the supply of electrical installation.

The company was incorporated to take over the business of a partnership in the name of Hayes Electrical. This partnership commenced in 1992 and was run by Graham Hayes and his wife Sandra.

The trading history below indicates that the company was profitable up to and including the year ended 31 December 2004. The shareholding throughout this time was Graham Hayes holding 65 shares and Sandra Hayes holding 35 shares.

In 2005 both Mr and Mrs Hayes decided to retire. Mrs Hayes gifted her 35 shares to Mark Hayes, Graham's son. Mark became the sole director on 1 August 2005.

The remainder of the shares were sold for £50,000 to a company called Cross Capital Corporation which is registered in the British Virgin Islands. This sale was made through Martyn Fowler who it is believed owns Cross Capital Corporation Limited. At this point Martyn Fowler became an employee of the company as did his wife Lesley Fowler.

From this point on the activities of the company changed to incorporate plumbing services as well as electrical services as this was the specialism of Martyn Fowler.

Although Mark Hayes was the sole director of the company, we have been advised that Martyn Fowler was involved in much of the management of the company and entered into contracts on the company's behalf. We understand that Lesley Fowler dealt with the bookkeeping aspects such as tax returns and payments.

The draft accounts for the year ended 30 June 2008 indicated that the company had a negative balance sheet. Consequently Mark Hayes contacted our firm in September 2008 for advice in respect of these draft accounts and whether the Company was insolvent. A review revealed a substantial tax and social security debt to HM Revenue & Customs. As recent returns had not been made it was not possible to accurately determine how much is owed in this respect but it is estimated to be in the region of £290,000.

As a result, it was evident that the company was unable to pay its debts as they fell due and was insolvent.

As Mark Hayes was unaware of many aspects of the contracts which were being managed by Martyn Fowler, it was difficult for him to determine the financial position of the company. Consequently it was appropriate to take steps to place the company into Administration rather than liquidation in order that the position may be clarified possibly with a view to selling the business as a going concern or completing the work in progress.

On 20 October 2008, the director filed Notice of Intention to Appoint an Administrator. Subsequently, as stated above, we were appointed as Joint Administrators on 21 October 2008.

### Company's trading history

Relevant extracts from the financial statements are summarised below.

	Year ended 30.06.08 Draft Accounts	18 months 30.06.07 Draft Accounts	Year ended 31.12.05 Abbreviated unaudited Accounts	Year ended 31.12.04 Annual Accounts	Year ended 31.12.03 Annual Accounts	Year ended 31.12.02 Annual Accounts
Turnover	928,315	810,261	n/k	728,237	692,202	642,229
Costs of Sales	<u>(716,193)</u>	<u>(637,527)</u>	<u>n/k</u>	<u>(292,074)</u>	<u>(301,322)</u>	<u>(252,107)</u>
Gross Profit/(Loss)	212,122	172,734	n/k	436,163	390,880	390,122
Overheads	<u>(249,377)</u>	<u>(271,710)</u>	<u>n/k</u>	<u>(180,814)</u>	<u>(217,830)</u>	<u>(178,934)</u>
Profit before tax	<u>(37,255)</u>	<u>(98,976)</u>	<u>n/k</u>	255,349	173,050	211,188
Tax	0	17,822	<u>n/k</u>	<u>(48,450)</u>	<u>(33,968)</u>	<u>(39,000)</u>
Profit after tax	<u>(37,255)</u>	<u>(81,154)</u>	<u>n/k</u>	206,899	139,082	172,188
Dividends	0	0	<u>n/k</u>	<u>(205,000)</u>	<u>(135,000)</u>	<u>(160,000)</u>
Net Profit/(Loss)	<u>(37,255)</u>	<u>(81,154)</u>	<u>(98,729)</u>	<u>1,899</u>	<u>4,082</u>	<u>12,188</u>
Profit & Loss Acc.	(115,813)	(78,558)	2,596	101,325	99,426	95,344

You will note that the company has not filed accounts at Companies House since those relating to the year ended 31 December 2005. On 27 February 2007 the accounting reference date was changed from 31 December 2006 to 30 June 2007 and hence the accounts for this period were for 18 months.

## 4. STATEMENT OF AFFAIRS

The directors' estimated Statement of Affairs as at 21 October 2008 is currently in the process of being prepared and will be sent to creditors shortly under separate cover.

