

In accordance with
Rule 3.35 of the Insolvency
(England and Wales)
Rules 2016 Paragraph
49(4) of Schedule B1
to the Insolvency Act
1986 and regulation 9(5)
of The Administration
(Restrictions on Disposal
etc. to Connected Persons)
Regulations 2021.

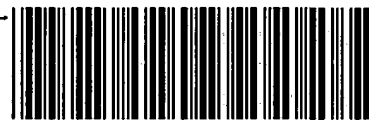
AM03

Notice of administrator's proposals



Companies House

THURSDAY



ACDHPSFF

A15

05/10/2023

#70

COMPANIES HOUSE

1 Company details

Company number 1 0 0 5 2 7 6 5

Company name in full Telec Networks Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Duncan

Surname Beat

3 Administrator's address

Building name/number 20 St Andrew Street

Street

Post town London

County/Region

Postcode E C 4 A 3 A G

Country

4 Administrator's name ①

Full forename(s) Andrew

Surname Watling

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Office D

Street Beresford House

Post town Town Quay

County/Region Southampton

Postcode S O 1 4 2 A Q

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03 Notice of Administrator's Proposals

6 Statement of proposals

☒ I attach a copy of the statement of proposals

7 Qualifying report and administrator's statement ^①

☐ I attach a copy of the qualifying report

☐ I attach a statement of disposal

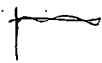
① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8 Sign and date

Administrator's
Signature

Signature

X



X

Signature date

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AM03

Notice of Administrator's Proposals



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Stuart Ransley
Company name	Quantuma Advisory Limited
Address	Office D
	Beresford House
Post town	Town Quay
County/Region	Southampton
Postcode	S O 1 4 2 A Q
Country	
DX	info@quantuma.com
Telephone	02380336464



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Telec Networks Limited (In Administration)
The Joint Administrators' Statement of Proposals

**In the High Court of Justice Business and Property Courts of England
and Wales Reference No. 004589 of 2023**

Telec Networks Limited (In Administration)

THE JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS

**Duncan Beat and Andrew Watling
Joint Administrators**

Quantuma Advisory Limited

Office D, Beresford House, Town Quay, Southampton, SO14 2AQ

02380336464

Disclaimer Notice

- This Statement of Proposals has been prepared by Duncan Beat and Andrew Watling, the Joint Administrators of Telec Networks Limited, solely to comply with their statutory duty under Paragraph 49 of Schedule B1 of the Insolvency Act 1986 and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- Any estimated outcomes for creditors included in this Statement of Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this document for any purpose or in any context other than under Paragraph 49 of Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.
- The Joint Administrators act as agent for Telec Networks Limited and contract without personal liability. The appointment of the Joint Administrators is personal to them and, to the fullest extent permitted by law, Quantuma Advisory Limited does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.

Telec Networks Limited (In Administration)
The Joint Administrators' Statement of Proposals

CONTENTS

1	Executive Summary
2	Background to the Company
3	Events leading to the Administration
4	The Objective of the Administration
5	Events since the Joint Administrators' Appointment
6	The Statement of Affairs and the Outcomes for Creditors
7	The Joint Administrators' Fees
8	The Joint Administrators' Expenses
9	The Joint Administrators' Discharge
10	Approval Process
Appendix I	Definitions
Appendix II	Statutory and Financial Information
Appendix III	Statement of Pre-Administration Costs
Appendix IV	Estimated Financial Position
Appendix V	Receipts and Payments Account
Appendix VI	Estimated Outcome Statement
Appendix VII	The Joint Administrators' Fees Proposal & Expenses Estimate
Appendix VIII	Breakdown of the Joint Administrators' Time Costs
Appendix IX	Charge-out Rates and Expenses Policy
Appendix X	Summary of the Joint Administrators' Proposals
Appendix XI	Decision Process Documents

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

1. Executive Summary

- 1.1 This Statement of Proposals is being delivered to creditors on 4 October 2023.
- 1.2 On 17 August 2023, Duncan Beat and Andrew Watling of Quantuma Advisory Limited were appointed Joint Administrators of the Company following the filing of a Notice of Appointment of Administrators by the Director of the Company.
- 1.3 The Joint Administrators are currently pursuing the third statutory objective of realising property in order to make a distribution to one of more secured or preferential creditors.
- 1.4 A summary of the current and anticipated future positions are detailed below.

Assets

Asset	Realisations to date	Anticipated future realisations	Total anticipated realisations
Freehold Land & Property	Nil	Uncertain	Uncertain
Plant & Machinery	Nil	109,000.00	109,000.00
Vehicles	Nil	48,500.00	48,500.00
Office Furniture and IT Equipment	Nil	2,500.00	2,500.00
Cash at Bank	Nil	Uncertain	Uncertain
Book Debts	Nil	Uncertain	Uncertain
Directors Loan Account	Nil	NIL	NIL
Connected Company Debtors	Nil	Uncertain	Uncertain

Expenses

Expense	Expense incurred to date	Anticipated further expense	Total anticipated expense
Joint Administrators' pre-app fees	7,634.00	Nil	7,634.00
Joint Administrators' pre-app expenses	7,550.00	Nil	7,550.00
Joint Administrators' post-app fees	40,367.80	60,541.45	100,909.25
Joint Administrators' post-app expenses	234.80	29,902.00	30,136.80
Solicitors' fees (Keystone Law)	Nil	7,500.00	7,500.00
Agents' fees (C&K Recoveries)	Nil	20,000.00	20,000.00
Collection Agents' fees (Pythagoras Capital)	Nil	Uncertain	Uncertain

Dividend prospects

Creditor class	Distribution dividend paid to date	Anticipated distribution dividend
Secured creditor (fixed charge)	N/A	N/A
Secured creditor (floating charge)	N/A	N/A
Preferential creditors	N/A	N/A
Secondary preferential creditors	Nil	1%
Unsecured creditors	Nil	Uncertain

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

- 1.5 The main work remaining to be done to conclude the Administration is to sell the Company's assets and secure the collection of the Company's outstanding book debts. As stated later in the proposal, the Joint Administrators have instructed agents to assist with these realisations.
- 1.6 Alongside the realisation of assets, the Joint Administrators will also be required to carry out investigations into the Company's affairs and the conduct of its director, which includes the submission of a report to the Insolvency Service.
- 1.7 The Administration is expected to be concluded in c.12 months by exiting to dissolution.
- 1.8 Definitions of the terms used in this Proposal are provided in Appendix I.

2. Background to the Company

- 2.1 The business was incorporated on 9 March 2016, the principal activity of the Company was the construction of fibre optics and utility infrastructure projects for electricity and telecommunications. It traded from premises at Telec Utilities Ltd, Estate Road 7, South Humberside Industrial Estate, Grimsby, DN31 2TP.
- 2.2 With its head office in Grimsby and operations in Grimsby, Ipswich and Norwich, Telec Networks was involved in delivering broadband networks across the UK. The firm recorded a turnover of £24,223,895 in 2022 which resulted in a profit of £514,172 for the financial year.
- 2.3 According to the Company's accounts, the Company consistently made a profit, however it almost exclusively undertook work for one client ("the Client").
- 2.4 The current director of the Company is Matthew James Hague who has been the sole director since the Company's inception. He also holds 100% of the Company's shareholding.
- 2.5 Prior to Administration, all the Company's employees transferred under TUPE Regulations to another company in the control of the director.
- 2.6 Statutory information on the Company and extracts from the most recent accounts are provided at Appendix II. Please note that this information has not been verified by the Joint Administrators or by Quantum Advisory Limited.

3. Events leading to the Administration

- 3.1 Duncan Beat of Quantum Advisory Limited was first approached by the Company on 25 July 2023 and subsequently instructed on 8 August 2023.
- 3.2 As stated above, whilst the Company has been profitable in recent years, the Company was reliant on undertaking work and contracts with one substantial client.
- 3.3 The Client had recently postponed a £40m contract in Norwich resulting in the closure of that site.
- 3.4 The Company was also in the process of tendering for c.£120 million worth of work in Norfolk, however the Company was unsuccessful in the tender process.
- 3.5 After liaising with the Client, the Company considered factoring their debtor ledger, however, with the Company coming under increased pressure from HM Revenue & Customs ("HMRC"), this was not possible.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

- 3.6** On 6 February 2023, HMRC presented a winding up petition against the Company. The petition was later dismissed in June 2023 when the Company paid HMRC's outstanding liability of c.£2.4m. However, since then further substantial liabilities have been accrued with HMRC.
- 3.7** With no resolution with the Client regarding future work and payment terms, the Company had no choice but to seek advice. Following this advice, the Company entered Administration on 17 August 2023.
- 3.3** No Moratorium under Part A1 of the Act has been in force for the Company at any time within the period of 2 years ending with the day on which it entered Administration. Attached at Appendix III is an account of the work undertaken prior to the Joint Administrators' appointment and the costs associated with that work.
- 3.4** These proceedings are COMI proceedings.
- 3.5** In compliance with the data protection legislation, creditors, employees, shareholders, directors and any other stakeholder who is an individual (i.e not a corporate entity) in these insolvency proceedings is referred to the Privacy Notice in respect of Insolvency Appointments, which can be found at this link <http://www.quantuma.com/legal-notices>.

