

The Insolvency Act 1986

Notice of result of meeting of creditors

2.23B

Name of Company
Curtis Engineers Limited

Company number
305345

In the High Court of Justice, Chancery Division, Manchester
District Registry
[full name of court]

Court case number
1582/06

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

I, (a) Richard Ian Williamson

of Campbell Crossley and Davis, 348 Lytham Road, Blackpool, Lancashire FY4 1DW hereby
report that a meeting / ~~an adjourned meeting~~ of the creditors of the above company was held at

*Delete as applicable

(b) Rhinewood Country House Hotel, Glazebrook Lane, Glazebrook, Warrington, Cheshire

(b) Insert place of meeting

on (c) 25th July 2006 at which:

(c) Insert date of meeting

*1. Proposals / ~~revised proposals~~ were approved.

*Delete as applicable

*2. ~~Proposals / revised proposals were modified and approved.~~

The modifications made to the proposals are as follows:

(d) Give details of the
modifications (if any)

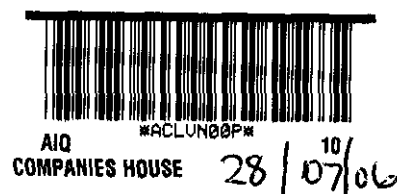
(d) None

*3. ~~The proposals were rejected.~~

*4. ~~The meeting was adjourned to (e)~~

(e) Insert time and date of
adjourned meeting

(f) Details of other
resolutions passed



*5. Other resolutions: (f)

The following resolutions were passed at the meeting:

That the Administrator's proposals relating to remuneration and disbursements as outlined in paragraphs (f) and (g) are approved.

That upon the Company either proceeding into Creditors Voluntary Liquidation or dissolution, the Administrator's discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from Administration to dissolution.

*Delete as applicabl

A creditors' committee was not formed

Signed

Administrator

Dated 26th July 2006

*Delete as applicable

A copy of the *original proposals / ~~modified proposals~~ / ~~revised proposals~~ is attached for those who did not receive such documents prior to the meeting.

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

Janet Stevenson, Campbell Crossley and Davis, 348 Lytham Road ,
Blackpool, FY4 1DW.

Tel: 01253 349331

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

VOTING SUMMARY
CURTIS ENGINEERS LIMITED
IN ADMINISTRATION
1582 OF 2006

Name of Creditor	Claim per Statement of Affairs	Claim admitted for voting	Acceptance of 3 resolutions	Rejection
	£	£	£	£
Miller Oils Ltd	195.05	195.05	195.05	
Gilwood (Fabricators) Company Limited	7079.95	7080.13	7080.13	
H M Revenue & Customs	7936.86	6197.95	6197.95	
	15211.86	13473.13	13473.13	

CURTIS ENGINEERS LIMITED

IN ADMINISTRATION

**ADMINISTRATORS RECEIPTS
AND PAYMENTS ACCOUNT**

**FOR THE PERIOD 7TH JUNE 2006 TO
25TH JULY 2006**

Receipts	£	£
Cash at Bank		15631
Sale of Assets		11000
Book debts		<u>30649</u>
		57280
 Payments		
Statutory Advertising	247	
Legal fees	4398	
Administrator's bond	276	
Valuer's fees	<u>2011</u>	<u>(6932)</u>
		50348
 VAT		<u>(1158)</u>
 Cash at Bank		 49190 =====

Note

Where applicable VAT is recoverable

CAMPBELL, CROSSLEY & DAVIS

CHARTERED ACCOUNTANTS

R. Ian Williamson B.A. (Hons) A.C.A. M.A.B.R.P. Peter G. C. Riley F.C.A. Ian M. Wroe B.Sc. (Sp. Hons) A.C.A.

Peter Swarbrick B.Sc. (Hons) A.C.A. Steven D. Mondy A.C.A.

C506/D/RIW/JS/MMS
7th July 2006

348/350 Lytham Road
Blackpool FY4 1DW
Telephone 01253 349331
Fax 01253 348434

richardian.williamson@virgin.net
www.campbell-crossley-davis.co.uk

TO ALL KNOWN CREDITORS

Dear Sirs,

Curtis Engineers Limited ("The Company") – In Administration

This report to creditors and the proposals enclosed, together set out the information required by and to discharge the Administrator's duty pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 ("the Act") and Rule 2.33 (1) and (2) of the Insolvency Rules 1986 (as amended) ("the Rules").