The agreement of creditors' claims by the Administrators (or any subsequently appointed Supervisor or Liquidator) is a separate matter and will be dealt with as appropriate in due course, initially by reference to the Proofs of Debt lodged in the proceedings by creditors themselves.

There are no creditors secured by charges over the assets and undertakings of the Company. There is therefore no requirement to estimate the amount of the prescribed part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

## **5. CONDUCT OF THE ADMINISTRATION**

Paragraph 3 to Schedule B1 to the Insolvency Act 1986 (as amended) sets out the hierarchy of objectives of an Administration. The Administrators must perform their functions with the objective of:

- (a) rescuing the company as a going concern, or if this is not possible
- (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), or if this is not possible
- (c) realising property in order to make a distribution to one or more secured or preferential creditors.

Prior to our appointment as Administrators, Baker Tilly Restructuring and Recovery LLP were instructed by the director to assist with placing the company into Administration.

A cheque in the sum of £3,500 plus VAT was provided by the director from the account of Galvanic Technical Services Limited in order to cover Pre-Administration costs, including legal fees. However, after the cheque was banked, Martyn Fowler, an employee of the Company, stopped the cheque. Consequently, the Pre-Administration costs have yet to be paid.

On 21 October 2008, the day of our appointment, members of my staff attended the trading premises of the company, with a view gathering information and ascertaining the overall position of the company.

The director contacted the employees and requested that they return to the site in order that they may be briefed in respect of the Administration process.

The director advised that there were a number of unfinished contracts which represented work in progress. The director advised however that the contract files had been removed from the office on the evening of 20 October 2008. Consequently it was not possible to accurately determine the Company's contracts with customers and the value of this work in progress. This value was also made incalculable since a number of the contracts were being managed by Martyn Fowler and Mark Hayes did not have sufficient knowledge of these contracts to be able to place a value on them. Our investigations are continuing as to who removed these contract files and where they are at present.

Whilst it was evident that there may have been some value in trading on and completing the unfinished contracts, without details of the contracts, such completion would have proven problematic. Mr Fowler was not available on the day of our appointment and did not attend the Company's offices to meet with us. As a result it was decided that trading on was not a

viable option and as such the employees were made redundant and the site was secured and shut down on that day.

We have investigated further each unfinished contract to determine whether there are any monies due to the company in respect of un-invoiced completed work. As each contract appears to have a number of complications we have not been able to determine whether there is any possibility of monies being forthcoming from these sources.

We are continuing to pursue pre-appointment book debts that are due from customers up to the closure of the business. To date the sum of £9,951.67 has been collected.

Our agents, King Sturge were instructed to inspect the premises, value the chattel assets and identify the ownership of third party assets. They did this on 21 October 2008. They estimated that the unencumbered assets would realise only £3,100. A potential purchaser has been found and it is hoped that a sale will complete in the next few days.

We attach as Appendix B a summary of our receipts and payments to date.

It should be noted that shortly after our appointment we instructed HSBC Bank plc to set up a new Administration Account and transfer the balance of funds from the company's account to the new account. It is understood that there is a balance of around £14,000 in the company's bank account but there is a balance of around £1,000 owing to HSBC Card Services. Consequently we are expecting around £13,000 to be transferred to the Administration account once it has been set up.

Those costs paid to date are shown in the receipts and payments account and are self explanatory.

A further 6 monthly report to creditors will be issued no later than 20 May 2009.

## 6. MEETING OF CREDITORS

We have decided to **convene a meeting of creditors**, pursuant to paragraph 51 of Schedule B1 to the Insolvency Act 1986 (as amended).

The following documentation is attached:

- Appendix C: Formal notice convening the meeting, Form 2.20B;
- Appendix D: Form of proxy form for use at the meeting;
- Appendix E: Extract from the Insolvency Rules 1986 (as amended) regarding creditors' entitlement to vote

The purpose of the meeting is for creditors to consider the Administrators' proposals (section 7 below) and to deal with any questions they may have as regards the conduct of the Administration. At the meeting, creditors are also entitled to establish a Creditors' Committee, provided that there are no fewer than 3 wishing to be represented on the committee. The maximum number of creditors that may sit on a committee is 5.