Ethical Considerations

- 3.6** Prior to the Joint Administrators' appointment, a review of ethical issues was undertaken, and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment to date.

4. The Objective of the Administration

- 4.1** Administrators must perform their functions with the objective of:
- rescuing the company as a going concern;
 - or if that is not possible, then achieving a better result for the creditors as a whole than would be likely to be achieved if the company were wound up (without first being in Administration);
 - or if that is not possible, realising property in order to make a distribution to one or more secured or preferential creditors.
- 4.2** The Joint Administrators would comment that the first objective was not achievable due to a lack of working capital and the cessation of trading prior to appointment, the Joint Administrators did not consider it possible to restructure the existing business or propose a Company Voluntary Arrangement.
- 4.3** The second objective is normally achieved by means of a sale of the business and assets as a going concern or a more orderly sales process than in liquidation.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

- 4.4 While the swift steps taken by the Joint Administrators have enhanced realisation prospects, the Joint Administrators do not believe that the dividend (if any) to unsecured creditors will be improved over that which could have been achieved via a liquidation alone. Accordingly, the Joint Administrators do not consider it likely that the second objective will be achieved.
- 4.5 The Joint Administrators would comment that the third objective will be achieved, as they expect to pay a distribution to the Company's secondary preferential creditor.
- 4.6 A detailed account of how the Joint Administrators have sought to achieve the objective of the Administration is set out below.

5 Events since the Joint Administrators' Appointment

- 5.1 Immediately upon appointment, the Joint Administrators undertook a review of the Company's affairs with particular regard to its financial and resource requirements. This assessment was carried out in liaison with the remaining management of the Company.

The sale of the Company's assets

Asset valuation

- 5.2 The Joint Administrators instructed C&K Recoveries, who are professional independent agents with adequate professional indemnity insurance, to value and dispose of the Company's assets using the most advantageous method available. They have also assisted with the adjudication of Reservation of Title ("ROT") claims.

Freehold Property

- 5.3 According to the Company's accounts for the year ending 29 March 2022, the Company owned freehold property which held a value of £717,743. To date the Joint Administrators' enquiries have not been able to identify any property owned or previously owned by the Company, however these enquiries are ongoing, and creditors will be updated in future reports.

Plant & Machinery

- 5.4 The Company owns plant and machinery which according to the Company's accounts for the year ending 29 March 2022, had a book value of £867,071. C&K Recoveries have valued the Company's plant and machinery which includes modular buildings and containers at £109,000 on an ex-situ basis.

Vehicles

- 5.5 The Company owns 5 vehicles which C&K Recoveries have given an ex-situ value of £48,500.

Office Furniture and IT Equipment

- 5.6 The Company has fixtures and fittings which in the accounts for the year ending 29 March 2022 held a book value of £39,284. C&K Recoveries have valued the fixture and fittings at £2,500 on an ex-situ basis.

C&K Recoveries have arranged for the safe storage of the assets, and they are in the process of marketing the assets for sale.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Cash at bank

- 5.7 The Joint Administrators made immediate contact with the Company's bankers in order to freeze the Company's bank accounts and to request the transfer of any credit balances to the Administration estate account. The Company's bankers have confirmed that there is a credit balance on the Company bank accounts however the quantum has not been stated. The Joint Administrators are currently waiting for the credit balance to be transferred to the estate account. The estimated to realise value is therefore uncertain.

Book debts

- 5.8 The director has advised that there is a significant debt due from the Client which includes retentions. The Joint Administrators have instructed Quanty Surveyors and debt collection agents, Pythagoras to assist with collecting documentation to support the outstanding book debts and collect them thereafter.
- 5.9 At the date of writing, the Joint Administrators and Pythagoras have been unable to determine the book value of the ledger and Pythagoras are continuing to liaise with the director in this regard. As a result, the book value and estimated to realise value is uncertain.

Director's Loan Account

- 5.10 The Company's last published accounts for the year ending 29 March 2022 stated that the director had an outstanding loan account totalling £58,301. The Director has informed the Joint Administrators that this has since been repaid; documentation to support this is awaited.

Connected Company Debtors

- 5.11 As recorded in the Company's previously published accounts, there were 3 connected companies which owed amounts to the Company. These totalled £5,852,442. The Joint Administrators will take steps to reconcile this figure and seek repayment of these outstanding loan accounts.

Steps taken as regards creditors

- 5.12 The Company had ceased to trade prior to the Joint Administrators' appointment and as previously detailed, its employees were transferred to another company. There are no known liabilities to the former employees.
- 5.13 The Joint Administrators' staff have undertaken a review of the Company's pension arrangements and have made the statutory notifications required to The Pensions Regulator and The Pension Protection Fund. Further work will be undertaken to establish whether a claim for unpaid pension contributions needs to be submitted on behalf of the ex-employees, and whether steps need to be taken to wind up the scheme.
- 5.14 The Joint Administrators' staff have handled creditors' queries as they have arisen, which has included telephone calls and correspondence, and in some instances enquiries in relation to ROT claims.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Instruction of specialists

- 5.15** When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Administrators are obligated to ensure that such advice or work is warranted, and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.
- 5.16** The Joint Administrators have instructed legal advisors, Keystone Law, to assist with placing the Company into Administration and to provide advice in respect of all legal issues arising in the Administration. Keystone Law are a firm of lawyers with the appropriate expertise and experience in dealing with these types of Administrations.
- 5.17** In addition, C&K Recoveries have been instructed as agents by the Joint Administrators to undertake inventories and valuations of the Company's assets, advise on the best method of disposing of those assets, assist with the disposal, and to help manage the ROT adjudication process.
- 5.18** Quantity Surveyors, Pythagoras have been instructed by the Joint Administrators to assist with the collection of the Company's outstanding book debts and retentions. The costs of Pythagoras will be discussed and agreed once there is more certainty over the value of the debtor ledger.
- 5.19** The basis upon which the professional fees above have been agreed is outlined in the Explanatory Notes to the Joint Administrators' Expenses Estimate at Appendix VII. All charges will be reviewed by the Joint Administrators' staff before being approved for payment.

Investigation into the Company's affairs prior to the Administration

- 5.20** The Joint Administrators have commenced a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a report to be submitted to the Insolvency Service on the conduct of the Company's directors.
- 5.21** Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Joint Administrators as soon as they are able.

6. The Statement of Affairs and the Outcomes for Creditors

- 6.1** To date, the director has not submitted a signed Statement of Affairs, however it is expected imminently. The Estimated Financial Position of the Company, together with a list of creditors, is attached at Appendix V. These details have been extracted from the Company's records and therefore no warranty can be given to the accuracy of the details given. The Joint Administrators have not carried out any work of the nature of an audit on the information.
- 6.2** In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Prospects for creditors

- 6.3 Attached at Appendix V is the Joint Administrators' receipts and payments account for the period from 17 August 2023 to 4 October 2023.
- 6.4 Attached at Appendix VI is an Estimated Outcome Statement, which illustrates the anticipated outcomes for creditors. It sets out the total anticipated realisations and the financial benefit that the work undertaken by the Joint Administrators is expected to generate for creditors.

Secured creditors

- 6.5 The Company has no secured creditors.

Preferential claims

- 6.6 Based on current information, as a result of the Company's employees transferring to another company prior to the Company being placed into Administration, the Company has no preferential claims in respect of arrears of wages or arrears of holiday pay.
- 6.7 There is no known preferential claim in respect of the Company's pension scheme, however further work will be undertaken to establish whether there are any unpaid pension contributions.

Secondary Preferential claims

- 6.8 HM Revenue & Customs ("HMRC") is a Secondary Preferential Creditor for the following liabilities:
- VAT
 - PAYE Income Tax
 - Employees' NIC
 - CIS deductions
 - Student Loan Deductions

HMRC's secondary preferential claims relating to PAYE Income Tax and Employees NIC was estimated at £420,000 and VAT was estimated at £1,300,000. To date HMRC have submitted a claim totalling £1,390,149.21 and £519,476.13 respectively in respect of their secondary preferential claims.