1. Statutory Details

Attached as Appendix I are the statutory details of the Company and information regarding the appointment of the Administrator.

2. Circumstances leading to the appointment of the Administrator

The company was originally incorporated in September 1935.

In November 1985 Gilwood (Fabricators) Co. Limited ("Gilwood") purchased the Company which traded from leased premises at Great Western Street, Manchester. Its core business was machining services. When the lease ran out at the premises in 1990 the Company purchased freehold premises at Crossley Street, Manchester.

Mr. Kevin Gilmartin controlled the business and acted as Company Secretary.

Gilwood Self Administered Pension Fund ("Pension Fund") purchased the Crossley Street property from the Company for £200,000 in August 2000. The Pension Fund subsequently leased the premises back to it.

In 2003 a decision was made to move the business to Gilwood's premises in Heywood as the Crossley Street premises were too large to operate. The business premises in Crossley Street were offered for sale.

The property was purchased from the pension fund by a third party in July 2003 with tenants in situ.

In November 2005 the new owners were served with a warning notice from Manchester City Council that the property in Crossley Street was dangerous.

In February 2006 solicitors wrote to the Company informing them that the lease taken out between the Pension Fund and the Company had not been surrendered at the point of sale. This mistake led to the Company being sited in a claim for damages and losses potentially exceeding £100,000.

Before receiving notice of this the directors had intended to hive the business up into Gilwood settling all the Company's debts. The legal proceedings made this impossible.

continued...

Solicitors were instructed to act on behalf of the Company. It was apparent that to defend the claim could prove to be costly and after careful consideration it was decided that in the interests of the creditors and Gilwood there was no alternative but to place the Company into administration.

On 7th June 2006, Richard Ian Williamson of Campbell Crossley & Davis, 348 Lytham Road, Blackpool was appointed as Administrator pursuant to Paragraph 12(1)(b) of Schedule B1 of the Act.

3. Trading Results

Extracts from recent audited accounts are as follows:-

Year ended	Turnover	Gross Profit	Directors' Remuneration	Net Profit/ (Loss)	Balance on Reserves
31.5.03	191187	62993	31255	(69611)	10471
31.5.04	201244	66157	26000	(9040)	1431
31.5.05	212709	76538	18500	20488	21919

Management accounts prepared for the last twelve months to 31st May 2006 show the following results:-

Turnover	Gross Profit	Net Profit after taxation	Directors' Remuneration
264305	82721	27755	NIL

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the company's true trading position.

4. Objectives of Administration and strategy for achievement by the Administrator

The objectives of the Administration were to:-

- (a) Rescue the Company as a going concern; or
- (b) Achieve 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
- (c) Realise property in order to make a distribution to one or more secured or preferential creditors.

The first objective for the Administration could not be met. Whilst the threat of legal action against the Company for damages and losses remained the Company could not be rescued as a going concern.

The strategy for the Administration was therefore to achieve a better result for the Company's creditors than would otherwise be achieved should the Company be wound up without first being in Administration.

5. Management of Business by the Administrator following appointment

The work carried out by the Company was an integral part of the business and service operated by Gilwood, which they wished to retain. It was always the intention of the directors that Gilwood would acquire the business and they expressed a firm interest in it.

Valuation agents, Sanderson Weatherall of Manchester, were instructed to value the business as a whole and negotiations were entered into with Gilwood for them to purchase the business and assets of the Company from the Administrator. An offer of £11000 was made by Gilwood to the agents who confirmed that in their opinion this was the best price achievable in the circumstances. The offer included an allowance for goodwill, the customer details and the use of the name.

In considering the offer the Administrator took into account preservation of the business which would not have been achieved in liquidation and the fact that Gilwood were the Company's landlords potentially giving them the power to distrain. The sale was concluded on 13th June 2006.

6. Proposed Exit Route of Administration

It is proposed that the Administration will end with the Company being placed into either Creditors Voluntary Liquidation ("CVL") pursuant to paragraph 83 of schedule B1 to the Act, or into Compulsory Liquidation pursuant to a petition being presented to the court by the Administrator.

Enclosed with this report are the Administrator's proposals, which include at proposal (b) that, Richard Ian Williamson be the proposed liquidator of the Company.

If the Administrator considers it appropriate to exit into a CVL, then pursuant to paragraph 83(7) of Schedule B1 to the Act and rule 2.117(3) of the Rules, the creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals but before the proposals are approved. If the Company exits into compulsory liquidation, the Administrator proposes to take the appointment as liquidator pursuant to section 140(1) of the Act.

