

The Insolvency Act 1986

**Statement of administrator's proposals**

Name of Company <b>Pinnacle Heating Services Limited</b>	Company number <b>03407197</b>
In the <b>High Court of Justice, Chancery Division, Birmingham District Registry</b> <small>[full name of court]</small>	Court case number <b>8570 of 2011</b>

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

We, Christopher Kim Rayment and Joanne Marie Wright of BDO LLP 125 Colmore Row, Birmingham, B3 3SD

\*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) 12 January 2012

Signed   
Joint Administrator

Dated 12 January 2012

**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.

BDO LLP, 125 Colmore Row, Birmingham,	
B3 3SD, .	
Our Ref 012576/AEM/ADM751 - Form 2/C15	Tel 0121 352 6200
DX Number	DX Exchange

COMPANIES HOUSE

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

SATURDAY



A50 14/01/2012 #116

## Notice of a meeting of creditors

Name of Company <b>Pinnacle Heating Services Limited</b>	Company number <b>03407197</b>
In the <b>High Court of Justice, Chancery Division, Birmingham District Registry</b> [full name of court]	Court case number <b>8570 of 2011</b>

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

Notice is hereby given by Christopher Kim Rayment and Joanne Marie Wright of BDO LLP 125 Colmore Row, Birmingham, B3 3SD

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

that a meeting of the creditors of Pinnacle Heating Services Limited, c/o BDO LLP, 125 Colmore Row, Birmingham, B3 3SD.

(c) Insert details of place of meeting

is to be held at the offices of BDO LLP, 125 Colmore Row, Birmingham, B3 3SD

(d) Insert date and time of meeting

On 26 January 2012 at 11 30 hrs

The meeting is

\*Delete as applicable

**\*(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,~~

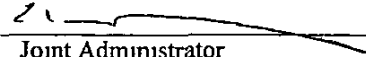
~~\*(5) a creditors' meeting under paragraph 62 of the Schedule-~~

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

Dated

12/1/12

\*Delete as applicable

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

## **INSOLVENCY RULES 1986 EXTRACT**

### **Rule 2.38 - Entitlement to Vote**

(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 Rule 2.39 or 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 and Rule 2.39;

(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.

**End extract Rule 2.38 - Entitlement to Vote**

012576/NM/ADM621 - Entitlement to Vote/C4

**Pinnacle Heating Services Limited**  
**In Administration**

Statement to Creditors pursuant to Rule 2.33  
of the Insolvency Rules 1986 and Statement of  
Proposals under Paragraph 49 of Schedule B1  
of the Insolvency Act 1986



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## **PINNACLE HEATING SERVICES LIMITED - IN ADMINISTRATION**

Registered No. 03407197

Registered office situated at c/o BDO LLP, 125 Colmore Row, Birmingham, B3 3SD

In the High Court of Justice, Chancery Division, Birmingham District Registry  
No 8570 of 2011

### **1 Introduction**

- 1.1 This report is addressed to the creditors of Pinnacle Heating Services Limited ("the Company") and incorporates the Joint Administrators' proposals. These proposals are to be considered by the creditors' meeting called pursuant to Paragraph 51 of Schedule B1 of the Insolvency Act 1986 to be held at the offices of BDO LLP, 125 Colmore Row, Birmingham, B3 3SD on 26 January 2012 at 11 30 hrs.
- 1.2 Creditors may approve the proposals with or without modifications subject to the Joint Administrators' agreement to any such modifications. If the creditors reject the Joint Administrators' proposals a report will be sent to the High Court of Justice, Chancery Division, Birmingham District Registry confirming that the creditors have rejected the proposals. The Court may then discharge the Administration and make consequential directions. Alternatively, it may adjourn the hearing or make some other Order as it thinks fit.
- 1.3 If the Joint Administrators' proposals are agreed at the meeting of creditors the Joint Administrators will continue to control the business of the Company to the extent that it has not been transferred. The Joint Administrators would at some later date arrange for the Company to exit from the Administration, as agreed by the creditors. Based on the information presently available, the Joint Administrators' proposal is that the Company will move from Administration to either Creditors' Voluntary Liquidation, if there are sufficient funds to enable a distribution to unsecured creditors, or to dissolution if this is not possible. Further information on the anticipated outcome is detailed later in this report.
- 1.4 The Joint Administrators' proposals are set out in Section 11.

### **2 Events leading up to the Appointment of the Joint Administrators**

- 2.1 The Company was incorporated on 22 July 1997.
- 2.2 The Company traded from leasehold premises in Sutton Coldfield and operated in the mechanical, electrical and service industries, with two divisions covering the different areas, being installation on new sites as well as being approved providers of servicing and maintenance for health services.
- 2.3 Work was undertaken on both an invoice basis (maintenance and servicing) and contractual basis (installation). Historically, the Company traded profitably, with the filed accounts from 2006 onwards showing that it made a profit in each year with the exception of 2010. In the month prior to the appointment of Administrators, however, the Directors became concerned that significant amounts due in respect of contractual works may not be collectible from a key customer and sought professional advice regarding the financial position of the Company.
- 2.4 Enquiries are continuing into the circumstances surrounding the dispute with the customer regarding amounts considered due and payable but, early in November 2011, employees and sub-contractors were asked to leave a number of sites.

- 2.5 The contractual dispute referred to above and the inability to collect the debt resulted in severe cashflow difficulties. As a result, the Company subsequently ceased to trade prior to the Administrators' appointment, with the majority of the employees being made redundant.
- 2.6 On 16 November 2011 an application for appointment of Joint Administrators was made by Mr Antony Paul Mynard being a director, pursuant to Paragraph 22 of Schedule B1 of the Insolvency Act 1986. On 18 November 2011, Christopher Kim Rayment and Joanne Marie Wright were appointed Joint Administrators. Under the provisions of Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.
- 2.7 At Appendix 1 is a record of the names of the Company's directors and Company secretary together with details of their shareholdings

### **3 Statement of Affairs and statutory information**

- 3.1 We attach at Appendix 2 to this report a summary of the estimated statement of affairs of the Company at the date of our appointment, prepared by the directors. The summary Statement of Affairs has been prepared from the Company records and information available. Please note that the final signed Statement of Affairs has yet to be received but it is not anticipated the amounts will change. On receipt of the final signed version, it will be submitted to Companies House for filing.
- 3.2 The Joint Administrators have reviewed the Statement of Affairs but have not carried out any audit or detailed verification work.

### **4 Prescribed Part**

- 4.1 Under the provisions of Section 176A of the Insolvency Act 1986 the Joint Administrators must state the amount of funds available to unsecured creditors in respect of the Prescribed Part. This provision only applies where the Company has granted a floating charge to a creditor after 15 September 2003. In this instance, whilst the Company has granted such a charge, the final outcome for creditors will be determined by the book debt realisations, more information on which is detailed later in this report. Based on present information, the Joint Administrators estimate that, after allowing for costs, the value of the Company's net property, after payment of preferential claims, should be in excess of c£110,000 and this means that the Prescribed Part should exceed £15,000.