- 6.9 A distribution to secondary preferential creditors is anticipated, however the quantum will be dependent on the realisations made in the Administration and costs incurred in the estate. The Act requires administrators to make a prescribed part of the company's net property, which is the balance remaining after discharging the preferential and secondary preferential claims but before paying the floating charge-holder, available for the satisfaction of unsecured debts.
- 6.10 In this case, the prescribed part provision does not apply, as there is no debt due to any secured creditor.

Unsecured creditors

- 6.11 At the date of appointment, unsecured creditor claims were estimated to be £432,356. Since then, the Joint Administrators have received 9 claims totalling £568,526.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

6.12 It is anticipated that there will be insufficient funds to pay a distribution to the unsecured creditors.

7. The Joint Administrators' Fees

7.1 The Joint Administrators propose to fix their fees on the following basis:

- (i) the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Quantuma Advisory Limited at the time the work is performed as outlined in the Joint Administrators' Fee Estimate.

7.2 Attached at Appendix VII is the Joint Administrators' Fees Estimate together with explanatory notes. Attached at Appendix VIII is a breakdown of the time costs incurred in the Administration to 4 October 2023 and the charge-out rates of the Joint Administrators and their staff are provided at Appendix IX.

7.3 The Estimated Outcome Statement at Appendix VI provides an overview of the financial benefit that this work is expected to bring to creditors.

7.4 Creditors may access a Guide to Administrators' Remuneration effective from 1 April 2021 at <http://www.quantuma.com/guide/creditors-guide-fees> or a hard copy will be provided on request free of charge.

8. The Joint Administrators' Expenses

8.1 Attached at Appendix VII are details of the expenses that the Joint Administrators expect to incur in the Administration.

8.2 Expenses fall into two categories: Category 1 and Category 2.

- Category 1 expenses are payments to persons providing the service to which the expense relates who are not associates of the Joint Administrators. Administrators may discharge Category 1 expenses from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 expenses are payments to associates or which have an element of shared costs. Payments may only be made in relation to Category 2 expenses after the relevant creditors have approved the bases of their calculation.

8.3 Appendix VII provides details of the bases of Category 2 expenses that the Joint Administrators propose to recover from the insolvent estate.

9. The Joint Administrators' Discharge

9.1 The Act requires that the timing of the Joint Administrators' discharge from liability will be decided by the unsecured creditors. The Joint Administrators propose that this discharge will take effect when their appointment ceases to have effect and a decision will be sought in respect of this.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

10. Approval Process

Approval of the Statement of Proposals

- 10.1** Attached at Appendix X is a summary of the Joint Administrators' Statement of Proposals. For further information on how the Company's affairs will continue to be managed, if these Proposals are approved, please refer to Appendix VII, which sets out in detail what further work the Joint Administrators propose to undertake.
- 10.2** The Joint Administrators think that neither of the first two Administration objectives can be achieved.
- 10.3** Therefore, pursuant to Paragraph 52(1)(c) of Schedule B1 of the Act, the Joint Administrators are not required to seek creditors' approval of the Statement of Proposals.
- 10.4** Notwithstanding this, the Joint Administrators shall be required to seek a creditors' decision on whether to approve the Statement of Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debts. Such request must be delivered to the Joint Administrators within 8 business days from the date on which the Statement of Proposals was delivered. Security must be given for the expenses of seeking such a decision.
- 10.5** If no decision is requested, the Statement of Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules.

Other Decisions

The Joint Administrators are inviting creditors to decide on the following matters:

- Whether to establish a creditors' committee; and
- the timing of the Joint Administrators' discharge from liability.

In the event that a creditors' committee is not established:

- The basis on which the Joint Administrators' fees shall be fixed;
- the approval of the unpaid pre-Administration costs; and
- the approval of the basis of Category 2 expenses.

- 10.6** Attached at Appendix XI are the relevant notices and forms required to assist creditors in submitting a vote in these proceedings.

Should you have any queries in regard to any of the above please do not hesitate to contact Stuart Ransley on 02380 336 464 or by e-mail at stuart.ransley@quantuma.com.

Dated this 4 October 2023



Duncan Beat
Joint Administrator

Duncan Beat and Andrew Watling were appointed Joint Administrators of Telec Networks Limited on 17 August 2023. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix I: Definitions

The Act	The Insolvency Act 1986
The Rules	The Insolvency (England & Wales) Rules 2016
The Statement of Proposals	The Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Joint Administrators	Duncan Beat and Andrew Watling
The Company	Telec Networks Limited (in Administration)
The Court	High Court of Justice Business and Property Courts of England and Wales
EBIT	Earnings before interest and tax
SPA	Sale & Purchase Agreement
RPO	The Redundancy Payments Office
HMRC	HM Revenue & Customs
ROT	Retention of Title
EOS	Estimated Outcome Statement
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Act
SIP	Statement of Insolvency Practice (England & Wales)
TUPE	Transfer of Undertakings (Protection of Employment) Regulations

Telec Networks Limited (In Administration)**The Joint Administrators' Statement of Proposals****Appendix II: Statutory and Financial Information**

Company name	Telec Networks Limited
Proceedings	In Administration
Court	High Court of Justice Business and Property Courts of England and Wales
Court reference	004589 of 2023
Date of appointment	17 August 2023
Appointed by	The Director of the Company
Joint Administrators	Duncan Beat and Andrew Watling Quantuma Advisory Limited Office D, Beresford House, Town Quay, Southampton, SO14 2AQ
Statement required by Paragraph 100(2) of Schedule B1 of the Act	The Joint Administrators are authorised to carry out all functions, duties and powers by either one or by both of them.
Registered office	c/o Quantuma Advisory Limited, Office D, Beresford House, Town Quay, Southampton, SO14 2AQ
Company number	10052765
Incorporation date	09 March 2016
Company Secretary at date of appointment	N/A
Directors at date of appointment	Mr Matthew James Hague
Directors' shareholdings	100 Ordinary £1 Shares

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Summary Profit and Loss Account

		Period 1.4.21 to 29.3.22 £	Year Ended 31.3.21 (Unaudited) £
	Notes		
TURNOVER	3	24,223,895	22,585,475
Cost of sales		<u>17,514,046</u>	<u>15,564,813</u>
GROSS PROFIT		6,709,849	7,020,662
Administrative expenses		<u>5,950,665</u>	<u>3,871,954</u>
OPERATING PROFIT	5	759,184	3,148,708
Interest receivable and similar income		<u>482</u>	<u>5</u>
		759,666	3,148,713
Interest payable and similar expenses	6	<u>65,965</u>	<u>48,411</u>
PROFIT BEFORE TAXATION		693,701	3,100,302
Tax on profit	7	<u>179,529</u>	<u>595,754</u>
PROFIT FOR THE FINANCIAL PERIOD		<u>514,172</u>	<u>2,504,548</u>

Summary Balance Sheet

		29.3.22	31.3.21 (Unaudited)
	Notes	£	£
FIXED ASSETS			
Tangible assets	9	1,877,987	1,512,101
CURRENT ASSETS			
Debtors	10	9,952,669	8,808,831
Cash at bank		<u>1,066,885</u>	<u>1,473,727</u>
		11,019,554	10,282,558
CREDITORS			
Amounts falling due within one year	11	<u>7,545,580</u>	<u>6,776,386</u>
NET CURRENT ASSETS		3,473,974	3,506,172
TOTAL ASSETS LESS CURRENT LIABILITIES		5,351,961	5,018,273
CREDITORS			
Amounts falling due after more than one year	12	(69,232)	(342,274)
PROVISIONS FOR LIABILITIES	15	<u>(285,923)</u>	<u>(193,365)</u>
NET ASSETS		<u>4,996,806</u>	<u>4,482,634</u>
CAPITAL AND RESERVES			
Called up share capital	16	100	100
Retained earnings	17	<u>4,996,706</u>	<u>4,482,534</u>
SHAREHOLDERS' FUNDS		<u>4,996,806</u>	<u>4,482,634</u>

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix III: Statement of Pre-Administration Costs

Pre-administration costs are defined in the Insolvency Rules as fees charged and expenses incurred by the Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered Administration but with a view to its doing so.

This statement outlines those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds.

On 8 August 2023, the Company agreed with the proposed Joint Administrators that Quantuma Advisory Limited be paid fees for work done prior to the Administration on the basis of time costs incurred by the insolvency practitioners and their staff at their standard charge-out rates plus VAT and related expenses for the following tasks and matters that were considered to be necessary to placing Telec Networks Limited into Administration.