7. Statement of Affairs

An approximate Statement of Affairs for the Company is attached to this report as Appendix II. Whilst the directors have been asked to produce a Statement of Affairs this has yet to be received. It is in the course of preparation and will be available shortly.

7.1 Plant, Machinery, Fixtures and Fittings

Sanderson Weatherall were instructed to value the business assets including the plant and machinery, goodwill, company name and customer lists. An offer was received from Gilwood of £11,000, this sum was apportioned as follows:-

continued...

	£
Commercial Records and Customer Lists	1000
Goodwill	1000
Plant and machinery	<u>9000</u>
	11000
	<u><u> </u></u>

In the agents' opinion this offer was considered to be better than would have been achieved if they had had to arrange for the collection, removal, storage, marketing costs and sale of the assets. They commented that only in extraordinary circumstances would a higher net realisation be achieved.

7.2 Book Debts

At the date of administration there was £69963 outstanding on the debtor ledger.

The directors are confident that this is all collectable but a provision of 10% has been made for bad or doubtful debts.

Since the Administration started £23546 has been received and paid into the Administration bank account.

7.3 Cash at Bank

According to the Company books and records there was a credit balance in two bank accounts held with National Westminster Bank plc totalling £13323. The accounts have been closed and a credit balance paid into the Administration of £15631.

7.4 Creditors

A schedule of creditors is attached as Appendix IV. Allowance has also been made for the contingent claim of the landlord although this has yet to be proven.

8. Administrator's Proposals

Pursuant to Paragraph 49 of Schedule B1 of the Act, enclosed with this report are the Administrator's proposals for achieving the purpose of the Administration as set out in Section 4 of this report.

9. The Prescribed Part

A debenture was granted in favour of National Westminster Bank plc on 1st February 2001 giving them a fixed and floating charge over the assets of the Company.

Under the provisions of Section 176A of the Act, the Administrator will not be required to set aside a "Prescribed Part" fund specifically for unsecured creditors because there are no amounts due to the debenture holder.

10. **Administrator's Remuneration**

The Administrator is proposing that he should be remunerated by reference to time properly spent for his services as Administrator and also his staff in attending to the matters arising from the Administration of the Company pursuant to Rule 2.106(2)(b) of the Rules. The Administrator will be seeking agreement for such remuneration from the Creditors' Committee, or in the event that such a committee is not formed, from the creditors at the forthcoming meeting by way of formal resolution.

Included within this report, as Appendix III is a schedule of time costs to date as required by Statement of Insolvency Practice 9. The Administrator has time costs to date of £6066 (excluding VAT).

Enclosed with this report is a creditors' guide to Administrators' Fees.

11. **Meeting of Creditors**

A notice convening the first meeting of creditors is enclosed with this report. This meeting is due to be held on Tuesday 25th July 2006 at 11.30 a.m. at the Rhinewood Country House Hotel, Glazebrook Lane, Glazebrook, Warrington, Cheshire.

This meeting is to consider and approve (or otherwise) the Administrator's proposals.

Creditors can either attend the meeting in person or by completing the enclosed proxy form.

12. **Administrator's Investigations**

Under the insolvency legislation, the Administrator has a duty to consider the conduct of those who have been directors of the Company at any time within three years preceding the Administration. He is also required to consider whether any civil proceedings should be taken. Please let me know if there is any matter of which you believe I should be aware when considering the directors' conduct. I would stress that this request for information forms part of my usual investigation procedures and does not imply any criticism of the directors.

13. **EC Regulation on Insolvency Proceedings 2000**

It is considered that the EC Regulation on Insolvency Proceedings 2000 will apply. If it does apply, these proceedings will be the main proceedings as defined in article 3 of the EC regulation.

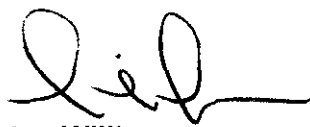
This is because the Company's registered office is from where it carried out its business. The Company carried out its business from a trading address in the United Kingdom. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom.

14. **Further Information**

Should creditors require any further information, please do not hesitate to contact myself or Janet Stevenson.

Yours faithfully,

**For and on behalf of
Curtis Engineers Limited**

A handwritten signature in black ink, appearing to read 'I. Williamson', with a long horizontal flourish extending to the right.