### **5 Achieving the purpose of the administration**

- 5.1 The statutory purpose of an administration consists of three objectives, and we now address the progress that has been made in this respect.
- (a) The first objective is rescuing the Company as a going concern (i.e. restructuring the Company's business, resulting in the survival of the Company). We would comment that it was not possible to rescue the Company after we were appointed. It had already ceased to trade and the majority of employees had been made redundant.
- (b) With regard to the second objective of 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), whilst the Company had ceased to trade prior to our appointment, the position is that the Administration process enabled some employees to be retained to finalise invoicing, bringing debtor balances up to date and thereby enhancing realisation prospects



I consider this strategy will result in increased realisations compared to if the Company were wound up and that the overall deficiency as regards creditors will be reduced compared to what would otherwise have been the case. Whether it results in enhanced realisations for all classes of creditor will be determined by the book debt realisation.

- (c) The final objective is realising property in order to make a distribution to one or more secured or preferential creditors and we can advise that, should there be insufficient realisations to enable a distribution to ordinary, unsecured creditors, then this objective will be pursued

## **6 Management of the Company's affairs since the Joint Administrators' appointment**

### **6.1 Initial Actions**

- 6.1.1 Upon our appointment as Joint Administrators we undertook an immediate review of the Company's affairs with particular regard to its financial and resource requirements. This assessment was carried out in liaison with the management of the Company. As the Company had already ceased to trade, three employees were retained to receive and collate timesheets which were returned to the Company's premises by former employees. Having collated this information, invoicing was brought up to date and the resultant invoices issued to the appropriate customer. This process took one week, after which the remaining three employees were made redundant.

### **6.2 Trading during the Administration**

- 6.2.1 As detailed above, the Company had ceased to trade prior to the appointment of Administrators, so no trading took place during the Administration.

### **6.3 Sale of business**

- 6.3.1 A sale of the business was not possible as the Company had ceased to trade. We, therefore, implemented an asset realisation process.

### **6.4 Asset Realisations**

- 6.4.1 GoIndustry DoveBid ("GoIndustry") was engaged to assist in undertaking a valuation of the Company's assets, which comprised a number of vehicles and office furniture and equipment.

- 6.4.2 GoIndustry approached motor dealers in respect of the vehicles and received an offer of £25,500 for the vehicles. After liaising with the Directors, however, an equivalent offer was received from Trinity Contractors Limited ("Trinity"), a connected company by virtue of common directors. Having considered both offers, agents recommended acceptance of the offer from Trinity as acceptance of the dealer's offer would have incurred costs in collecting vehicles from a number of locations around the country. Trinity also made an offer of £1,200 for the office furniture and equipment which was also recommended by our agents.

- 6.4.3 Trinity's offers were accepted on 4 January 2012. Both parties were independently advised.

### **6.5 Debtors**

- 6.5.1 As at the date of appointment, the outstanding book debt ledger totalled £1.36m, of which £1.10m related to contractual debts and c£260,000 was in relation to maintenance works.

- 6.5.2 In relation to the invoiced debts, all debtors have been contacted and, to date, c£90,000 has been collected. We continue to pursue the remaining debtors and will instruct solicitors if necessary
- 6.5.3 With regard to the contractual debts, I have instructed specialist agents, Naismiths Limited, to advise me and I have requested solicitors to review the terms of the contracts and the circumstances which resulted in the Company being removed from site. This advice will assess the scale and validity of counterclaims for non-performance or breach of contract. As this process is still ongoing, there is uncertainty on anticipated quantum of the recovery of the contractual debts.
- 6.5.4 The overall debtor realisations will determine the final outcome for creditors, more information on which is detailed below.
- 6.6 Other Assets**
- 6.6.1 As shown on the enclosed Statement of Affairs, there were a number of other assets shown in the last management accounts, including tax refunds, intercompany debts, a director's loan account and staff loans.
- 6.6.2 To date, c£36,000 has been received in respect of a VAT refund. Further tax realisations are not anticipated until HM Revenue and Customs has reviewed whether Crown set off applies. Our enquiries are continuing into each of the remaining assets but, to date, no realisations have been achieved.
- 7 EC Regulations on Insolvency Proceedings**
- 7.1 We are required under the Insolvency Rules 1986 to state whether and if so the extent to which the above regulations apply to this Administration. In this particular case the EC Regulation will not apply to this Administration there being no establishment outside the UK.
- 8 Pre Administration Costs**
- 8.1 Under Rule 2.67A of the Insolvency Rules 1986 certain costs incurred in preparation and planning for the Administration may, with the approval of the creditors, be approved for payment from the Administration estate, as an expense of the Administration. Allowable costs fall into the following categories:-
- (i) the fees charged by the Joint Administrators;
  - (ii) the expenses incurred by the Joint Administrators;
  - (iii) the fees charged (to the Joint Administrators' knowledge) by any other person qualified to act as an insolvency practitioner.
- 8.2 In this instance, it has been brought to our attention that costs falling only under category (iii) above of £4,000 have been incurred by another person qualified to act as an insolvency practitioner. Mr Matthew Hardy of Poppleton & Appleby, who is a Licensed Insolvency Practitioner, undertook work to assist the Company in preparation for the Administration. We have been advised that Mr Hardy has received no payment on account of the work undertaken and enclose, at Appendix 7, a statement from Mr Hardy detailing the work involved as he has requested that we seek the requisite approval from creditors for these costs.
- 8.3 Where a creditors' meeting is held, if a committee is appointed it will be responsible for considering and approving these costs, otherwise it will be a matter for the general body of creditors.

8.4 We, therefore, include a resolution in respect of these pre-Administration costs as follows: -

- (a) In the absence of a committee, the pre-Administration costs of £4,000 plus VAT incurred by Poppleton & Appleby be approved for payment from the Administration estate, as an expense of the Administration, in accordance with Rule 2.67A of the Insolvency Rules 1986.

## **9 Joint Administrators' Remuneration**

9.1 Kindly note that under the terms of the Insolvency Rules 1986 the Joint Administrators are obliged to fix their remuneration in accordance with Rule 2.106(2) of the Insolvency Rules 1986. This permits remuneration to be fixed either as a percentage of the value of the property with which the Joint Administrators have to deal, by reference to the time the Joint Administrators and their staff spend in attending to matters in this administration or, a fixed amount. Remuneration may be fixed on one or a combination of any of the foregoing bases. In respect of this Administration, we wish to ask creditors to approve our remuneration on a time costs basis.

9.2 Attached at Appendix 4 is a schedule that summarises the time that has been spent in administering this Administration up to 6 January 2012, being the latest practicable date. This shows that total time costs of £17,959.75, represent 86.15 hours at an average charge out rate of £208.47. This reflects time in dealing with employee matters, statutory matters on appointment, and realising Company assets/book debts. In addition, disbursements of £152.30 have accrued but not yet been drawn, and this is comprised of printing and postage costs, and statutory advertising. For your guidance, I attach a Creditors' Guide to Administrators' Fees at Appendix 5, together with a document that outlines the policy of BDO LLP in respect of fees and disbursements at Appendix 6.

9.3 Included within the proposals below is a resolution regarding the Joint Administrators' remuneration, although if a creditors' committee is appointed approval of the Joint Administrators' remuneration will be the committee's responsibility.