Prior to Administration, the proposed Joint Administrators gathered information on the Company to ensure that they were in a position to consent to act as Joint Administrators and to formulate an initial strategy for pursuing achievement of an Administration objective. Keystone Law were engaged to assist by providing legal advice and representation in connection with insolvency. This work was carried out prior to Administration so that there would be no delay in the Joint Administrators implementing the strategy immediately on appointment.

Following this statement is a breakdown of the time costs of the Joint Administrators and their staff incurred prior to Administration.

Included within Appendix IX are Quantuma Advisory Limited's charge-out rates and bases of expenses.

The Joint Administrators have not incurred any pre appointment disbursements.

As confirmed above, Keystone Law were instructed to provide legal advice to the Company and the proposed Administrators. It was agreed that their services would be provided on a time costs basis and consequently costs of £7,500 plus VAT plus court fees of £50 were incurred in the pre administration period in connection with the following activities:

- Assisting with placing the Company into Administration and providing legal advice and representation in connection with insolvency.

The Joint Administrators are unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

A summary of the total costs incurred together with details of those which were paid pre-Administration and the amounts remaining outstanding, follows below:

	Total cost incurred	Amount already Paid	Identity of party who made payment	Amount Outstanding
	£	£		£
Administrators' pre-administration Remuneration	7,634.00	7,500.00	The Company	134.00
Administrators' pre-administration Expenses:				
Legal costs	7,550.00	Nil	N/A	7,550.00
Total Unpaid Pre-Administration Costs Outstanding				£7,684.00

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

While the unpaid pre-Administration costs and expenses total £7,684, I am only seeking to recover the following as an expense of the Administration:

Legal Costs - £7,550

The payment of the unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 of the Rules and is not part of the Statement of Proposals subject to approval under Paragraph 53 of Schedule B1 of the Act.

Time Entry - SIP9 Time & Cost Summary

6015059 - Telec Networks Limited
Project Code: PRE
To: 17/08/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	11.30	0.00	0.50	0.00	11.80	5,260.50	445.81
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.90	5.40	3.30	9.60	2,373.50	247.24
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	11.30	0.90	5.90	3.30	21.40	7,634.00	356.73
Total Fees Claimed						7,500.00	
Total Disbursements Claimed						0.00	

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix IV: Estimated Financial Position

Telec Networks Limited
Company Registered Number: 10052765
Statement Of Affairs as at 17 August 2023

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Assets subject to floating charge:		
Uncharged assets:		
Freehold Land & Property	717,743.00	Uncertain
Plant & Machinery	867,071.00	109,000.00
Fixtures & Fittings	39,284.00	2,500.00
Motor Vehicles	253,889.00	48,500.00
Book Debts	Uncertain	Uncertain
Cash at Bank	Uncertain	Uncertain
Directors Loan Account	58,301.00	NIL
Connected Company Debtors	5,852,442.00	Uncertain
Estimated total assets available for preferential creditors		160,000.00

Signature _____ Date _____

A1 - Summary of Liabilities

		Estimated to Realise £
<hr/>		
Estimated total assets available for preferential creditors (Carried from Page A)		160,000.00
Liabilities		
Preferential Creditors:-		
		NIL
Estimated deficiency/surplus as regards preferential creditors		160,000.00
<hr/>		
2nd Preferential Creditors:-		
HMRC PAYE/NIC (Employees)	519,476.13	
HMRC - VAT	1,390,149.21	
		1,909,625.34
Estimated deficiency/surplus as regards 2nd preferential creditors		(1,749,625.34)
<hr/>		
Debts secured by floating charges pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		NIL
		(1,749,625.34)
<hr/>		
Estimated prescribed part of net property where applicable (to carry forward)		NIL
Estimated total assets available for floating charge holders		(1,749,625.34)
<hr/>		
Debts secured by floating charges post 14 September 2003		
		NIL
Estimated deficiency/surplus of assets after floating charges		(1,749,625.34)
<hr/>		
Estimated prescribed part of net property where applicable (brought down)		NIL
Total assets available to unsecured creditors		(1,749,625.34)
<hr/>		

Signature _____ Date _____

Telec Networks Limited
Company Registered Number: 10052765
Statement Of Affairs as at 17 August 2023

A1 - Summary of Liabilities

		Estimated to Realise £
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	432,356.00	
HM Revenue and Customs - Corporation Tax	122,957.85	
HM Revenue and Customs - VAT	73,731.07	
		629,044.92
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(2,378,670.26)
Estimated deficiency/surplus as regards creditors		(2,378,670.26)
Issued and called up capital		
Ordinary Shareholders	100.00	
		100.00
Estimated total deficiency/surplus as regards members		(2,378,770.26)

Signature _____ Date _____

Quantuma Advisory Limited
Telec Networks Limited
Company Registered Number: 10052765
B - Company Creditors

Key	Name	Address	£
CB00	BT	Maersk House, 1 Braham Street, London, E1 8EE	4,100.00
CB01	BT	Maersk House, 1 Braham Street, London, E1 8EE	3,400.00
CC01	HM Revenue & Customs - CT	Debt Management, EIS C, Newcastle, BX9 1SH	122,957.85
CC03	Corona Energy	Building 2 Level 2, Croxley Park, Watford, WD18 8YA	6,200.00
CE00	EE	1 Braham Street, London, E1 8EE	5,300.00
CF00	Fairfield Construction Ltd	57 Main Street, Alrewas, Burton On Trent, DE13 7AE	225,000.00
CH01	HM Revenue & Customs - VAT	Debt Management, EIS C, Newcastle, BX9 1SH	1,390,149.21
CH02	Hexatronic UK Ltd	Unit B Quay West Business Centre, Quay Lane, Gosport, Hampshire, PO12 4LJ	83,476.00
CH03	Hellermann Tyton Data Ltd	Waterside House, Edgar Mobbs Way, Northampton, NN5 5JE	28,480.00
CH04	HM Revenue & Customs - PAYE	Debt Management, EIS C, Newcastle, BX9 1SH	519,476.13
CH05	HM Revenue & Customs - VAT	Debt Management, EIS C, Newcastle, BX9 1SH	73,731.07
CS00	Suffolk Council	Endeavour House, 8 Russell Road, Ipswich, Suffolk, IP1 2BX	22,000.00
CS01	Atradius for SRL Traffic Systems Ltd	c/o Atradius Collections, 3 Harbour Drive, Cardiff Bay, CF10 4WZ	8,400.00
CT00	Travis Perkins Trading Company Ltd	c/o Creditor Services, Freeths LLP, 1st Floor, 5 New York Street, Manchester, M1 4JB	46,000.00
14 Entries Totalling			2,538,670.26

Signature _____

Quantuma Advisory Limited
Telec Networks Limited
Company Registered Number: 10052765
C - Shareholders

Key	Name	Address	Type	Nominal Value	No. Of Shares	Called Up per share	Total Amt. Called Up
HH00	Matthew James Hague	Telec Utilities Ltd, Estate Road 7, South Humberside Industrial Estate, Grimsby, N. E. Lincs, DN31 2TP	Ordinary	1.00	100	0.00	0.00
1 Ordinary Entries Totalling					100		

Signature _____
Page 1 of 1

Telec Networks Limited (In Administration)**The Joint Administrators' Statement of Proposals****Appendix V: Receipts and Payments Account**

Note: The estate account is a non - interest bearing account.