**Ian Williamson
Administrator**

STATUTORY DETAILS

COMPANY INFORMATION

Company Name	Curtis Engineers Limited
Previous Name	None
Company Number	305345
Date of Incorporation	1st September 1935
Trading Address	Bradshaw Street, Heywood, Lancashire
Registered Office	c/o Gilwood (Fabricators) Co. Limited, Bradshaw Street, Heywood, Lancashire, OL10
Principal Activity	Metal Machining
Company Directors	Christopher John Gilmartin Kevin Luke Gilmartin Peter Paul Gilmartin
Company Secretary	Kevin Luke Gilmartin

SHARE CAPITAL

Authorised	Allotted, called up and fully paid
10000 ordinary shares £1 each	10000 ordinary shares of £1 each issued to Gilwood (Fabricators) Co. Limited.
Charges	Fixed and floating charge dated 1st February 2001 in favour of National Westminster Bank plc and registered at Companies House on 9th February 2001.

APPOINTMENT DETAILS

Date of Appointment	7th June 2006
Appointment made by	Company
Court Address	High Court of Justice, Chancery Division, Manchester District Registry
Court Reference	1582/06
Administrator Appointed	Richard Ian Williamson
IP Number	8013

CURTIS ENGINEERS LIMITED

ESTIMATED
STATEMENT OF AFFAIRS

AS AT 7TH JUNE 2006

	Net book Value		Estimated to Realise
	£	£	£
Assets Not Specifically Pledged			
Plant and machinery	25629}		
Fixtures, fittings and goodwill	4437}		11000
Motor vehicle	1500		NIL
Book debts	69963		63000
Cash at bank	<u>13323</u>		<u>15631</u>
	114852		89631
	<u><u> </u></u>		
Non-Preferential Creditors			
Trade and expense		31014	
H.M. Revenue and Customs – VAT		7937	
H.M. Revenue and Customs		3099	
Gilwood (Fabricators) Co. Ltd.		7080	
Contingent liability – landlord (estimated)		<u>60000</u>	(<u>109130</u>)
Estimated Deficiency as regards non-preferential creditors			(19499)
Share Capital			
10000 ordinary shares of £1 each			(<u>10000</u>)
Estimated Total Deficiency as regards members			(29499)
			<u><u> </u></u>

APPENDIX III

SUMMARY OF ADMINISTRATORS' TIME COSTS

		£
Partner	13.60 hours at £220 per hour	2992.00
Senior Manager	20.20 hours at £150 per hour	3030.00
Case Manager	0.10 hours at £120 per hour	12.00
Cashier/Administrator	0.40 hours at £80 per hour	<u>32.00</u>
		<u>6066.00 (excluding VAT)</u>

CURTIS ENGINEERS LIMITED

LIST OF CREDITORS

	£
Armstrong Machine Tool Maintenance 16 Sorrel Bank Reddish Stockport SK5 6YR	£351.33
Frank Blakeley & Son Ltd. Poor Peg Mill Buckley Street Heywood Lancashire OL10 4HZ	£489.28
Frank Bailey Machine Tools Ltd. Hadfield Street Globe Square Dukinfield Cheshire SK16 4QX	£313.38
Bradson Automotive Russell Street Heywood Lancashire OL10 1NX	473.06
Bradon Engineering Ltd. Unit 4 Carlton Road Coventry CV6 7PL	13544.81
Cromwell Tools Unit 2, Brent Road Green Lane Trading Estate Stockport SK4 2LO	£1352.88
Griptone Ltd. Unit A, Link 580 188 Moorside Road Swinton Manchester M27 9LB	£141.00

CURTIS ENGINEERS LIMITED
LIST OF CREDITORS (continued)

	£
Dransfield Engineering Ltd. Cotswold Avenue Chadderton Oldham Lancashire OL9 8PJ	£2156.13
Focus CNC Ltd. Unit 6, 257 Stockport Road Guide Bridge Ashton Under Lyne Manchester OL7 ONT	£883.60
Frazer Nash NDT Bradshaw Street Heywood Lancashire OL10 1PL	£470.00
Millers Oils Ltd. Brighouse West Yorkshire HD6 3DP	£195.05
NEC Grinding Services Unit 2, Shawheath Trading Estate Hollands Mill Shawheath Stockport Cheshire, SK3 8BT	£76.37
Barclays Bank plc Aquila House Breeds Place Hastings East Sussex TN34 3DG	£1251.38
SWS Metal Treatments Second Avenue Trafford Park Manchester M17 1EE	£258.50

CURTIS ENGINEERS LIMITED
LIST OF CREDITORS (continued)