## 7. ADMINISTRATORS' PROPOSALS

Our proposals in relation to the Company are set out below:

1. The Administrators should continue to realise the assets of the Company upon the terms they consider to be most beneficial to creditors of the Company;
2. The Administrators should arrange to distribute available funds from the realised assets to those creditors entitled to them in such manner as they consider will lead to an early distribution of the available assets in an economic manner;
3. The Administrators be authorised to make such application to Court for directions as they consider appropriate with a view to achieving the purpose of the administration and/or their proposals;
4. To consider and, if thought fit, appoint a creditors' committee to assist the Administrator;
5. In the event that a creditors' committee is not established, the Administrators shall be authorised to draw their remuneration based upon time costs incurred by them in the Administration, to be paid out of the assets of the Company in accordance with Rule 2.106(2)(b) "by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration" at Baker Tilly Restructuring and Recovery LLP's standard hourly rates, current details of which are attached at Appendix H but which are reviewed periodically;
6. In the event that a creditors' committee is not established, the Administrators shall be authorised to draw their disbursements and other expenses incurred by them in the Administration, to be paid out of the assets of the Company. Such disbursements to include "Category 2" disbursements;
7. The Administrators propose that the administration be brought to an end when all of the property and assets have been realised and distributed (after costs);
8. If funds are available to pay a dividend to unsecured creditors, the Administrators may end the Administration pursuant to Paragraph 83 by moving the Company into creditors' voluntary liquidation;
9. That John David Ariel and Matthew Wild of Baker Tilly Restructuring and Recovery LLP, 12 Gleneagles Court, Brighton Road, Crawley, West Sussex RH10 6AD be appointed Joint Liquidators of the Company in the event that the exit route from administration is by liquidation;
10. If no funds are available to pay a dividend to unsecured creditors but there are matters requiring investigation by a liquidator the Administrators may end the Administration by petitioning for the winding-up of the Company;
11. If no funds are available to pay a dividend to unsecured creditors and there are no matters requiring investigation by a liquidator, the exit from Administration will be to apply to dissolve the Company by filing the appropriate form with the Registrar of Companies pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986 as amended;
12. The Administrators be discharged from liability in respect of any action of theirs as Administrators 28 days following their cessation to act as Administrators.



## **8. PROPOSED EXIT FROM ADMINISTRATION**

It is proposed that John Ariel and Matthew Wild of 12 Gleneagles Court, Brighton Road, Crawley, West Sussex, RH10 6AD be appointed Joint Liquidators of the Company following the cessation of the Administration. Creditors should note that they may nominate (a) different person (s) as the proposed Liquidator, provided that the nominations are made before the proposals are approved.

In the event there are insufficient funds available to pay a dividend to unsecured creditors but our enquiries reveal matters requiring investigation by a liquidator, it is proposed that we will petition for the winding-up of the Company.

If no funds are available for a dividend to unsecured creditors and there are no matters requiring investigation by a liquidator we will seek to move from Administration to Dissolution pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986 as amended.

## **9. DIVIDEND PROSPECTS**

Based on information currently available, dividend prospects to both preferential and unsecured creditors are dependent upon the recovery of pre appointment book debts.

## **10. ADMINISTRATORS' REMUNERATION**

Creditors are asked to consider resolutions as regards the payment of the Administrators' remuneration and drawing disbursements from the Administration estate. These are detailed at section 7 of the Administrators' proposals. If a Creditors' Committee is appointed, it is for the Committee to consider this resolution.

Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) require approval prior to being drawn from the insolvency estate. These expenses are known as "Category 2" disbursements.

For your information the following documentation is attached:

- Appendix F: Administrators' time cost analysis
- Appendix G: Charge out rate bands of Administrators and their staff working on the Administration, together with Category 2 disbursement rates
- Appendix H: Summary of payments to Administrators and associated parties
- Appendix I: Charging, expenses and disbursement policy statement

A Creditors Guide to Administrators' Fees, a guide in relation to the remuneration of Administrators, can be accessed at the website of the Association of Business Recovery Professionals at:-

[www.r3.org.uk/publications/statements](http://www.r3.org.uk/publications/statements) of insolvency practice (Statement of Insolvency Practice 9 – Remuneration of Insolvency Office Holders [England & Wales]).

Alternatively, I can provide you with a copy on written request to my office.

### **Administrators' time costs**

Appendix F contains a summary of our time costs to date.