**Telec Networks Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 04/10/2023**

S of A £		£	£
	ASSET REALISATIONS		
Uncertain	Freehold Land & Property	NIL	
109,000.00	Plant & Machinery	NIL	
2,500.00	Fixtures & Fittings	NIL	
48,500.00	Motor Vehicles	NIL	
Uncertain	Book Debts	NIL	
Uncertain	Cash at Bank	NIL	
NIL	Directors Loan Account	NIL	
Uncertain	Connected Company Debtors	NIL	
			NIL
	SECONDARY PREFERENTIAL CREDITORS		
(519,476.13)	HMRC PAYE/NIC (Employees)	NIL	
(1,390,149.21)	HMRC - VAT	NIL	
			NIL
	UNSECURED CREDITORS		
(432,356.00)	Trade & Expense Creditors	NIL	
(122,957.85)	HM Revenue and Customs - Corporati	NIL	
(73,731.07)	HM Revenue and Customs - VAT	NIL	
			NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	
			NIL
(2,378,770.26)			NIL
	REPRESENTED BY		
			NIL

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix VI: Estimated Outcome Statement

Telec Networks Limited
Estimated Outcome Statement as at 4 October 2023

	Notes	Book Value £	ADM Outcome £
Assets			
Freehold Property	2	717,743	Uncertain
Plant & Machinery	1	867,071	109,000
Fixtures and Fittings	1	39,284	2,500
Motor Vehicles	1	253,889	48,500
Book Debts	3	Uncertain	Uncertain
Cash at Bank	4	Uncertain	Uncertain
DLA	5	58,301	Nil
Connected Company Debtors	6	5,852,442	Uncertain
		7,788,730	160,000
Expenses			
Legal Fees Pre Appointment	7		(7,550)
Office Holders Fees	8		(100,909)
Legal Fees Post Appointment	9		(7,500)
Agent's fees Post-Appointment (C&K Recoveries)	10		(20,000)
Agent's fees Post-Appointment (Pythagoras)	11		Uncertain
Accountant's fees	12		(500)
Insurance	13		(1,500)
Bonding	14		(135)
Advertising	14		(100)
Storage	14		(800)
Land Registry Fees	14		(12)
Surplus/(Shortfall) available to Preferential Creditors			20,994
Preferential Creditors	15		
Unpaid pension contributions			-
Employees - Arrears & Holiday			-
Surplus/(Shortfall) available to 2nd Preferential Creditors			20,994
Secondary Preferential Creditors			
HMRC - PAYE & Employees' NIC	16		(1,909,625)
			(1,888,631)
Unsecured Creditors			
HMRC - Employer's NIC and CT	17		(252,385)
Trade & Expense	18		(432,356)
Estimated deficiency to unsecured creditors			(684,741)
Shareholders			
Mr Matthew James Hague	19		(100)
Estimated deficiency to Members			(684,841)
Return to Secondary Preferential Creditors			1%
Return to unsecured creditors			0%

Notes to the Estimated Outcome Statement

Note	Comment
1	<p>Assets</p> <p>The Company's assets have been valued by C&K Recoveries. Estimated realisations in an ADM outcome are based on ex-situ valuation.</p>
2	<p>Freehold Property</p> <p>According to the Company's last published accounts, the Company had a freehold property asset which held a value of £717,743. To date the Joint Administrators have not been able to identify any property from their searches that are owned or previously owned by the Company, however these investigations are currently ongoing.</p>
3	<p>Book debts</p> <p>The Company has an outstanding debtor and retention ledger which is being reviewed by Quantity Surveyor, Pythagoras. Pythagoras are currently liaising with the director regarding the quantum of the ledger and therefore the book value and estimated to realise value is currently uncertain.</p>
4	<p>Cash at Bank</p> <p>The Company's bank has confirmed that there is a credit balance on the Company's bank account(s), however the amount has not yet been confirmed by the bank. A request has been sent for the credit balance(s) to be remitted into the estate account held for the Administration. The values are therefore currently uncertain.</p>
5	<p>DLA</p> <p>The Company's last published accounts stated that there was an outstanding DLA totalling £58,301. The Director has informed the Joint Administrators that this has since been repaid; documentation to support this is awaited.</p>
6	<p>Connected Company Debtors</p> <p>The Company's last published accounts stated that there were 3 connected companies that owed the Company £5,852,442. These debts will be reconciled, and repayment sought. Realisations are therefore uncertain.</p>
7	<p>Legal Fees Pre Appointment</p> <p>Keystone Law costs to deal with the formalities to the place the Company into Administration.</p>
8	<p>Office Holders' Fees</p> <p>Estimated post appointment office holders fees in carrying out their statutory duties.</p>
9	<p>Legal Fees</p> <p>Estimated post appointment fees in advising on debtor counter claims received and other ad-hoc legal matters.</p>
10	<p>Agent's Fees</p> <p>C&K Recoveries, estimated post appointment fees in respect of valuing, marketing and disposing of the Company's assets is calculated on a percentage basis of 12.5%. Further fees will be incurred in respect of the work carried out in assisting with the collection of the Company's outstanding connected debts. This fee has been agreed at 20% plus VAT of realisations. Their fee in respect of intercompany debtor collections is currently uncertain as the quantum of the loans is still being established.</p>
11	<p>Agent's Fees</p> <p>Pythagoras, estimated post appointment fees in respect of the work carried out in collecting outstanding book debts and retentions is currently uncertain as the quantum of the ledger has not yet been reconciled. It is however, expected that the basis of their fee will be 35% of realisations based on no proceedings being issued, and 50% of realisations should proceedings be required.</p>
12	<p>Accountant's Fees</p> <p>Estimated post appointment fees for assistance in reviewing the Company's bank accounts and accounting software, which will assist the Joint Administrators' investigations.</p>
13	<p>Insurance</p> <p>Estimated insurance costs for the Company's assets, which includes public liability cover for the Company's leased premises.</p>
14	<p>Disbursements</p> <p>Standard insolvency disbursements.</p>
15	<p>Preferential Creditors</p> <p>Based on current information, as a result of the Company's employees transferring to another company prior to the Company being placed into Administration, there are no preferential creditors.</p>
16	<p>Secondary Preferential Creditors</p> <p>HMRC's claim in respect of PAYE, employees' NIC and VAT is based on the value stated by them in their submitted claim.</p>
17	<p>Unsecured Creditors</p> <p>HMRC's unsecured creditors claim reflects the value stated by them in their submitted claim.</p>
18	<p>Unsecured Creditors</p> <p>Trade and expense creditors as stated by the Company upon our appointment, which is also reflected in the Company's estimated financial position enclosed in these proposals.</p>
19	<p>Shareholdings</p> <p>The Company issued and paid share capital is 100 Ordinary £1 shares.</p>

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix VII: The Joint Administrators' Fees & Expenses Estimate

**Estimate of Fees and Expenses for
Telec Networks Limited (In Administration)
To 16/08/2024 or the life of the case**

Summary

	Total Hours	Avg Hourly Rate £	Time Cost £	Expenses £
Classification of Work Function				
Admin & Planning				
Administration & Planning	9.20	307.58	2,829.70	
Case strategy / Review	40.00	398.25	15,930.00	
General Administration	20.00	306.27	6,125.50	
Initial Statutory & General Notifications & Filing	8.10	298.31	2,416.30	
Insurance / Bonding	5.50	254.91	1,402.00	
IPS Case / File set up/ Filing	3.70	268.24	992.50	
Recovering & Scheduling books and records	3.00	279.17	837.50	
Tax / VAT	4.50	280.56	1,262.50	
VAT & CT matters and returns	4.50	280.56	1,262.50	
Cashiering				
Cashiering	10.00	190.00	1,900.00	
Closing Procedures				
Closing Procedures	4.50	286.96	1,291.30	
Creditors				
Annual / Progress report	14.50	302.26	4,382.75	
Creditor correspondence / Call	11.70	286.76	3,355.10	
Creditors	8.70	265.67	2,311.30	
Dealing with HMRC/RPO Claims	4.10	317.39	1,301.30	
Dealing with Pension Schemes	4.70	286.98	1,348.80	
Final report	5.30	287.98	1,526.30	
Initial Appointment Notifications to Creditors	1.00	275.00	275.00	
Notice of Intended Dividend	2.50	295.76	739.40	
Para 49 Administrators' Proposals	16.00	278.72	4,459.50	
Payment of dividends	1.30	289.92	376.90	
Retention of Title	2.40	310.96	746.30	
Reviewing & Adjudicating Creditors' Claims	2.30	307.09	706.30	
Unsecured Creditors claims	4.20	269.05	1,130.00	
Investigations				
CDDA Reports	7.20	283.26	2,039.50	

**Estimate of Fees and Expenses for
Telec Networks Limited (In Administration)**

Investigations	30.20	291.15	8,792.80	
SIP 2 Review	7.20	283.26	2,039.50	
Realisation of Assets				
Arranging & Monitoring Insurance	1.60	237.50	380.00	
Cash at Bank	2.10	289.29	607.50	
Debtors	29.00	329.34	9,551.00	
Freehold / Leasehold Property	7.40	276.70	2,047.60	
Motor Vehicles	7.20	270.67	1,948.80	
Plant and Machinery	3.20	299.62	958.80	
Realisation of Assets	36.00	378.75	13,635.00	
	<u>322.80</u>	<u>312.61</u>	<u>100,909.25</u>	
Expenses				
Category 1 Expenses				30,636.80
Category 2 Expenses				0.00
				<u>30,636.80</u>
Totals	<u>322.80</u>	<u>312.61</u>	<u>100,909.25</u>	<u>30,636.80</u>
Estimates Chargeable Time	100,909.25			
Total Expenses	30,636.80			
Assets by Percentage (See Note 6)	0.00			
Total Fees and Expenses	<u>131,546.05</u>			

Details of estimated expenses that will be paid during the period of this estimate.