	£
Spiro Fabrications 2000 Ltd. Unit 9A Widow Hill Road Heasandford Industrial Estate Burnley Lancashire, BB10 2BA	£255.69
City Invoice Finance Ltd. 7th Floor Television House Mount Street Manchester M2 5NT	£5005.50
W.F. Taylor Electrical 46A Hanover Street Mossley Ashton-under-Lyne OL5 0HJ	£323.63
Unique Lion Mill Fitton Street Rayton Oldham OL2 5TX	£3472.13
HM Revenue and Customs Debt Management Unit Enforcement and Insolvency Durrington Bridge House Barrington Road Worthing West Sussex BN12 4SE	£7936.86
Gilwood (Fabricators) Company Ltd. Bradshaw Street Heywood Lancashire OL10 1PL	£7079.95

Notice of a meeting of creditors

Name of Company Curtis Engineers Limited	Company number 305345
In the High Court of Justice, Chancery Division, Manchester District Registry [full name of court]	Court case number 1582/06

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

Notice is hereby given by (a) Richard Ian Williamson
of Campbell Crossley & Davis, 348/350 Lytham Road, Blackpool, FY4 1DW

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

that a meeting of the creditors of (b) Curtis Engineers Limited
c/o Gilwood (Fabricators) Co Ltd, Bradshaw Street, Heywood, Lancs OL10

(c) Insert details of place
of meeting

is to be held at (c) Rhinewood Country House Hotel, Glazebrook Lane, Glazebrook, Warrington, Cheshire

(d) Insert date and time of
meeting

on (d) Tuesday 25th July 2006 at 11.30 a.m.

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


Administrator

Dated

7.7.06

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

* Delete as applicable

Curtis Engineers Limited – in Administration

Statement of Administrator's proposals pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986

In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 ("the Act") and The Insolvency Rules 1986 ("the Rules"), Richard Ian Williamson the Administrator of Curtis Engineers Limited ("the Company"), makes the following proposals for achieving the purpose of the Administration.

These proposals and the attached report to creditors together set out the information required by and discharge the administrator's duty pursuant to Paragraph 49 of Schedule B1 of the Act and Rule 2.33 of the Rules.

Proposals

The Administrator proposes that:-

- (a) he continues to manage the business, affairs and property of the Company in order to achieve the purpose of the administration such that:-
 - i. he disposes of the Company's ownership of such assets at such time(s) and on such terms as he considers expedient;
 - ii. he investigates and, if appropriate, pursues any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company;
 - iii. in addition he do all such things and generally exercise all his powers as Administrator as he in his discretion considers desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or for any purpose incidental to these proposals; and
- (b) in the event the Administrator is of the view that it is appropriate for the Company to move from Administration into Liquidation, whether compulsory or voluntary, the Administrator be authorised to take steps to place the Company into whichever liquidation process he, at his discretion, deems appropriate. In either circumstance, it is proposed that the Administrator would take the appointment as liquidator of the Company. In relation to moving into creditors' voluntary liquidation, and in accordance with paragraph 83(7) and Rule 2.117(3), creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before those proposals are approved.
- (c) if the Administrator considers that there will be no distribution to unsecured creditors, and if he also considers that an exit from the Administration into compulsory liquidation is not appropriate, then the Administrator be authorised to take the necessary procedural steps to bring about the end of the Administration and move the Company into dissolution pursuant to paragraph 84 of Schedule B1 to the Act.

- (d) The administration shall continue (subject to the statutory provisions relating to automatic termination) until the realisable assets of the Company have been realised and all liabilities incurred during the Administration have been discharged or until such a time as deemed appropriate by the Administrator. At this stage the Company shall be placed into liquidation or dissolved as outlined above. If necessary, the Administrator proposes to seek an extension of his appointment as administrator from the creditors and/or the Court pursuant to paragraph 76 of Schedule B1 to the Act.
- (e) Upon the Company either proceeding into Creditors Voluntary Liquidation or dissolution as set out above, the Administrator's discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from Administration to dissolution.
- (f) The Administrator be at liberty to incur and pay such costs and expenses, including professional fees, as are considered to be incidental to the achievement of the purpose of the Administration or for the purposes set out herein or to the Administrator's statutory duties. The Administrator proposes to be remunerated by reference to time properly spent both for his services as Administrator and also for his staff in attending to the matters arising in the Administration of the Company, charged at the charge out rates prevailing at the time the work is undertaken. The Administrator's remuneration will be agreed by the Creditors' Committee or, in the event that no Committee is formed, by creditors at the first meeting of creditors, by way of resolution.
- (g) Campbell Crossley and Davis's costs and expenses relating to planning and acceptance of the appointment be treated as an expense of the Administration (albeit incurred prior to the date of appointment) and calculated by reference to the charge out rates prevailing at the time the work is undertaken.
- (h) The Administrator be at liberty to pay costs and remuneration in relation to proposals (f) and (g) above when funds become available.
- (i) The Administrator consults with the Creditors' Committee, if formed, at appropriate intervals concerning the conduct of the Administration and the implementation and development of these proposals and where he considers it expedient obtain the sanction of that Committee on behalf of the creditors of the Company (and without further reference to them) to any proposed action on the part of the Administrator.