### **Administration and Planning**

This includes day-to-day administrative duties and dealing with statutory duties and responsibilities, including advertising notice of the Administration, providing notice to creditors, dealing with the submission of the Statement of Affairs and filing necessary documents at Companies House. Other duties include handling and recording receipts and payments; VAT and Corporation Tax issues such as the monthly VAT returns; pension queries and general correspondence.

### **Investigations**

In accordance with our statutory obligations under the Company Directors' Disqualification Act 1986, we will file the appropriate documentation on the conduct of the directors and shadow directors with the Department of Business Enterprise & Regulatory Reform in due course.

### **Realisation of Assets**

The progress made in this regard is detailed above.

### **Trading**

It was decided on 21 October 2008 that it was not appropriate to trade the company so trading ceased on that day.

### **Creditors**


Queries from and correspondence with creditors and employees have been necessary aspects of the Administration process. The preparation of the Administrators' Proposals has been undertaken including the attendant aspects of providing and obtaining the required information, convening the creditors' meeting etc.

## 11. EC REGULATIONS

It is considered that the EC Regulations will apply and that these proceedings will be main proceedings as defined in Article 3 of the EC Regulations as the centre of main interest of the Company is in England and Wales.

Should you have any queries, please do not hesitate to contact Ian Watson.

For and on behalf of  
Galvanic Technical Services Limited



**John Ariel**  
**Baker Tilly Restructuring and Recovery LLP**  
**Joint Administrator**

**Date: 4 December 2008**

John Ariel is licensed as an Insolvency Practitioner by the Institute of Chartered Accountants of England and Wales under  
Registration No. 7838

**The affairs, business and property of the company are being managed by the Joint Administrators  
who act as agent for the company without personal liability.**

## Appendix A

### STATUTORY INFORMATION

COMPANY NAME:	Galvanic Technical Services Limited
PREVIOUS COMPANY NAMES:	Higherdecor Limited
COMPANY NUMBER:	4062696
DATE OF INCORPORATION:	31 August 2000
TRADING NAME:	Galvanic
TRADING ADDRESS	Unit 1 32 Holmethorpe Avenue Holmethorpe Industrial Estate Redhill Surrey RH1 2NL
PRINCIPAL ACTIVITY:	Installation of Elctrical Wiring & Plumbing
REGISTERED OFFICE:	12 Gleneagles Court Brighton Road Crawley West Sussex RH10 6AD
SHARE CAPITAL: NOMINAL & ISSUED SHARE CAPITAL	100
SHAREHOLDERS:	Cross Capital Corporation Mark Hayes
DIRECTORS:	Mark Hayes
SECRETARY:	The Baker Partnership UK Secretarial Ltd
MORTGAGES AND CHARGES:	Steven Alfred Rigby and Angela Louise Rigby Rent Deposit Agreement 31/05/06

## GALVANIC TECHNICAL SERVICES LIMITED

(IN ADMINISTRATION)

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 Joint Administrators' Abstract of Receipts and Payments from  
 21 October 2008 to 4 December 2008
 

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	£	£
<b>RECEIPTS</b>		
Petty Cash		18.55
Pre Appointment Debtors		9,951.67
Bank Interest		2.49
		<u>9,972.71</u>
<b>PAYMENTS</b>		
Mail Redirection	(49.80)	
Corporation Tax	(0.50)	
Locksmiths Costs	<u>(75.00)</u>	
		<u>(125.30)</u>
		<u><u>9,847.41</u></u>
<b>MADE UP AS FOLLOWS</b>		
VAT Receivable	13.13	
Balance in hand	<u>9,834.28</u>	
		<u><u>9,847.41</u></u>

# Notice of a meeting of creditors

Name of Company Galvanic Technical Services Limited	Company number 4062696
In the High Court of Justice  [full name of court]	Court case number 9195 of 2008

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

Notice is hereby given by (a) John Ariel and Matthew Wild of Baker Tilly Restructuring & Recovery LLP, 12 Gleneagles Court, Brighton Road, Crawley, West Sussex, RH10 6AD

) Insert full name and  
address of registered  
office of the company

that a meeting of the creditors of (b) Galvanic Technical Services Limited of 12 Gleneagles Court, Brighton Road, Crawley, West Sussex, RH10 6AD

) Insert details of place  
of meeting

is to be held at (c) 12 Gleneagles Court, Brighton Road, Crawley, West Sussex, RH10 6AD  
on (d) 22 December 2008 at 11.00 hrs.