Category 1 Expenses	
Agents fees	20,000.00
Expenses	90.00
Insurance of Assets	1,500.00
IVA Registration Fee	500.00
Land Registry Fee	12.00
Legal costs	7,500.00
Specific Bond	135.00
Statutory Advertising	99.80
Storage Costs	800.00
	<u>30,636.80</u>

**Estimate of Fees and Expenses for
Telec Networks Limited (In Administration)**

Notes:

1. Category 1 expenses are payable without prior approval as they are payments to independent third parties
e.g. advertising, room hire, storage, travel expenses, Agents Fees etc.
2. Category 2 expenses are costs directly referable to the appointment e.g. Postage, Printing & Stationery, Mileage but as they are not to an independent third party they require approval in the same manner as the fee
3. Further approval will be sought from the creditors' committee or creditors if the circumstances of the case indicate that the above fee estimate is likely to be exceeded
4. The above estimates are all exclusive of VAT
5. Where applicable, the Assets by Percentage are itemised in the section headed Asset Realisations on a Percentage Basis

**Estimate of Fees and Expenses for
Telec Networks Limited (In Administration)**

Time Linked to Specific Matters

Further analysis of work included in the estimate which is of a more complex nature is reported by reference to individual issues in order to provide more detail of the time required and of the potential benefit

Time Linked to Specific Matters

	Category	Total Hours	Total Costs
Total			0.00

Time not Linked to Specific Matters

	Category	Total Hours	Total Costs
	Admin & Planning	98.50	33,058.50
	Cashiering	10.00	1,900.00
	Closing Procedures	4.50	1,291.30
	Creditors	78.70	22,658.95
	Investigations	44.60	12,871.80
	Realisation of Assets	86.50	29,128.70
Total			100,909.25

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

• EXPLANATORY NOTES TO THE JOINT ADMINISTRATORS' FEES ESTIMATE

The Joint Administrators are seeking to be remunerated on a **time costs basis**. Charge out rates are used appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units.

Please note that the Fees Estimate reflects the work undertaken and time anticipated to be incurred for the full period of the Administration and therefore it includes the time already incurred, details of which are provided in Appendix VII.

Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. In this document the estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. The Joint Administrators have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for that category of work.

This estimate has been provided to creditors at an early stage in the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the Joint Administrators' current understanding of the case and their knowledge and experience of acting as Joint Administrators in similar cases. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case.

The Fees Estimate has therefore been compiled on the following assumptions

- the Joint Administrators' initial investigations will not identify any further matters that require further investigations or pursuit;
- no exceptional work will be required to realise the remaining assets;
- there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by the Joint Administrators' Proposals; and
- there will be no need to extend the Administration.

This fee estimate covers the life of the case and based on the assumptions above, the Joint Administrators do not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the Fees Estimate. However in the event that the Administration does not proceed as envisaged, the Joint Administrators will seek approval for any fees in addition to those estimated that they wish to draw from the insolvent estate. A full outline and explanation of the fees incurred against the fees that have been estimated below will be provided to creditors with this request.

The hourly charge out rates that it is anticipated will be used on the case are as follows

	£
CEO/Managing Director	545.00
Director	450.00
Senior Manager	400.00
Senior Administrator	275.00
Assistant Administrator	175.00
Case Accountant	120.00
Support Staff/Executive Assistant	140.00

Please note that the rates quoted above will be used for each category of work outlined in the estimate and will be subject to periodic increase.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Narrative explanations are given below in relation to each category of work outlined in the estimate. A list of the activities under those categories that it is anticipated will be carried out is also provided.

ADMINISTRATION & PLANNING	
The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.	
Description of work undertaken	Includes
Administration & Planning -	
Initial Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC, the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements Filing statutory notifications with the Pensions Regulator and Pension Protection Fund
Obtaining a specific penalty bond.	
Recovering & Scheduling the company's books and records.	Collection and making an inventory of company books and records
Setting up electronic case files and electronic case details on IPS.	
General Administration - Dealing with all routine correspondence and emails relating to the case. Dealing with all matters relating to Data Protection matters.	
Case strategy & completing file reviews at 1 month, 2 months & 6 months.	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
VAT & Corporation Tax matters and returns.	Preparation and filing of VAT Returns Preparation and filing of Corporation Tax Returns

CREDITORS	
Irrespective of whether sufficient realisations are achieved to pay a dividend to preferential or unsecured creditors, time will be spent in dealing with creditors' queries[assisting the employees in pursuing their claims via the RPO, dealing with retention of title claims and issuing statutory reports to creditors]. [In addition, as a dividend to [preferential / and / unsecured] creditors is anticipated, time will be spent adjudicating on those creditors' claims to ensure that the funds are distributed in accordance with each creditor's statutory entitlement.]	
Description of work undertaken	Includes
Dealing with Pension Schemes	Corresponding with the PPF and the Pensions Regulator
Final Account	
Payment of Dividends - calculating, paying a dividend to creditors & issuing the declaration notice.	Preparation of distribution calculation Preparation of correspondence to creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Seeking unique tax reference from HMRC

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Notice of Intended Dividend - issuing a notice of intended dividend to creditors and advertising where appropriate	Preparation of correspondence to creditors advising of intention to declare distribution
Reviewing and adjudicating creditors' claims - adjudicating claims & requesting additional information in support of claims	Agreeing allocation of realisations and costs between fixed and floating charges Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of complex claims. Dealing with unclaimed dividends
Dealing with HMRC/RPO claims	
Retention of Title - issuing ROT questionnaires to creditors, reviewing ROT claims & corresponding with creditors	Receive initial notification of creditor's intention to claim Provision of retention of title claim form to creditor Adjudicate retention of title claim Forward correspondence to claimant notifying outcome of adjudication Preparation of payment vouchers and correspondence to claimant to accompany payment of claim (if valid) Exchanges with solicitors in deciding claims and dealing with disputes
Creditors' Decision Procedures/Meeting	Preparation of notices, proxies/voting forms and advertisements Circulate notices to all known creditors Collate and examine proofs and proxies/votes to decide on decisions/resolutions Preparation of file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement and draft minutes. Responding to queries and questions following decision procedure/meeting Issuing notice of result.
Annual/Progress Reports	Preparing, circulating and filing progress reports. Disclosure of sales to connected parties
Para 49 Administrators' Proposals	Drafting the Adm Proposals Filing ADM Proposals at RoC
Para 53 Report of Initial Meeting/Deemed Approval Documentation	Drafting post initial meeting/decision procedure documentation.

INVESTIGATIONS

The insolvency legislation gives the Joint Administrators powers to take recovery action in respect of what are known as antecedent transactions e.g. where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The Joint Administrators are required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation.

At present, the Joint Administrators' investigations are ongoing and it is not yet clear whether any matters will be identified with the potential to generate additional recoveries for the insolvent estate. At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in carrying out a detailed exploration and pursuit of any questionable matters. The Fees and Expenses Estimates reflect the anticipated work in carrying out basic investigations in order to identify any potential causes of action. If any are identified and the Joint Administrators consider that additional work is required in order to generate a net financial benefit for creditors, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Description of work undertaken	Includes
Investigations -	
SIP 2 Review - Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.	Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

	Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken
CDDA Reports - Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service Preparation and submission of supplementary report if required Assisting the Insolvency Service with its investigations
Investigating & Pursuing Antecedent Transactions	

REALISATION OF ASSETS

The receipts and payments account sets out the realisations achieved to date and the Estimated Outcome Statement sets out the total anticipated realisations and the financial benefit that this work is expected to generate for creditors. Work that has already and is anticipated to be carried out in relation to asset realisation is as follows.