## **10 Possible outcomes for the Company and Creditors**

10.1 The Insolvency Act 1986 and Insolvency Rules 1986 provide a variety of options regarding the possible exit routes for the Company from the Administration, being primarily a Company Voluntary Arrangement, Liquidation or dissolution of the Company. It is the Joint Administrators' recommendation and proposal that, as detailed below, should sufficient realisations be achieved to enable a distribution to ordinary, unsecured creditors, once these realisations are sufficiently completed, the Company should move from Administration to Liquidation and that Christopher Kim Rayment and Joanne Marie Wright be appointed Joint Liquidators. The choice of Liquidators is a matter for the creditors to consider.

10.2 If, however, there are insufficient realisations to allow for a distribution to the unsecured creditors, it is the Joint Administrators' recommendation and proposal, as detailed below, that an application is made to dissolve the Company.

### **10.3 Preferential Creditors**

10.3.1 Preferential claims comprising employee wage arrears and holiday pay are currently estimated to be £59,836. Payment to the preferential creditors, whether in part or in full, is dependent on the book debt realisations and the final quantum of the preferential claims but, based on the information currently available, we anticipate that preferential creditors will be paid in full. Further information on potential preferential claims is detailed below.

**10.4 Secured Creditor**

10.4.1 The Company granted a fixed and floating charge to The Royal Bank of Scotland plc ("the Bank") on 27 November 2008. The Bank's indebtedness as at the date of appointment was £331,774.57. As stated above in relation to the preferential creditors, the return to the Bank will be determined by the debtor collections and the quantum of the preferential claims but, from information currently available, we anticipate that there will be sufficient funds to pay preferential claims in full with a balance available to distribute to the Bank.

10.4.2 We have, however, been advised that the Bank paid wages one week prior to the cessation of trade and, consequently, may have a subrogated preferential claim. This will be considered once we have received details of the Redundancy Payments Office's preferential claim.

**10.5 Unsecured Creditors**

10.5.1 Unsecured creditors are currently estimated to total c£2m, as detailed in the Statement of Affairs. As previously stated in this report, any dividend payment to the unsecured creditors is dependent on ultimate realisations from the debtor ledger. It is currently anticipated that there will be some funds available for the Prescribed Part to apply but, depending on the amount available, it may be that the amount is disproportionate to the costs of making any distribution. As the debtor position becomes more apparent, we will be able to update creditors in subsequent reports

10.5.2 It is not the duty of the Joint Administrators to adjudicate upon the claims of the unsecured creditors; this is the responsibility of any subsequently appointed Liquidator. A Proof of Debt Form is, however, attached at Appendix 8 should you wish to lodge your claim against the Company.

**11 Statement of proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986**

11.1 In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators make the following proposals for achieving the purpose of the Administration. Approval of these proposals will be considered by the meeting of creditors to be held on 26 January 2012.

**Formal Proposals - the Joint Administrators propose that:**

- (a) The Administrators continue to realise assets in a manner they deem fit, for so long as they believe it will be beneficial in achieving the statutory purpose of the Administration. This will include but not be limited to collecting the remaining debts due to the Company.
- (b) The Administration will be exited in one of the following two methods, the decision as to which method is at the sole discretion of the Joint Administrators:
  - If there are sufficient realisations to allow for a distribution to unsecured creditors, the Administration is to be exited by way of a Creditors' Voluntary Liquidation and Christopher Kim Rayment and Joanne Marie Wright will be appointed as Joint Liquidators and will act jointly and severally.

*NB Under Paragraph 83(7) of Schedule B1 of the Insolvency Act 1986 and Rule 2.117(3) creditors may nominate different liquidators, but in the absence of such nomination the above named would become the liquidators*

- However, if realisations are not sufficient to allow for a distribution to unsecured creditors, it is the Joint Administrators' recommendation and proposal that an application is made to dissolve the Company.
- (c) Where appropriate they make payments to the secured and preferential creditors.
- (d) The Joint Administrators apply for an extension to the statutory twelve month period of the Administration, with the agreement of the relevant creditors, if required,
- (e) Creditors consider and if thought fit appoint a creditors' committee to assist the Joint Administrators (such a committee must comprise of between 3 and 5 creditors)
- (f) In the absence of a committee, the Joint Administrators' remuneration is approved on the basis of time properly spent to attending to matters in the Administration to be taken when the Joint Administrators deem it appropriate;
- (g) That the Joint Administrators be discharged from liability under the Administration per Paragraph 98 of Schedule B1 of the Insolvency Act 1986, 28 days after the Joint Administrators' filing their final report and sending it to creditors.

Dated: 12 January 2012

.....  
C K Rayment  
Joint Administrator  
012576/SPM/ADM682 - Proposals/C6

**Pinnacle Heating Services Limited  
In Administration**

**Statutory Information**

**Company Number:** 03407197

**Date of Incorporation:** 22 July 1997

**Address of Registered Office:** 125 Colmore Row  
Birmingham  
B3 3SD

Formerly -  
Trinity House  
Kingsbury Road  
Minworth  
Sutton Coldfield  
West Midlands  
B76 9DD

**Directors:** Antony Paul Mynard  
James Tough

**Company Secretary:** Antony Paul Mynard

**Nominal Share Capital:** £200 - divided into 200 ordinary shares of £1 each

**Registered Shareholders:** No of £1 ordinary shares held -  
James Tough - 100 shares  
Antony Paul Mynard - 100 shares

**Trading Results:**

Y/E 31 July Management Accounts:-	Turnover £	Gross Profit £	Net Profit (after tax) £	Balance on P & L A/c £
2010	3,800,925	1,001,208	(72,248)	*19,313
2011	6,153,309	1,215,286	367,102	324,015

\*£19,313 was taken from the Abbreviated Accounts filed at Companies House

**STATEMENT OF AFFAIRS**

Name of Company

Pinnacle Heating Services Limited

Company Number

03407197

In the

High Court of Justice, Chancery Division, Birmingham District Registry

Court case number

8570 / 2011

Statement as to the affairs of

Pinnacle Heating Services Limited

c/o BDO LLP

125 Colmore Row

Birmingham

on the 18 November 2011, the date that the company entered administration

**Statement of Truth**

I believe the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at 18 November 2011 the date that the company entered administration

Full Name

Signed

Dated

Pinnacle Heating Services Limited  
Statement Of Affairs as at 18 November 2011

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
<b>Assets subject to fixed charge:</b>		
The Royal Bank of Scotland plc		(331,774 57)
Deficiency c/d		<u>(331,774 57)</u>
<b>Assets subject to floating charge:</b>		
Furniture & Equipment	2,700 00	1,200 00
Motor Vehicles	9,250 00	25,500 00
Stock	26,097 00	NIL
Work in Progress	1,544,634 00	NIL
Book debts	679,143 00	234,787 78
Amounts owed by connected companies	124,573 00	NIL
Tax Refund	1,930 00	NIL
VAT Refund	265,641 00	36,138 18
Prepayments	20,999 00	NIL
Director's loan account	4,678 00	NIL
Staff loans	3,637 00	NIL
<b>Uncharged assets:</b>		
<b>Estimated total assets available for preferential creditors</b>		<u>297,625 96</u>

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



Pinnacle Heating Services Limited  
Statement Of Affairs as at 18 November 2011

**A1 - Summary of Liabilities**

		Estimated to Realise £
<b>Estimated total assets available for preferential creditors (Carried from Page A)</b>		297,625 96
<b>Liabilities</b>		
Preferential Creditors -		
Preferential Wages and Holiday Pay	59,836 31	59,836 31
<b>Estimated deficiency/surplus as regards preferential creditors</b>		237,789 65
Debts secured by floating charge pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		NIL
		237,789 65
Estimated prescribed part of net property where applicable (to carry forward)		50,557 93
<b>Estimated total assets available for floating charge holders</b>		187,231 72
Debts secured by floating charges post 15 September 2003		
Deficiency b/d	331,774 57	331,774 57
<b>Estimated deficiency/surplus of assets after floating charges</b>		(144,542 85)
Estimated prescribed part of net property where applicable (brought down)		50,557 93
<b>Total assets available to unsecured creditors</b>		50,557 93
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	1,647,243 18	
Unsecured Employee Claims	201,427 04	
Unsecured Directors Loan Account	6,513 00	
Unsecured PAYE and N I C.	157,405 00	
HP Unsecured Claims	2,330 00	
		2,014,918 22
<b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)</b>		(1,964,360 29)
Shortfall in respect of F C's post 14 September 2003 (brought down)		144,542 85
<b>Estimated deficiency/surplus as regards creditors</b>		(2,108,903 14)
Issued and called up capital		
Ordinary Shareholders	200 00	200 00
<b>Estimated total deficiency/surplus as regards members</b>		(2,109,103 14)

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

**BDO LLP**

**Pinnacle Heating Services Limited**

**B - Company Creditors**

Key	Name	Address	£
CA02	ABACUS HEALTHCARE SERVICES LTD	UNIT 1 MILLENNIUM WAY, HIGH CARR BUSINESS PARK, NEWCASTLE UNDER LYME, STAFFORDSHIRE, ST5 7XE	514.18
CA00	AQUATECH LIMITED	AGM HOUSE, LONDON ROAD, COPFORD, COLCHESTER, ESSEX, CO6 1GT	7,336.80
CA01	ARVAL PHH BUSINESS SOLUTIONS LTD	PHH CENTRE, WINDMILL HILL, SWINDON, WILTSHIRE, SN5 6PE	6,486.00
CB08	Beaumont Insurance Brokers	12 Trevor Foster Way, Bradford, BD5 8HB	0.03
CB03	BELL PLUMBING SUPPLIES LIMITED	UNIT 1, PARK STREET, ASTON, BIRMINGHAM, B6 5SH	54,795.69
CB06	BEST WATER TECHNOLOGY	UNIT 2 THE GATEWAY CENTRE, CORONATION ROAD, HIGH WYCOMBE, BUCKS, HP12 3SU	3,078.00
CB07	Birmingham City Council	Resources Directorate, Revenue and Payments, PO Box 4092, Birmingham, B4 7AB	3,217.00
CB09	Birmingham City Football Club	St Andrews Stadium, B9 4RL	4,176.00
CB04	BIRMINGHAM COMMERCIAL TRAINING	No 7 THE SQUARE, 111 BROAD STREET, BIRMINGHAM, B15 1AS	1,416.00
CB01	BOC GASES	FINANCIAL ACCOUNTS, WORSLEY, MANCHESTER, M28 2UT	28.86
CB02	BROADFORD MOTORS	UNIT 14 THE FORDROUGH, HAY MILLS, BIRMINGHAM, B25 8DL	4,291.61
CB05	BROOKE EDLEY SPECIALIST TECHNICAL SVS LTD	MCF COMPLEX, NEW ROAD, KIDDERMINSTER, WORCESTERSHIRE, DY10 1AO	7,200.00
CB00	BSS GROUP PLC	FLEET HOUSE, LEE CIRCLE, LEICESTER, LE1 3QQ	283,254.42
CC00	CHURCHILL OFFICE SOLUTIONS LTD	381/385 TYBURN ROAD, ERDINGTON, BIRMINGHAM, B24 8HJ	33.38
CC02	CIRRUS LTD	11 QUEENSWAY, NEW MILTON, HAMPSHIRE, BH25 5NR	86,513.70
CC03	CMC BIRMINGHAM LTD	UNIT 3, CMT TRADING ESTATE, BROADWELL ROAD, OLDBURY, WEST MIDLANDS, B69 4BQ	2,257.11
CC04	Combined Services (GB) Ltd	Unit 4, Marlborough Trading Estate, West Wycombe Road, HIGH WYCOMBE, Buckinghamshire, HP11 2LB	3,240.00
CC01	CONTROL EQUIPMENT LTD	HILLCREST BUSINESS PARK, CINDERBANK, DUDLEY, DY2 9AP	(280.80)
CD01	DEMMA CONTROLS	37-38 THE GREEN, CASTLE BROMWICH, BIRMINGHAM, B36 9AL	0.00
CD02	DEWEY WATERS LTD	HERITAGE WORKS, WINTERSTOKE ROAD, WESTON SUPER MARE, BS24 9AN	7,680.00
CD00	DGS (MIDLANDS) LTD	33 PINFOLD LANE, PENN, WOLVERHAMPTON, WV4 4EF	652.31
CD04	Direct Cooling Ltd	152 Derby Road, Long Eaton, NOTTINGHAM, NG10 4AX	14,702.80
CD03	DRIVES 4 U LTD	PEAR TREE COTTAGE, 2 CHURCH ROAD, HENSTEAD, BECCLES, SUFFOLK, NR34 7LD	192.00
CE03	E.ON ENERGY	ENERGY CONNECTIONS, WESTWOOD WAY, WESTWOOD BUSINESS PARK, COVENTRY, CV4 8LG	4.58
CE06	EASA GROUP LTD	MOIRA IND EST, 34 OLD KILMORE ROAD, MOIRA, CO. ARMARGH, BT67 0LZ	2,907.60
CE07	Eastwood Air Conditioning Ltd	20 The Fort Industrial Park, Fort Parkway, Birmingham, B35 7AR	17,629.65
CE01	ECLIPSE NETWORKING LIMITED	PORTLAND HOUSE, LONGBROOK STREET, EXETER, DEVON, EX4 6AB	(46.70)

Signature \_\_\_\_\_

**BDO LLP**  
**Pinnacle Heating Services Limited**  
**B - Company Creditors**

Key	Name	Address	£
CE02	EDMUNDSONS ELECTRICAL LTD	MAYBROOK ROAD, MINWORTH, SUTTON COLDFIELD, B76 1AL	67,074.27
CE09	ELECTRIC CENTER	PO BOX 10466, ABERDEEN, ABERDEENSHIRE, AB12 9AT	140,302.54
CE08	ENERTECH LIMITED	P O BOX 1, VINES LANE, DROITWICH, WORCS, WR9 8NA	36 10
CE05	ENVIROVENT LTD	ENVIROVENT HOUSE, HORNBEAM BUSINESS PARK, HARROGATE, HG2 8PA	45,805.74
CE04	EUROCOM TECHNICAL SERVICES LTD	EUROCOM HOUSE, WALSALL ROAD, GREAT WYRELY, WALSALL, WEST MIDLANDS, W56 6DR	2,328.00
CE00	EUROTHERM INSULATION SUPPLIES LTD	UNIT 41 ELMDON TRADING ESTATE, BICKENHILL LANE, BIRMINGHAM, B37 7HE	7,924.51
CF05	Faarup Associates	The Old Stables, Friars Alleys, Lichfield, Staffordshire, WS13 6PW	1,200.00
CF00	FANS & SPARES (SYSTEMAIR)	72 CHESTON ROAD, BIRMINGHAM, WEST MIDLANDS, B7 5EJ	3,467.91
CF04	FIXINGS DIRECT CENTRAL LTD	CASTLE COURT, BODMIN ROAD, COVENTRY, WARWICKSHIRE, CV2 5DB	964.02
CF03	FIXINGS PLUS LTD	1 MILL STREET, ASTON, BIRMINGHAM, B6 4BS	85.69
CF02	FLUE SYSTEMS LTD	UNIT 28 KIMBERLEY BUSINESS PARK, REDBROOK LANE, RUGELEY, STAFFORDSHIRE, WS15 1RE	7,800.00
CF01	FUSION PROVIDA WEST MIDLANDS	SMECKLEY WOOD CLOSE, CHESTERFIELD TRADING ESTATE, CHESTERFIELD, S41 9PZ	1,170.24
CG03	G GILBERT (INSULATION ENGINEER)	9 MORPETH, DSOTHILL, TAMWORTH, STAFFORDSHIRE, B77 1JF	14,122.80
CG01	G.M. TRBLE LTD	NEW STREET, PARKFIELDS, WOLVERHAMPTON, WV4 6AN	25,865.27
CG04	G2 ELECTRICAL WHOLESALE LTD	UNIT 8, KEYS BUSINESS VILLAGE, KEYS PARK ROAD, CANNOCK, WS12 2HA	1,182.53
CG05	GAMMA ILLUMINATION	CONWAY HOUSE, THORNHILL ROAD BUSINESS PARK, TENTER FIELDS, DEWSBURY, WF12 9QT	860.00
CG02	GARDINER SECURITY LTD	TRANSPENNINE TRADING ESTATE, ROCHDALE, LANCASHIRE, OL11 2PX	1,182.81
CG06	GAS & ENVIRONMENTAL SERVICES LTD	UNITS 1 AND 3 LITTLE RIDGE, WELWYN GARDEN CITY, HERTFORDSHIRE, A17 2BH	230.64
CG07	GEOTEK HEATING LTD	MAXRON HOUSE (FIRST FLOOR), GREEN LANE, RONILEY, SK6 3JQ	14,968 08
CG00	GRAHAM	Graham Credit Control, 96 Leeds Road, Huddersfield, HD1 4RH	45,018.49
CH03	HAYS CONSTRUCTION & PROPERTY	HAYS HOUSE, ST GEORGES SQUARE, HIGH STREET, NEW MALDEN, SURREY, KT3 4JQ	22,680.90
CH04	HEATECH SERVICES LIMITED	12 SALISBURY CLOSE, MORTON, LINCOLNSHIRE, DN21 3GB	559.10
CH02	HERZ VALVES UK LTD	PROGRESS HOUSE, MOORFIELD ROAD, SLYFIELD INDUSTRIAL ESTATE, GUILFORD	2,224.53
CH01	HIRE TOOLS AND SALES LIMITED	78 ANDREWS ROAD, BORDESLEY, BIRMINGHAM, B9 4LN	19,480 27
CH00	HSS HIRE SERVICE GROUP PLC	25 WILLOW LANE, MITCHAM, SURREY, CR4 4TS	4,718.45
CI00	ING LEASE	60 HIGH STREET, REDHILL, SURREY, RH1 1NY	36.00
CI01	INSTRUMENT CALIBRATION & TESTING LTD	UNIT 16 THE BUSINESS CENTRE, 20 JAMES RD, TYSELEY, BIRMINGHAM, B11 2AB	45.60

Signature

**BDO LLP**  
**Pinnacle Heating Services Limited**  
**B - Company Creditors**

Key	Name	Address	£
CI02	Interserve Building	Windsor House, Troon Way Business Centre, Humberstone Lane, LEICESTER, LE4 9HA	7,920.00
CJ00	J B Mechanical Services	5 Parsons Walk, Clifton Campville, Tamworth, Staffordshire, B79 0DH	576.00
CJ01	J W INSULATION SERVICES LTD	26 INCHFORD ROAD, SOLIHULL, WEST MIDLANDS, B92 9QD	9,678.00
CJ02	JEWSON LIMITED	20-22 MELCHETT ROAD, KING NORTON, BIRMINGHAM, B30 3HS	83.65
CK01	KRS Mechanical Services Ltd	80 Streetly Crescent, Four Oaks, Sutton Coldfield, B74 4PU	1,176.49
CK00	KWIK-FIT HOLDINGS PLC	CREDIT SALES DEPARTMENT, 21 CORSTORPHINE ROAD, EDINBURGH, EH12 6DD	125.45
CL00	L & D INSULATION SERVICES LTD	4 CHESTER GARDENS, SUTTON COLDFIELD, WEST MIDLANDS, B73 5BF	4,530.23
CL04	L&D Insulation Services Ltd	4 Chester Garden, Sutton Coldfield, B73 5BF	11,325.59
CK02	LAMPHOLDER 2000 LTD	UNIT 3, TU HOUSE, THORPE UNDERWOOD, NORTHAMPTON, NN6 9PA	1,548.60
CL02	LANDOR PRINT LTD	FIRSWOOD ROAD, GARRETT'S GREEN INDUSTRIAL ESTATE, BIRMINGHAM, B33 0TG	555.08
CL03	LECTRI-CALL LTD	UNIT 4, BASWICH BUSINESS PARK, TILCON AVENUE, BASWICH, STAFFORDSHIRE, ST18 0YL	8,706.57
CL01	LOMBARD VEHICLE MANAGEMENT	SEVEN BRINDLEY PLACE, BIRMINGHAM, B1 2TZ	4,264.19
CL05	LONDON BOROUGH OF MERTON	MERTON CIVIC CENTRE, LONDON ROAD, MORDEN, SM4 5DX	60.00
CM07	MACASSIST	15 BLUEBELL CROFT, NORTHFIELD, BIRMINGHAM, B31 1FF	180.00
CM06	McDowall Air Conditioning (UK) Ltd	Middlemore Lane west, Aldridge, West Midlands, WS9 8EJ	1,223.34
CM05	MCDOWALLS AIR CONDITIONING (UK) LTD	MIDDLEMORE LANE WEST, ALDRIDGE, WEST MIDLANDS, WS9 8EJ	44,200.69
CM02	MHS BOILERS	3 JUNIPER WEST, FENTON WAY, SOUTHFIELDS BUSINESS PARK, BASILDON, ESSEX, SS15 6SJ	20,276.40
CM04	MIKROFILL SYSTEMS LTD	WEST COURT, MERSE ROAD, NORTH MOONS MOAT, REDDITCH, B98 9HL	7,196.28
CM00	MMF LTD	55 WOODBURN ROAD, SMETHWICK, WEST MIDLANDS, B66 2PU	125.81
CM03	MOBILE MINI UK LTD	RAVENSTOCK HOUSE, 28 FALCON COURT, PRESTON FARM BUSINESS PARK, STOCKTON ON TEES, TS18 3TX	1,273.42
CM01	MOBILE WINDSCREENS	ST PHILIPS ROAD, KINGSLAND TRADING ESTATE, BRISTOL, BS2 0HL	400.68
CN01	N POWER		517.46
CN00	NORTHGATE VEHICLE HIRE LTD	THE CRESCENT, WILLENHALL, WEST MIDLANDS, WV13 2QR	4,508.55
CO00	OMEGA RED GROUP LTD	DABELL AVENUE, BLENHEIM INDUSTRIAL ESTATE, BULWELL, NOTTINGHAM, NG6 8WA	9,206.40
CP0A	P WARRINGTON ENGRAVERS LTD	7 KEY HILL DRIVE, HOCKLEY, BIRMINGHAM, B18 5NY	605.70
CP01	P.T.S	FLEET HOUSE, LEE CIRCLE, LEICESTER, LE1- 3QQ	2,649.72
CP07	PANACHE MANAGEMENT	24 KNIGHTON DRIVE, SUTTON COLDFIELD, WEST MIDLANDS, B74 4QP	11,958.46
CP05	PARKWOOD EMPLOYMENT LTD	12-13 MARKET PLACE, SELBY, NORTH YORKS, YO8 4PB	34,512.38

Signature \_\_\_\_\_

**BDO LLP**  
**Pinnacle Heating Services Limited**  
**B - Company Creditors**

Key	Name	Address	£
CP09	PETE WHISKIN INTALLATIONS LTD	52 POPPY MEAD, KINGSNORTH, ASHFORD, KENT, TN23 3GL	1,246.93
CP02	PHS GROUP LTD	WESTERN INDUSTRIAL EATE, CAERPHILLY, CF83 1XH	83.94
CP04	Picnick LTD	HATTON BANK FARM, HATTON BANK LANE, BLACKHILL, STRATFORD UPON AVON, CV37 0PA	192.00
CP03	PLUMBASE LTD	PLUMBASE PAYMENTS CENTRECREDIT, MANAGEMENT DEP, SUITE 3 UNIT 2, 11 CAMBUSLANG ROAD, GLASGOW, G32 8NB	12,866.92
CP08	PR VENTILATION LTD	OFFICE G21, BUILDING 3 CITY WEST OFFICE PARK, GELDERD ROAD, LEEDS, LS12 6LN	16,915.14
CP00	PUMP TECHNICAL SERVICES LTD	BECO WORKS, CRICKET LANE OFF KENT HOUSE LANE, BEKENHAM, KENT, BR3 1LA	5,284.93
CP06	PUREWATER STORAGE LTD	TRICKLEY COPPICE FARM, COPPICE LANE, MIDDLETON, TAMWORTH, STAFFS, B78 2BU	23,148.40
CR03	R F DIGITAL	UNIT 12 CHELMSLEY WOOD IND. EST, WATERLOO AVENUE, BIRMINGHAM, B37 6QQ	8,018.00
CR00	RAC	PO BOX 3297, SURREY STREET, NORWICH, NR1 3UW	1,508.00
CR02	RAPIDE SECURITY AND SURVEILLANCE LTD	878-880 ALUM ROCK ROAD, WARD END, BIRMINGHAM, B8 2TY	1,337.77
CR05	RECONOMY SOLUTIONS	ACCOUNTS RECEIVABLE, RECONOMY GROUP SHARED SERVICES CENTRE, RADFORD HOUSE STAFFORD PARK 7, TELFORD, SHROPSHIRE, TF3 3BQ	64.10
CR04	RITE-FIX LTD	UNIT 4, OLTON WHARF, RICHMOND ROAD, SOLIHULL, B92 7RN	3,692.90
CR01	ROBERTSON CARTWRIGHT DESIGN LTD	GROVESNER HOUSE, 73 MARKET STREET, STOURBRIDGE, WEST MIDLANDS, DY8 1AQ	7,159.80
CS04	SATURN SALES & SERVICES LTD	UNIT 11 MORLAND INDUSTRIAL PARK, MORLAND ROAD, HIGHBRIDGE, SOMERSET, TA9 3ET	78,952.82
CS00	SCOTTISH POWER	UNIT 2/7, MAGNA ROAD, WIGSTON, LEICESTER, LE18 4ZH	(768.23)
CS05	SELECT SWITCHGEAR & CONTROL LTD	SER-TEC HOUSE, BROMSGROVE TECHNOLOGY PARK, BROMSGROVE, WORCESTERHIRE, B60 3AL	47,000.00
CS06	SER-TEC LTD		4,957.20
CS09	SHIRE LEASING	1 CALICO BUSINESS PARK, SANDY WAY, AMINGTON, TAMWORTH, STAFFORDSHIRE, B77 4BF	(1,489.50)
CS03	SMITH BROTHERS STORES LTD	UNIT 1, ALPHA PARK, BEVAN WAY, SMETHWICK, WEST MIDLANDS, B66 1BZ	6,245.62
CS07	SOUTH EAST WATER LTD	PAYEMNT PROCESSING DEPT, PO BOX 27, SHEFFIELD, S98 1BP	7.80
CS08	SOUTHERN AIR HEATING SYSTEMS LTD	425 KINSON ROAD, BOURNEMOUTH, DOREST, BH10 5HG	2,677.20
CS01	SPARES AND CONTROLS LTD	44 SOVEREIGN ROAD, KINGS NORTON BUSINESS CENTRE, KINGS NORTON, B30 3HN	10,933.14
CS02	SPINELINK VEHICLE HIRE LTD	WINGHAY CLOSE, OFF CROSS STREET, LONGBRIDGE HAYES, STOKE ON TRENT, STAFFORDSHIRE, ST6 4DU	(367.79)
CT00	THE PRESENTATION SOLUTION GROUP	10 HERALD BUSINESS PARK, GOLDEN ACRES LANE, COVENTRY, CV3 2SY	8,226.00

Signature

**BDO LLP**  
**Pinnacle Heating Services Limited**  
**B - Company Creditors**

Key	Name	Address	£
CT03	Time Recruitment	The Old Mill, 8 Loom Street, Manchester, M4 6AN	8,939.00
CT01	TOTAL HEAT SYSTEMS LIMITED	1 BURFORD CRESCENT, ASTON, SHEFFIELD, S26 2FH	4,140.00
CT02	TRENT CONTROL PANELS LTD	TRENT HOUSE, DEWSBURY ROAD, FENTON, STOKE ON TRENT, ST4 6LD	360.00
CT04	TRINITY CONTRACTORS		83,922.21
CU00	UK DRY RISERS LTD	UNIT 1 BRIDGE TRADUNG ESTATE, BOULTON ROAD, BURY, BL8 2AQ	4,374.00
CV04	VENT AIR FABRICATIONS	CHAPLE STREET, Pontnewydd, Cwmbran, GWENT, NP44 1DL	14,048.02
CV03	VENT VISION LTD	60 GRAVELLY INDUSTRIAL PARK, ERDINGTON, BIRMINGHAM, WEST MIDLANDS, B24 8TQ	551.45
CV02	VENTILATION & FLOW MANAGEMENT	12 CHERRYBROOK DRIVE, PENKRIDGE, STAFFORDSHIRE, ST19 5EA	7,400.00
CV01	VENTILATION & HEATING MIDLANDS LTD	2 ENGINE STREET, SMETHWICK, WEST MIDLANDS, B66 3DT	6,414.48
CV00	VES ANDOVER LTD	EAGLE CLOSE, CHANDLERS FORD INDUSTRIAL ESTATE, CHANDLERS FORD, EASTLEIGH, HAMPSHIRE, SO53 4NF	2,500.00
CW02	WARRENS	PO BOX 8442, LEICESTER, LE1 8AT	13.01
CW01	WELLMAN ROBESY LTD	NEWFIELD ROAD, OLDBURY, WEST MIDLANDS, B69 3ET	1,248.60
CW05	WF ELECTRICAL	313-333 RAINHAM ROAD SOUTH, DAGENHAM, ESSEX, RM10 8SX	102.57
CW06	WILTS WHOLESALE ELECTRICAL CO LTD	KENNET WAY, CANAL ROAD INDUSTRIAL ESTATE, TROWBRIDGE, WILTS, BA14 8BL	1.73
CW00	Wolseley uk	UNIT 1- 2, MARLEY WAY, HIGH STREET SALTLEY, CHESTER, CH4 8SX	142,939.18
CW03	WOLTERS KLUWER (UK) LTD	CRONER HOUSE, WHEATFIELD WAY, HINCKLEY, LEICESTERSHIRE, LE10 1YG	(444.49)
CW04	WORDFLOW LIMITED	11/19 VYNER STREET, LONDON, E2 9DG	840.48
<b>123 Entries Totalling</b>			<b>1,647,243.18</b>

Signature \_\_\_\_\_

**Pinnacle Heating Services Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

from 18 November 2011 to 12 January 2012

	ESTIMATED TO REALISE	ACTUAL REALISATIONS/ PAYMENTS	
	£	£	£
<b>ASSET REALISATIONS</b>			
Furniture & Equipment	1,200 00	-	
Motor Vehicles	25,500.00	-	
Book Debts	234,787.78	82,054 63	
Bank Interest	-	0 97	
VAT Refund	36,138.18	36,138 18	
	<u>297,625 96</u>		118,193.78
 <b>COST OF REALISATIONS</b>			
Wages & Salaries		<u>(1,309.25)</u>	(1,309.25)
			<u><u>116,884.53</u></u>
 <b>REPRESENTED BY</b>			
Bank 1 - Current			116,884.53
			<u><u>116,884.53</u></u>

**Notes:-**

1. The Company is registered for VAT, and all amounts shown are net of VAT
2. All funds are held on an interest bearing account

BDO LLP  
125 Colmore Row  
Birmingham  
B3 3SD

C K Rayment  
Joint Administrator

12 January 2012

## Summary of Time Charged and Rates Applicable for the Period From 18 November 2011 to 6 January 2012

Grand Total



**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, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

**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 with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors.

**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 normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks 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 information about the exercise of his functions.

**4 Fixing the administrator's remuneration**

- 4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed:

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 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 (and provided the circumstances described in paragraph 4.3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets. In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of -

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors -
  - each secured creditor of the company, and
  - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

## **5. Review of remuneration**

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

## **6. Approval of pre-administration costs**

6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Details of such costs must be included in the administrator's proposals.

6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.

6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

**7 What information should be provided by the administrator?****7.1 When seeking remuneration approval**

**7.1.1** 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 nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case.

**7.1.2** Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

**7.1.3** Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The degree of detail will depend on the circumstances of the case, and professional guidance has been provided setting out a minimum of 6 category headings under which the work done by the officeholder and his staff should be analysed. As a firm BDO LLP operates a computerised time recording system which analyses work done under the following categories:-

- Pre Appointment Matters
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues

Professional guidance suggests the following categories as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 7.1.4 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 sub-contracted out which would normally be undertaken directly by an administrator or his staff.

**7.2 After remuneration approval**

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 8.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph

- 7.1.3 Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7.1.4 above regarding work which has been sub-contracted out.

**7.3 Disbursements and other expenses**

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

**8 Progress reports and requests for further information**

- 8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include:

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of

the work done during those periods, irrespective of whether payment was actually made during the period of the report;

- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period;
- the date of approval of any pre-administration costs and the amount approved;
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the administrator's remuneration and expenses

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

8.3 The administrator must provide the requested information within 14 days, unless he considers that:

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

## **9. Provision of information - additional requirements**

The administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is -

- the total number of hours spent on the case by the administrator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office. The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.

## **10 What if a creditor is dissatisfied?**

10.1 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

10.2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8.1 above). 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.

10.3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.

**11 What if the administrator is dissatisfied?**

11.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. 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.

**12 Other matters relating to remuneration**

12.1 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.

12.2 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.

12.3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made.

12.4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them.

**13. Effective date**

This guide applies where a company enters administration on or after 6 April 2010, except where

- the application for an administration order was made before that date, or
- where the administration was preceded by a liquidation which commenced before that date.



## **Pinnacle Heating Services Limited - In Administration**

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows: This in no way implies that staff at all such grades will work on the case

### **GRADE £**

Partner	371
Director	313
Senior Manager	295
Manager	202
Senior Executive	167
Executive	139
Junior Executive	97
Cashier	170
Support staff/Secretary	61

The rates charged by BDO LLP, 125 Colmore Row, Birmingham, B3 3SD are reviewed in December and July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

- Pre Appointment
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

### **1) Other Costs**

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.



## 2) Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), searches at Companies House, land registry searches, fees in respect of swearing legal documents, external printing costs etc. In each case the recharge will be reimbursement of a specific expense incurred.

A further disbursement under this heading is the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 40p per mile is raised which is in line with the Inland Revenue Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff.

Where applicable, disbursements will be subject to VAT at the prevailing rate.

## 3) Category 2

Additionally some firms recharge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of a each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP, effective from 1 July 2003, is not to recharge any expense which is not a specific cost to the case, therefore there will be no category 2 disbursements charged. Category 2 disbursements, because they are imprecise, require approval by the creditors before they can be drawn.

BDO LLP  
12 January 2012



**Pinnacle Heating Limited – in Administration (“the Company”)**

**Statement in Accordance with Rule 2.33(2A) of the Insolvency Rules 1986**

I am a Partner in the firm Poppleton and Appleby and I am duly authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales

I was introduced to the Directors of the Company on 27<sup>th</sup> October 2011 by Windsor Accounting and Business Advisors, who are the accountants for the Company. The Company had two distinct operations, being installation contractors in new build properties together with a service and maintenance division with a customer base comprising private hospitals and nursing homes.

The Directors were concerned that the contracting side of the business was experiencing trading difficulties, which stemmed from problems obtaining approval for significant contract variations and amendments to the schedules of works. The various insolvency options available to the Company were discussed in outline terms for the Directors to consider further.

I was asked to attend a second meeting with the Directors on 3<sup>rd</sup> November 2011, at which point it became clear there had been a deterioration in the trading position as that morning, certain contracting clients had ejected the Company from several sites.

It was agreed with the Directors that I should collate further information to review the potential outcomes in an insolvency scenario and that I should assist the Directors in consulting with Royal Bank of Scotland plc (“RBS”) as to how best to proceed. I engaged a Quantity Surveyor firm to appraise the debtor and work in progress position and I instructed a plant and machinery agent to appraise the tangible assets. My instructions were confirmed in a letter of engagement sent to the Company on 4<sup>th</sup> November 2011.

I entered into a protracted exchange of emails and telephone calls with RBS which commenced on 9<sup>th</sup> November 2011. I set out the Company's financial position to RBS and provided an estimated outcome statement based on my brief enquiries into the financial position of the Company, incorporating the asset appraisal advice received from my agents. My initial advice to the Directors was that Creditors Voluntary Liquidation was the appropriate insolvency option although during my subsequent discussions with RBS, it was agreed that the Administration procedure was also an option in order to achieve the objective of realising property in order to make a distribution to one or more secured or preferential creditors.

RBS confirmed this would be the preferred route, particularly as it facilitated the timely appointment of an Administrator to take control of the debtor recovery process. However, RBS requested further detailed information in support of the decision to use the Administration procedure which I provided in conjunction with the appointed agents and information from the Directors.

I was also asked by RBS to provide an indication as to my firm's expected costs for the Administration and RBS also invited another firm of Insolvency Practitioners to submit a

comparative indication. It was ultimately decided that the Administration procedure was appropriate although it was RBS's preference that the alternative firm of insolvency practitioners be appointed.

My time costs for consulting with the Directors and liaising with the valuers and agents, together with the time spent consulting with RBS amount to £4,000 which represents 14 hours at an average hourly rate of £286. I do not intend to seek recovery of any other expenses in relation to this engagement. I can also confirm that no payment has been received in respect of these costs.

These costs therefore remain unpaid in the sum of £4,000 and will not form part of the proposals to be put forward by the incumbent Joint Administrators for approval by creditors in accordance with paragraph 53 of Schedule B1 to the Insolvency Act 1986.

M Hardy  
Poppleton and Appleby  
35 Ludgate Hill  
Birmingham  
B3 1EH

8<sup>th</sup> December 2011

In The High Court of Justice  
Chancery Division  
Companies Court

No 8570 of 2011

Pinnacle Heating Services Limited  
- In Administration -

Date of Administration 18 November 2011

- 1a Name of creditor
- 1b If Company - registered number
- 2 Address of creditor
- 3 Total claim including VAT and interest as at the date of the appointment of administrators £  
(see overleaf)
- 4 Details of documents by which debt can be substantiated (please attach copy documents)
- 5 Amount of any interest included in claim £
- 6 Is the whole or part of the debt preferential? Yes / No  
If so, state amount, and details £  
See notes overleaf
- 7 Particulars of how and when debt incurred
- 8 Particulars and value of any security held and the date it was given
- 9 Details of any reservation of title in respect of goods to which the debt refer
- 10 Signature of creditor  
or other authorised person .....
- Name in BLOCK LETTERS .....  
Creditor's reference: .....
- 11 Position or Relationship with Creditor .....
- 12 Address (if person signing is not the Creditor) .....

**For Use of Administrator Only**

13 Admitted to vote for £

Date

Joint Administrator

14 Admitted preferentially  
for £

Date

Joint Administrator

Admitted non-preferentially  
for £

Date

Joint Administrator

**Guidance Notes re Preferential Debts:**

The categories of preferential debts under S.386(1) of the Insolvency Act 1986 are as follows:

- pension scheme contributions
- remuneration etc of employees
- Levies on Coal & Steel Productions.

**VAT Bad Debt Relief**

The provisions of the Finance Act, 1990, came into effect on 26 July, 1990, and introduced changes in the way that VAT on Bad Debts is recovered.

Your claim overleaf must be quoted inclusive of VAT. You may claim relief on your VAT return when the debt is at least six months old and has been written off. Any dividend you receive in respect of this claim will include payment in respect of the VAT element of your debt and you will be responsible for declaring such VAT to HM Revenue & Customs

**Rule 8.1 Insolvency Act 1986**  
**Proxy (Administration)**

\*Insert the name of the  
company

**IN THE MATTER OF \* Pinnacle Heating Services Limited**  
**and**

**IN THE MATTER OF THE INSOLVENCY ACT 1986**

Notes to help completion of  
the form

Please give full name and  
address for communication

Name of creditor \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

Name of proxy-holder \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please delete words in  
brackets if the proxy-holder is  
only to vote as directed ie 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 26 January 2012, 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 acceptance/rejection\* of the pre Administration time costs incurred by Poppleton & Appleby

\_\_\_\_\_

\_\_\_\_\_

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

\_\_\_\_\_

**Please note there are resolutions on the other side of this form**

**Insolvency Act 1986**  
**Proxy (Administration) continued,**

**IN THE MATTER OF \* Pinnacle Heating Services Limited**

Additional resolutions  
\* Please delete as appropriate

**Formal Proposals - the Joint Administrators propose that:**

1.  
(a) The Administrators continue to realise assets in a manner they deem fit, for so long as they believe it will be beneficial in achieving the statutory purpose of the Administration. This will include but not be limited to collecting the remaining debts due to the Company

Accept/Reject

- (b) The Administration will be exited in one of the following two methods, the decision as to which method is at the sole discretion of the Joint Administrators:

- If there are sufficient realisations to allow for a distribution to unsecured creditors, the Administration is to be exited by way of a Creditors' Voluntary Liquidation and Christopher Kim Rayment and Joanne Marie Wright will be appointed as Joint Liquidators and will act jointly and severally

*NB Under Paragraph 83(7) of Schedule B1 of the Insolvency Act 1986 and Rule 2.117(3) creditors may nominate different liquidators, but in the absence of such nomination the above named would become the liquidators*

- However, if realisations are not sufficient to allow for a distribution to unsecured creditors, it is the Joint Administrators' recommendation and proposal that an application is made to dissolve the Company

Accept/Reject

- (c) Where appropriate they make payments to the secured and preferential creditors

Accept/Reject

- (d) The Joint Administrators apply for an extension to the statutory twelve month period of the Administration, with the agreement of the relevant creditors, if required,

Accept/Reject

- (e) Creditors consider and if thought fit appoint a creditors' committee to assist the Joint Administrators (such a committee must comprise of between 3 and 5 creditors)

Accept/Reject

- (f) In the absence of a committee, the Joint Administrators' remuneration is approved on the basis of time properly spent to attending to matters in the Administration to be taken when the Joint Administrators deem it appropriate, and

Accept/Reject

- (g) That the Joint Administrators be discharged from liability under the Administration per Paragraph 98 of Schedule B1 of the Insolvency Act 1986, 28 days after the Joint Administrators' filing their final report and sending it to creditors

Accept/Reject

2.  
(a) That the pre-Administration costs of Poppleton & Appleby be paid as an expense of the Administration

Accept/Reject