Insert date and time of  
meeting

\*Delete as applicable

The meeting is:

- \*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ("the Schedule");
- ~~\*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule;~~
- ~~\*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule;~~
- ~~\*(4) a further creditors' meeting under paragraph 56 of the Schedule;~~
- ~~\*(5) a creditors' meeting under paragraph 62 of the Schedule.~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed

Joint Administrator(s)

Dated

A copy of the \*proposals / ~~revised proposals~~ is attached

\* Delete as applicable

## ADMINISTRATORS' PROPOSALS

Our proposals in relation to the Company are set out below:

1. The Administrators should continue to realise the assets of the Company upon the terms they consider to be most beneficial to creditors of the Company;
2. The Administrators should arrange to distribute available funds from the realised assets to those creditors entitled to them in such manner as they consider will lead to an early distribution of the available assets in an economic manner;
3. The Administrators be authorised to make such application to Court for directions as they consider appropriate with a view to achieving the purpose of the administration and/or their proposals;
4. To consider and, if thought fit, appoint a creditors' committee to assist the Administrator;
5. In the event that a creditors' committee is not established, the Administrators shall be authorised to draw their remuneration based upon time costs incurred by them in the Administration, to be paid out of the assets of the Company in accordance with Rule 2.106(2)(b) "by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration" at Baker Tilly Restructuring and Recovery LLP's standard hourly rates, current details of which are attached at Appendix H but which are reviewed periodically;
6. In the event that a creditors' committee is not established, the Administrators shall be authorised to draw their disbursements and other expenses incurred by them in the Administration, to be paid out of the assets of the Company. Such disbursements to include "Category 2" disbursements;
7. The Administrators propose that the administration be brought to an end when all of the property and assets have been realised and distributed (after costs);
8. If funds are available to pay a dividend to unsecured creditors, the Administrators may end the Administration pursuant to Paragraph 83 by moving the Company into creditors' voluntary liquidation;
9. That John David Ariel and Matthew Wild of Baker Tilly Restructuring and Recovery LLP, 12 Gleneagles Court, Brighton Road, Crawley, West Sussex RH10 6AD be appointed Joint Liquidators of the Company in the event that the exit route from administration is by liquidation;

10. If no funds are available to pay a dividend to unsecured creditors but there are matters requiring investigation by a liquidator the Administrators may end the Administration by petitioning for the winding-up of the Company;
11. If no funds are available to pay a dividend to unsecured creditors and there are no matters requiring investigation by a liquidator, the exit from Administration will be to apply to dissolve the Company by filing the appropriate form with the Registrar of Companies pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986 as amended;
12. The Administrators be discharged from liability in respect of any action of theirs as Administrators 28 days following their cessation to act as Administrators.



## Proxy (Administration)

## Galvanic Technical Services Limited In Administration

Name of Creditor \_\_\_\_\_

Address \_\_\_\_\_

Name of Proxy Holder

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 22 December 2008, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

## Voting Instructions for resolutions

\*Please delete as appropriate

1. For the acceptance/rejection\* of the administrator's proposals/revised proposals\* as circulated

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2. For the appointment of

\_\_\_\_\_  
 \_\_\_\_\_  
 of

representing \_\_\_\_\_

as a member of the creditors' committee

This form must be signed

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name in CAPITAL LETTERS \_\_\_\_\_

Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signature

\_\_\_\_\_  
 \_\_\_\_\_

Remember: there may be resolutions on the other side of this form

**INSOLVENCY RULES 1986 (AS AMENDED)**

**Entitlement to vote (Rule 2.38)**

- 1) Subject as follows, at a meeting of creditors in administration proceedings a person is entitled to vote only if –
  - a) he has given to the administrator, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of the debt which –
    - i) he claims to be due to him from the company; or
    - ii) in relation to a member State liquidator, is claimed to be due to creditors in proceedings in relation to which he holds office;
  - b) the claim has been duly admitted under the following provisions of this Rule; and
  - c) there has been lodged with the administrator any proxy which he intends to be used on his behalf,

and details of the debt must include any calculation for the purposes of Rules 2.40 to 2.42.

- 2) The chairman of the meeting may allow a creditor to vote, notwithstanding that he has failed to comply with paragraph (1)(a), if satisfied that the failure was due to circumstances beyond the creditor's control.
- 3) The chairman of the meeting may call for any document or other evidence to be produced to him, where he thinks it necessary for the purpose of substantiating the whole or any part of the claim.
- 4) Votes are calculated according to the amount of a creditor's claim as at the date on which the company entered administration, less any payments that have been made to him after that date in respect of his claim and any adjustment by way of set-off in accordance with Rule 2.85 as if that Rule were applied on the date that the votes are counted.
- 5) A creditor shall not vote in respect of a debt for an unliquidated amount, or any debt whose value is not ascertained, except where the chairman agrees to put upon the debt an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose.
- 6) No vote shall be cast by virtue of a claim more than once on any resolution put to the meeting.

7) Where –

- a) a creditor is entitled to vote under this Rule;
- b) has lodged his claim in one or more sets of other proceedings; and
- c) votes (either in person or by proxy) on a resolution put to the meeting;  
and
- d) the member State liquidator casts a vote in respect of the same claim,

only the creditor's vote shall be counted.

8) Where –

- a) a creditor has lodged his claim in more than one set of other proceedings; and
- b) more than one member State liquidator seeks to vote by virtue of that claim,

the entitlement to vote by virtue of that claim is exercisable by the member State liquidator in main proceedings, whether or not the creditor has lodged his claim in the main proceedings.

9) For the purposes of paragraph (6), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.

10) For the purposes of paragraphs (7) and (8), "other proceedings" means main proceedings, secondary proceedings or territorial proceedings in another member State.

**Galvanic Technical Services Limited**  
**Time Cost Summary**

**Appendix F**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average Time Costs
Administration and Planning	5.6	3.0	55.9	3.5	68.0	£8,230.60	£121.04
Investigations	0.0	7.1	32.3	0.0	39.4	£7,439.40	£188.82
Realisation of Assets	1.8	2.7	64.5	4.8	73.8	£7,455.60	£101.02
Trading	0.0	6.5	4.2	0.0	10.7	£2,129.00	£198.97
Creditors	0.3	0.3	24.1	5.3	30.0	£3,322.60	£110.75
Case Specific Matters	0.0	1.0	1.0	0.3	2.3	£394.00	£171.30
<b>TOTAL HOURS</b>	<b>7.7</b>	<b>20.6</b>	<b>182.0</b>	<b>13.9</b>	<b>224.2</b>	<b>£28,971.20</b>	<b>£129.22</b>
<b>TOTAL TIME COST</b>	<b>£2,695.00</b>	<b>£5,150.00</b>	<b>£20,004.20</b>	<b>£1,122.00</b>	<b>£28,971.20</b>		

**Administration and Planning**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average Time Costs
Appointment	5.0	1.4	11.8	0.0	18.2	£3,253.30	£178.75
Background information	0.0	1.0	0.1	0.0	1.1	£261.00	£237.27
Case Management	0.0	0.3	5.4	0.0	5.7	£675.50	£118.51
Pension Scheme	0.0	0.1	0.0	0.0	0.1	£25.00	£250.00
Post-appointment - general	0.0	0.0	6.8	2.0	8.8	£779.90	£88.63
Post-appointment taxation	0.0	0.0	0.4	0.0	0.4	£33.20	£83.00
Receipts and Payments	0.3	0.0	18.3	1.0	19.6	£1,785.60	£91.10
Shareholders/Director	0.3	0.2	12.7	0.0	13.2	£1,320.10	£100.01
Statement of Affairs	0.0	0.0	0.1	0.0	0.1	£11.00	£110.00
Stock & WIP	0.0	0.0	0.3	0.0	0.3	£36.00	£120.00
<b>Totals</b>	<b>5.6</b>	<b>3.0</b>	<b>55.9</b>	<b>3.0</b>	<b>67.5</b>	<b>£8,230.60</b>	<b>£121.93</b>

**Investigations**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average Time Costs
DTI / Official Receiver	0.0	2.5	0.2	0.0	2.7	£647.00	£239.63
Investigations/CDDA	0.0	4.6	32.1	0.0	36.7	£8,792.40	£185.08
<b>Totals</b>	<b>0.0</b>	<b>7.1</b>	<b>32.3</b>	<b>0.0</b>	<b>39.4</b>	<b>£7,439.40</b>	<b>£188.82</b>

**Realisation of Assets**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average Time Costs
Assets - general/other	0.0	0.1	5.2	0.3	5.6	£588.60	£105.11
Chattels	0.0	0.7	0.2	0.0	0.9	£199.00	£221.11
Debtors & sales finance	1.8	1.4	53.4	4.5	61.1	£5,977.40	£97.83
Land and Property	0.0	0.2	0.0	0.0	0.2	£50.00	£250.00
ROT/ Third Party Assets	0.0	0.1	2.1	0.0	2.2	£277.00	£125.91
Sale of business	0.0	0.2	3.6	0.0	3.8	£363.60	£95.68
<b>Totals</b>	<b>1.8</b>	<b>2.7</b>	<b>64.5</b>	<b>4.8</b>	<b>73.8</b>	<b>£7,455.60</b>	<b>£101.02</b>

**Trading**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average Time Costs
Trading	0.0	6.5	4.2	0.0	10.7	£2,129.00	£198.97
<b>Totals</b>	<b>0.0</b>	<b>6.5</b>	<b>4.2</b>	<b>0.0</b>	<b>10.7</b>	<b>£2,129.00</b>	<b>£198.97</b>

**Creditors**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average Time Costs
Employees	0.0	0.1	14.0	1.0	15.1	£1,537.70	£101.83
Secured Creditors	0.0	0.0	1.9	0.0	1.9	£229.50	£120.79
Unsecured Creditors	0.3	0.2	8.2	4.3	13.0	£1,555.40	£119.65
<b>Totals</b>	<b>0.3</b>	<b>0.3</b>	<b>24.1</b>	<b>5.3</b>	<b>30.0</b>	<b>£3,322.60</b>	<b>£110.75</b>

**Case Specific Matters**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average Time Costs
Legal Matters	0.0	1.0	1.0	0.3	2.3	£394.00	£171.30
<b>Totals</b>	<b>0.0</b>	<b>1.0</b>	<b>1.0</b>	<b>0.3</b>	<b>2.3</b>	<b>£394.00</b>	<b>£171.30</b>

## Appendix G

### BAKER TILLY RESTRUCTURING AND RECOVERY LLP

#### CURRENT CHARGE OUT RATES

	Rate at commencement £	Current rate £
Partner	350	350
Director	250	250
Manager	190	190
Administrator	83-120	83-120
Support staff	80-85	80-85

It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.

Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically.

## Appendix H

### SUMMARY OF PAYMENTS TO ADMINISTRATORS AND ASSOCIATED PARTIES

AMOUNTS PAID OR PAYABLE TO THE ADMINISTRATORS' FIRM	
TYPE AND PURPOSE	£
Administrators Time Costs	28,971.20
<b>Category 1 disbursements</b>	
Insolvency Bond	264.00
Company Search Fees	21.00
Postage charged at cost	69.02
<b>Category 2 disbursements</b>	
Mileage charged at 39.75p per mile	35.34
Photocopying charged at 10p per sheet	83.40
<b>Total Payable</b>	<b>29,443.96</b>

AMOUNTS PAID OR PAYABLE TO ASSOCIATED PARTIES OF ADMINISTRATOR TRADING	
TYPE AND PURPOSE	£
<b>Total Paid</b>	<b>0.00</b>

AMOUNTS PAID OR PAYABLE TO ASSOCIATED PARTIES OF ADMINISTRATOR	
TYPE AND PURPOSE	£
Mail Redirection – Royal Mail	49.80
Affordable Locksmiths	75.00
Thomas Eggar – unbilled legal costs	3,037.00
<b>Total Paid</b>	<b>3,161.80</b>

## **Appendix I**

### **BAKER TILLY RESTRUCTURING AND RECOVERY LLP**

#### **CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT**

##### **Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units.
- Time billed is subject to Value Added Tax (VAT) at the applicable rate.

##### **Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to creditors, but do not require creditors' approval prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) require the approval of creditors prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of creditors.
- Where applicable, expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate.

The category two disbursements include mileage costs at 39.75 pence per mile, postage is recharged at cost and photocopying at 10 pence per copy. All other expenses have been recharged at cost.