Description of work undertaken	Includes
Realisation of Assets –	
Freehold / Leasehold Property	Dealing with tenant issues (if any) Liaising with landlords Agreeing assignment, surrender or disclaiming property Dealing with the Company's freehold property detailed in the 2022 accounts
Plant & Machinery	Liaising with valuers, auctioneers and interested parties Reviewing asset listings Liaising with landlords
Motor Vehicles	Liaising with agents to agree disposal strategy Dealing with potential purchasers Negotiating sales Liaising with solicitors to agree sales Collecting sales consideration Liaising with insurance companies and directors to pursue claims Examining company records to support tax refunds Exchanges with government departments
Financed Assets	Reviewing leasing documents Liaising with owners/lessors Tasks associated with disclaiming leases if appropriate
Debtors	Collecting supporting documentation Correspondence with debtors Reviewing and assessing debtors' ledgers Receiving updates from factoring companies and arranging for reassignment of ledger Liaising with debt collectors and solicitors Agreeing debt collection agency agreements Dealing with disputes, including communicating with directors/former staff Pursuing credit insurance claims Submitting VAT bad debt relief claims DLA – establish quantum and pursue Intercompany debts – establish quantum and pursue
Stock	Conducting stock takes Reviewing stock values Liaising with agents and potential purchasers Analysing the value in WIP Contracting with service-providers/suppliers to complete WIP
Cash at Bank	Contacting the bank to arrange closure of the account and payment of the funds to the estate
Arranging & Monitoring Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers

Telec Networks Limited (In Administration)**The Joint Administrators' Statement of Proposals****CASHIERING**

The Joint Administrators must ensure that estate bank accounts are opened and maintained in accordance with legislation and SIPs. Bank reconciliations are performed on all bank accounts and statutory receipts and payments accounts are filed at Companies House & Court.

Description of work undertaken	Includes
Opening, maintaining and managing the Office Holders' cashbook and bank account.	Preparing correspondence opening and closing accounts Requesting bank statements Correspondence with bank regarding specific transfers Maintenance of the estate cash book
Dealing with cheque requisitions	Issuing cheques/BACS payments
Dealing with deposit forms	Banking remittances
Bank Reconciliations	
Preparing & Filing statutory Receipts & Payments accounts	Preparing and filing statutory receipts and payments accounts at Companies House

CLOSING PROCEDURES

The Joint Administrators are required by statute to effect an orderly end to the case and although this has no direct financial benefit to the creditors it is necessary so that final reports are filed at Companies House and Court and appropriate notifications are provided to creditors.

Description of work undertaken	Includes
Filing final statutory returns at Companies House/Court	

Telec Networks Limited (In Administration)**The Joint Administrators' Statement of Proposals****• EXPLANATORY NOTES TO THE JOINT ADMINISTRATORS' EXPENSES ESTIMATE**

Please note that this estimate reflects the expenses anticipated to be incurred for the full period of the Administration and therefore it includes expenses already incurred, details of which are provided elsewhere in this document.

Category 1 Expenses	Basis	Estimate of total
Legal costs Keystone Law: providing advice in respect of debtor counter claims and the sale of the Company assets.	Time-costs	£7,500.00
Agents and Valuers C&K Recoveries: providing a valuation and assisting with a sale of the Company's assets Note: fee basis for chattel asset realisation is 12.5% of net recoveries. Assistance with intercompany debts 20% on realisations.	%	£20,000.00
Debt Collection Agency Pythagoras: assisting with the review and collection of the Company's book debts. Fee basis is likely to be 35% of realisations, however this will be confirmed once Pythagoras have reviewed the debtor ledger in full detail.	%	Uncertain
Advertising	At Cost	£99.80
Bond premium	At Cost	£135.00
Record listing, storage & retrieval	At Cost	£800.00
Insurance	At Cost	£1,500.00
Land Registry Fees	At Cost	£12.00
Total		£30,046.80

Category 2 Expenses	Basis £	Estimate of total
Mileage incurred as a result of necessary travel as per HMRC's approved rate (per mile)	0.45	£90.00
Total		£90.00

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix VIII: Breakdown of the Joint Administrators' Time Costs

Time Entry - SIP9 Time & Cost Summary

6015059 - Telec Networks Limited
Project Code: POST
From: 17/08/2023 To: 04/10/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	25.80	3.30	17.60	15.20	61.90	21,410.10	345.88
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.00	1.10	1.10	132.00	120.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.20	7.40	22.70	5.10	35.40	10,204.00	288.25
Investigations	2.50	0.00	2.70	0.00	5.20	2,105.00	404.81
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	11.10	0.20	2.50	0.20	14.00	6,516.70	465.48
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	39.60	10.90	45.50	21.60	117.60	40,367.80	343.26
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix IX: Charge-out Rates and Expenses Policy

Quantuma Advisory Limited
Schedule of Current Charge Out Rates and Chargeable Expenses



CHARGE OUT RATES

Staff Allocation & Support Staff

An objective and practical approach is taken to each case which includes active CEO/Managing Director's involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. In accordance with the provisions of Statement of Insolvency Practice 9 (SIP 9), set out below are the current charge out rates per hour for the grades of staff employed within Quantuma Advisory Limited, exclusive of VAT.

Grade of Staff	Rate from 1 June 2023	
	Regional Offices	London Offices
CEO/Managing Director	£545.00	£730.00
Appointment Taking Director	£495.00	£616.00
Director	£450.00	£580.00
Senior Manager	£400.00	£505.00
Manager	£360.00	£435.00
Assistant Manager	£325.00	£395.00
Senior Administrator	£275.00	£340.00
Administrator	£220.00	£300.00
Assistant Administrator	£175.00	£230.00
Case Accountant	£120.00	£155.00
Support Staff/Executive Assistant	£120.00	£155.00

Work undertaken is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Cases that are considered complex in nature are subject to a 25% increase on the published rates above. A full explanation of why a case is considered to be complex will be provided to creditors at the point fee approval is requested.

Time spent on casework is recording directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is recorded under the following categories:

- Administration & Planning
- Creditors
- Investigations
- Realisation of Assets
- Trading
- Cashiering
- Closing Procedures

On occasion it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment any material changes will be notified to creditors as part of the normal fee reporting procedures. Rates are likely to be subject to periodic increase.

The time of support staff and executive assistants is not charged to a case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken.

Details of historic charge out rates are available upon request.

Quantuma Advisory Limited. Registered in England & Wales. Registered Office: 20 St Andrew Street, London EC4A 3AG, Registration Number: 12743937. VAT Number: 365 7393 60. Both prior to and during an appointment, our Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. A list of our CEO/Managing Directors and their respective licensing bodies is available from our website at <https://www.quantuma.com/people>. Details of Quantuma Advisory Limited's Privacy Notices can be found at <https://www.quantuma.com/legal-information>. The CEO/Managing Directors and Staff act and advise without personal liability

Quantuma Advisory Limited

Schedule of Current Charge Out Rates and Chargeable Expenses



Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

EXPENSES

Expenses are any payments from the insolvency estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2). The following details are effective from 1 April 2021. Details of historic disbursement charges are available upon request.

Category 1 Expenses:

These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.

Examples of these expenses include, but are not limited to, the following:

Category 1 Expense – effective from 1 April 2021	Basis of Charge
Professional Advice e.g. costs of solicitors, agents & valuers, pensions advisors, employment specialists etc	Typically on a timecosts or fixed fee basis – the basis of charge will be agreed by the office holder so as to represent best value and will be provided in reports to creditors. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.
Subsistence e.g. accommodation, meals, parking and/or congestion charges, tolls or business telephone calls, incurred by case staff as a direct result of working on an insolvency case	Reimbursed at cost incurred
Statutory & other Advertising	At cost incurred.
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Travel	All forms other than mileage at actual cost
Room Hire	All external venues at actual cost
Record Listing, Storage & Retrieval	At cost incurred
Printing & Postage costs of external provider.	At cost incurred
Virtual Meeting Platform (from 6/4/17)	At cost incurred

Quantuma Advisory Limited
Schedule of Current Charge Out Rates and Chargeable Expenses



Category 2 Expenses

These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration.

The term associate is defined in the insolvency legislation. Additionally SIP 9 directs that where a reasonable and informed third party might consider there would be an association, payments should be treated as if they are being made to an associate, notwithstanding the nature of the association may not meet the definition in the legislation.

Examples of Category 2 expenses include, but are not limited to, the following:

Category 2 Expense – effective from 1 April 2021	Cost £
Mileage incurred as a result of necessary travel as per HMRC's approved rate (per mile)	£0.45
Professional Services provided by non-insolvency service lines within Quantuma Advisory Limited or by associated Companies within the Corporate Group structure of Quantuma Advisory Limited	As advised to creditors on a case by case basis.

The schedule is available for creditors to review at <http://www.quantuma.com/guide/creditors-guide-fees>.

VAT

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the office holders' remuneration and expenses invoiced to the insolvency estate will be subject to VAT at the prevailing rate.