R. Ian Williamson

Administrator

Curtis Engineers 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 Tuesday 25th July 2006 at 11.30 a.m, 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

For Against

*Please delete as appropriate

1. For the acceptance of the Administrator's proposals/revised proposals as circulated.
2. For the acceptance of the Administrator's proposals relating to remuneration and disbursements as outlined in paragraphs (f) to (i).
3. That upon the Company either proceeding into Creditors Voluntary Liquidation or dissolution, the Administrator's discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from Administration to dissolution.

4. For the appointment of _____ (name)
of _____ (firm)

as liquidator of the company.

CONTINUED ON NEXT PAGE

Curtis Engineers Limited
In Administration

5. If you wish to appoint a member of the creditors committee, please complete the following:-

For the Appointment of _____ (name of individual)
of _____ (company/organisation name)
representing _____ (name of creditor)
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

PROOF OF DEBT - GENERAL FORM

**In the matter of Curtis Engineers Limited
In Administration
and in the matter of The Insolvency Act 1986**

Appointment Date – 7 June 2006

1.	Name of Creditor	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4.	Details of any document by reference to which the debt can be substantiated. [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5.	If the total amount shown above includes Value Added Tax, please show:- (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6.	If total amount above includes outstanding uncapitalised interest please state amount	£
7.	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9.	Particulars of how and when debt incurred.	
10.	Particulars of any security held, the value of the security, and the date it was given	£
11.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	
	Date:	

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES ENGLAND AND WALES

1 Introduction

- 1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2 The nature of administration

- 2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court in order to achieve one or more of the following statutory purposes:

the survival of the company and its business in whole or in part;
the approval of a company voluntary arrangement;
the sanctioning of a scheme under section 425 of the Companies Act 1985;
a better realisation of assets than would be possible in a liquidation.

Administration may be followed by a company voluntary arrangement or liquidation.

3 The creditors' committee

3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is established at the meeting of creditors which the administrator is required to hold within 3 months of the administration order to consider his proposals. The administrator must call the first meeting of the committee within 3 months of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. *The committee has power to summon the administrator to attend before it and provide such information as it may require.*

4 Fixing the administrator's fees

- 4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.47 of the Insolvency Rules 1986, which states that it shall be fixed either:
- as a percentage of the value of the property which the administrator has to deal with, or
 - by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration.

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed, and if it is fixed as a percentage, to fix the percentage to be applied. Rule 2.47 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the administrator;
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the administrator has to deal with.

- 4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.
- 5 What information should be provided by the administrator?
- 5.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The administrator should always make available an up to date receipts and payments account. Where the fee is to be charged on a time basis the administrator should be prepared to disclose the amount of time spent on the case and the charge-out value of the time spent, together with such additional information as may reasonably be required having regard to the size and complexity of the case. Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be contracted out which would normally be undertaken directly by an administrator or his staff.
- 5.2 The payment of expenses and disbursements is not subject to approval by the committee or the creditors. However, where an administrator makes, or proposes to make, a separate charge by way of expenses and disbursements to recover the cost of facilities provided by his own firm, he should disclose those charges to the committee or the creditors when seeking approval of his fees, together with an explanation of how those charges are made up and the basis on which they are arrived at.
- 6 What if a creditor is dissatisfied?
- 6.1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.
- 7 What if the administrator is dissatisfied?
- 7.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.
- 8 Other matters relating to fees
- 8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors. If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

CAMPBELL CROSSLEY & DAVIS

HOURLY CHARGE OUT RATES

	£'s
Partner	220
Senior Manager	150
Manager	120
Cashier	80

NOTE : These rates are applicable from 1st June 2006 and may be subject to change from time to time during an assignment.