Creditors' Rights

Information about Creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk>. Details about how an office holder's fees may be approved for each case type and challenged are available in a series of guides issued with SIP 9 and can be accessed at <https://www.quantuma.com/guide/creditors-guide-fees>. Alternatively hard copies of these documents may be requested free of charge from Quantuma's registered office.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix X: Summary of the Joint Administrators' Proposals

In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:

- The Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they sell the Company's assets at such time(s) and on such terms as they consider appropriate.
 - (ii) they investigate and, if appropriate, pursue 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 that supplies or has supplied goods or services to the Company; and
 - (iii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion 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 of any purpose incidental to these activities.
- The Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
- The Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:
 - (i) in the event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
 - (ii) however, in the unlikely event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Duncan Beat and Andrew Watling will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 10; or
 - (iii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Duncan Beat and Andrew Watling may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator; or
 - (iv) in the event that the Joint Administrators think that the purpose of the Administration has been sufficiently achieved and that control of the Company should be returned to the Company directors, they shall file the relevant form to bring the Administration to an end in accordance with Paragraph 80 of Schedule B1 of the Act.

Telec Networks Limited (In Administration)

The Joint Administrators' Statement of Proposals

Appendix XI: Decision Process Documents

NOTICE SEEKING DEEMED CONSENT

Company Name: Telec Networks Limited (In Administration) ("the Company")

Company Number: 10052765

In the High Court of Justice Business and Property Courts of England and Wales 004589 of 2023

This Notice is given under Rules 3.39 and 15.7 of the Insolvency Rules (England & Wales) 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Duncan Beat and Andrew Watling, of Quantuma Advisory Limited, Office D, Beresford House, Town Quay, Southampton, SO14 2AQ (telephone number 02380 336 464), who were appointed by the director of the Company.

The Joint Administrator proposes that the following decisions be made:

1. That a Creditors' Committee will not be established¹
2. That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time

In respect of each of the decisions proposed above, if less than 10% in value of creditors (who would be entitled to vote if a vote were taken) ("the Threshold") object to it accordance with the procedure set out below, the creditors are to be treated as having made the proposed decision. Otherwise, the creditors are to be treated as not having made such decision and if a decision about that matter is again sought from the creditors, it must be sought using a qualifying decision procedure as defined by the Insolvency Act 1986.

In order to object to one or more of the proposed decisions, you must deliver a notice stating that you so object (and specifying to which one or more of the proposed decisions your objection relates) to the Joint Administrators not later than the time set out below. In addition, you must have also delivered a proof of debt (unless one has already been submitted) by the time set out below, failing which your objection will be disregarded.

It is the Joint Administrators' responsibility to aggregate any objections to see if the Threshold is met for the decision to be taken as not having been made.

If the Threshold is met, the deemed consent procedure will terminate without a decision being made and if a decision is sought again on the same matter it will be sought by a decision procedure.

All objections and proofs of debt must be submitted in writing to the Joint Administrator by one of the methods set out below:

By post to: Quantuma Advisory Limited, Office D, Beresford House, Town Quay, Southampton, SO14 2AQ

By email to: stuart.ransley@quantuma.com

Please note that, if you are sending documents by post, you must ensure that you have allowed sufficient time for them to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All objections and proofs of debt must be delivered by the Decision Date: 23.59 on 23 October 2023.

¹ Please see the Notice Inviting Creditors to Form a Committee for further instructions.

Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to object. A creditor who has opted out from receiving notices may nevertheless object if the creditor also provides a proof by the Decision Date.

In addition, creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider any matter.

Statutory thresholds to request a meeting: 10% in value of the creditors
 10% in number of the creditors
 10 creditors

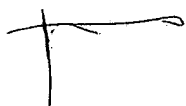
A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Invitation to Form a Committee

Creditors are invited to nominate creditors (which may include themselves) by sending their nominations in writing to the Joint Administrator as set out above.

All nominations must be delivered by: 4pm on 23 October 2023.

Nominations can only be accepted if the Joint Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.


Signed: _____
Duncan Beat
Joint Administrator

Dated: 4 October 2023

NOTICE OF OBJECTIONS
Telec Networks Limited (In Administration)

On behalf of (name of Creditor): _____

at (address of Creditor): _____

Please indicate whether you agree or object to the following proposed decision(s):

Proposed Decision	Objected to?
That a Creditors' Committee will <u>not</u> be established	Agree/Objected To
That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time	Agree/Objected To

Are you also asking the Joint Administrator to convene a physical meeting of creditors?² Yes / No

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you the sole member/shareholder of the Creditor (where it is a company)? Yes / No

If you wish to lodge an objection, you must have delivered it, along with a completed proof of debt, by 23.59 on the Decision Date – 23 October 2023 – by one of the following methods:

Post: Quantuma Advisory Limited, Office D, Beresford House, Town Quay, Southampton, SO14 2AQ

Email: please scan in a signed copy of this form and attach it as a pdf to stuart.ransley@quantuma.com

NOTE: if you agree with the proposed decisions set out above, you do not need to do anything

² Requests for a meeting must be delivered within 5 business days of the date of delivery of the Notice Seeking Deemed Consent.

NOTICE OF DECISION PROCEDURE

Company Name: Telec Networks Limited (In Administration) ("the Company")

Company Number: 10052765

In the High Court of Justice Business and Property Courts of England and Wales 004589 of 2023

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Duncan Beat and Andrew Watling, of Office D, Beresford House, Town Quay, Southampton, SO14 2AQ, (telephone number 02380 336 464), who were appointed by the directors of the Company.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. The basis of the Joint Administrators' fees
2. The approval of the Joint Administrators' costs of mileage incurred as a Category 2 expense according to HMRC's calculated rate.
3. The approval of the pre-Administration costs

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrator by one of the methods set out below:

By post to: Quantuma Advisory Limited, Office D, Beresford House, Town Quay, Southampton, SO14 2AQ

By email to: stuart.ransley@quantuma.com

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, 23 October 2023.

If the Joint Administrators have not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:

- 10% in value of the creditors
- 10% in number of the creditors
- 10 creditors

A creditor may appeal a decision by application to the Court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed: _____

Duncan Beat
Joint Administrator

Dated: 4 October 2023

VOTE BY CORRESPONDENCE

Telec Networks Limited (in Administration)

Name of Creditor: _____

Address: _____

Decisions:

1	That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration (£100,909.25), such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.	*For / Against
2	That the Joint Administrators be authorised to recover mileage incurred as a Category 2 expense according to HMRC's calculated rate.	*For / Against
3	That the unpaid pre-Administration costs set out in the Joint Administrators' Proposal be approved.	*For / Against

*** Please delete as applicable to indicate your voting instructions**

Signed: _____ Dated: _____

Name in capitals: _____

Position with, or relationship to, creditor or other authority for signature: _____

Are you the sole member/shareholder of the creditor (where it is a company)?

Yes / No

NOTE: Once a vote has been cast, it cannot be changed.

Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 23 October 2023, by:
Post: Quantuma Advisory Limited, Office D, Beresford House, Town Quay, Southampton, SO14 2AQ
Email: please scan in a signed copy of this form and attach it as a pdf to stuart.ransley@quantuma.com

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

Company Name: Telec Networks Limited (In Administration) ("the Company")

Company Number: 10052765

In the High Court of Justice Business and Property Courts of England and Wales 004589 of 2023

This Notice is given under Rule 3.39 of the Insolvency Rules (England & Wales) 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Duncan Beat and Andrew Watling, of Quantuma Advisory Limited, Office D, Beresford House, Town Quay, Southampton, SO14 2AQ, telephone number 02380 336 464, who were appointed by the director of the Company.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to the Joint Administrator by one of the following methods:

By post to: Quantuma Advisory Limited, Office D, Beresford House, Town Quay, Southampton, SO14 2AQ

By email to: stuart.ransley@quantuma.com

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All nominations must be delivered by: 4pm on 23 October 2023.

Nominations can only be accepted if the Joint Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Creditors' Committees, go to: <http://www.quantuma.com/guide/guide-creditors-committee>

Signed: 

Duncan Beat
Joint Administrator

Dated: 4 October 2023

NOMINATIONS FOR MEMBERS OF A CREDITORS' COMMITTEE

Telec Networks Limited (In Administration)

On behalf of (name of Creditor): _____ ,

at (address of Creditor): _____ ,

I nominate the following creditor(s) to be member(s) of a Creditors' Committee (provide name(s) and address(es)):

1. _____

2. _____

3. _____

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you the sole member/shareholder of the Creditor (where it is a company)?

Yes / No

PROOF OF DEBT - GENERAL FORM

Telec Networks Limited (in Administration)

Date of Administration: 17 August 2023

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	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	Category Amount(s) claimed as preferential £
11.	If you wish any dividend payment that may be made to be paid in to your bank account please provide BACS details. Please be aware that if you change accounts it will be your responsibility to provide new information	Account No.: Account Name: Sort code:
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO