

The Insolvency Act 1986

Notice of result of meeting of creditors

Name of Company
Advanced Vale Technologies Limited

Company number
03521927

In the
High Court of Justice
[full name of court]

Court case number
776 of 2008

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

I / We (a) Andrew John Tate and Nedim Patrick Ailyan of Abbott Fielding, Nexus House, 2 Cray Road, Sidcup, Kent DA14 5DB

*Delete as applicable

hereby report that *a meeting / an adjourned meeting of the creditors of the above company was held at

(b) Insert place of meeting

(b) Nexus House, 2 Cray Road, Sidcup, Kent DA14 5DB

(c) Insert date of meeting

on (c) Thursday, 20 March 2008 at which

*Delete as applicable

*1 Proposals / revised proposals were approved

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

(d) None

(e) Insert time and date of
adjourned meeting

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

*5 ~~Other resolutions - (f)~~

(f) Details of other resolutions
passed

The revised date for automatic end to administration is

A creditors committee ~~was~~ / was not formed

Signed  Dated 20 March 2008

*Delete as applicable

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

Contact Details

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

Abbott Fielding, Nexus House, 2 Cray Road, Sidcup, Kent DA14 5DBB

Tel 020 8302 4344

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



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27/03/2008

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COMPANIES HOUSE

THURSDAY

In The High Court of Justice

No. 776 of 2008

In The Matter Of
Advanced Valve Technologies Limited
And in the matter of
The Insolvency Act 1986 [As Amended]

Joint Administrators' Proposals and Report
as at 4 March 2008

Pursuant To
Paragraph 49 of Schedule B1 to the Insolvency Act 1986 [as amended]
and Rule 2.33 of the Insolvency Rules 1986 [as amended]

Andrew Tate and Nedim Ailyan of Abbott
Fielding

Joint Administrators of
Advanced Valve Technologies Limited

Registered number 03521927

REGISTERED OFFICE
Nexus House, 2 Cray Road
Sidcup, Kent
DA14 5DB

abbott:fielding:
corporate recovery.
rescue.
insolvency

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1	Joint Administrators receipts and payments account
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1. STATUTORY INFORMATION

- 1.1 This document and its appendices include the matters required to be disclosed by paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986, as amended by the Insolvency [Amendment] Rules 2003, and together constitutes the Joint Administrators' statement of proposals to creditors

1.2 Company Information

Company Name	Advanced Valve Technologies Limited
Principal Activity	Fluid handling devices
Company Number	03521927
Date of Incorporation	4 March 1998
Previous Registered Office	Thanet Reach Millennium Way Broadstairs Kent CT10 2QQ
Trading Address	Thanet Reach Millennium Way Broadstairs Kent CT10 2QQ

1.3 Joint Administrators' Appointment

Administrators	Andrew Tate and Nedim Ailyan of Abbott Fielding
Date of appointment	6 February 2008
Appointed by	The Directors of Advanced Valve Technologies Limited
Court Reference	High Court of Justice 776 of 2008

- 1.4 The Joint Administrators' appointment specified that we would have power to act jointly and severally. We have exercised and will continue to exercise all of our functions jointly and severally.

1 5 Directorships and Shareholdings

Directors	Date of Appointment
Mr M W Kaye	20 March 1998
Mr G J Henley-Price	26 October 2004
Company Secretary	
Mr S R Coates	6 July 2006
Directors Shareholding -	
Mr MW Kaye - Various Ord (No of Shares 20,427,034)	£502,403
Mr GJ Henley-Price - Various Ord (No of Shares 198,918)	£1,492
Directors Share Options -	
Mr MW Kaye	1,000,000
Mr GJ Henley-Price	2,096,400

The Company has authorised capital of -

	2007 £
Authorised	
2,000,000 A Ordinary shares of 25p each	500,000
2,000,000 B Ordinary shares of 25p each	500,000
25,000,000 C Ordinary shares of 7 5p each	1,875,000
15,000,000 D Ordinary shares of 7 5p each	1,125,000
3,000,000 E Ordinary shares of 7 5p each	225,000
20,000 F Ordinary shares of 7 5p each	1,500
321,032 G Ordinary shares of 1p each	3,210
12,800,013 H Ordinary shares of 0 25p each	32,000
3,500,000 I Ordinary shares of 4p each	140,000
50,000,000 J Ordinary Shares of 0 75p each	375,000
100,000,000 K Ordinary shares of 0 5p each	500,000
37,500 6% Participating Cumulative Redeemable Preference shares of £ 1 each	37,500
	<u>5,314,210</u>
Allotted, called up and fully paid	
979,150 A Ordinary shares of 25p each	244,788
978,921 B Ordinary shares of 25p each	244,730
10,911,200 C Ordinary shares of 7 5p each	818,340
5,616,543 D Ordinary shares of 7 5p each	421,241
2,944,000 E Ordinary shares of 7.5p each	220,800
20,000 F Ordinary shares of 7 5p each	1,500
321,032 G Ordinary shares of 1p each	3,210
12,800,013 H Ordinary shares of 0 25p each	32,000
3,265,460 I Ordinary shares of 4p each	130,618
25,219,743 J Ordinary Shares of 0 75p each	189,148
70,390,990 K Ordinary shares of 0 5p each	351,955
37,500 6% Participating Cumulative Redeemable Preference shares of £ 1 each	37,500
	<u>2,695,830</u>

The Participating Cumulative Redeemable Preference shares have no voting rights and are entitled to dividends payable at 12% per annum. The holders of preference shares have priority over the holders of ordinary shares in the event of the company being wound up. Redemption is at the discretion of the company and can occur at any time at par. There are no specific redemption dates.

Share options

The company has issued share options of 4,596,400 J Ordinary shares with an exercise price of £0.0075. The latest exercise date is 26th October 2014.

There are 114 shareholders.

2. EVENTS LEADING UP TO THE APPLICATION FOR THE ADMINISTRATION

History and Background

- 2.1 Advanced Valve Technologies Limited was incorporated on 4 March 1998.
- 2.2 The business has been funded since its inception by the Quester Group. The Company's accounts show that annual turnover achieved in the last two years was £250,509 and £411,385, respectively.
- 2.3 The Company was founded by Marshall Kaye in 1998 to develop a range of valves and other products from composite resin materials. A new factory unit in Thanet was chosen as the company's premises. A range of valves was designed, built, and marketed to the offshore, marine and chemical industries. Funding was provided by a number of independent investors and by Quester plc, which both invested in equity and provided a series of loans totalling £1.144m.
- 2.4 A number of businesses were approached to distribute the company's products in the USA, and a partnership was formed with one of them to establish a US subsidiary, to provide AVT with access to the US naval market.
- 2.5 The subsidiary, Advanced Valve Technologies Inc., traded from 2000 to 2005, after which it became dormant and AVT Ltd wrote off its substantial investment.
- 2.6 Distributors were also found to carry and promote the company's products in other parts of the world, and some long-term relationships were established.
- 2.7 The company's management team was strengthened by the recruitment in 2002 of David Falzani as Sales Director, and he was quickly promoted to Managing Director. Also in 2002, David Innes and Ian Taylor were appointed to the board of directors. In 2002, the company undertook a Company Voluntary Arrangement and this was discharged in 2004.

- 2 8 Marshall Kaye retired as Chairman in 2004, being replaced by Ian Taylor. Greg Henley-Price was co-opted as non-executive director in this year.
- 2 9 A number of Sales Managers were recruited, but the company's sales volumes remained static at £250,000pa, well below the company's break-even level.
- 2 10 It was decided that the best way to promote the company's products would be through a large established multi-national valve manufacturer, and discussions were held with a number of potential partners. Tyco Valve and Controls Inc. was identified as the best fit, and the sale of the business was negotiated in 2006, subject to due diligence.
- 2 11 The Tyco group decided, however, to restructure its global operations, and the purchase of AVT was deferred for a year. An agreement was signed to allow Tyco the option to purchase AVT for £3.5m, and to fund the company's working capital in the meantime. Tyco also provided technical and sales assistance, and required a reduction in overheads which led to the resignation of David Falzani, David Innes and Ian Taylor, and the dismissal of some staff.
- 2 12 Sales increased substantially, but at the end of the year Tyco management decided not to take up the option to purchase, so the AVT board sought another partner, as further funding was not available from any other sources.
- 2 13 Discussions were held in the second half of 2007 with six potential purchasers, and at the end of the year three of these notified the board of their intention to place bids (albeit at a much lower value) for the company.
- 2 14 Although the company was by this time not in a position to pay all of its debts, the immediate expectation of an injection of working capital by a purchaser enabled the company's lawyers to advise the board that the best course of action was to continue to trade for the short period deemed to be required until the purchase was complete.
- 2 15 When, in January 2008, each of the three potential purchasers decided not to proceed, the Board of Directors resolved that they should take urgent further professional advice on the situation and consulted Abbott Fielding. A Board Meeting was held on 29 January 2008, at which the Board resolved that the Company could not continue to trade and that action needed to be taken to place the Company into Administration. The Company immediately ceased trading and all employment contracts were terminated on 31 January 2008.
- 2 16 The formalities to prepare for an Administration were therefore undertaken and the Company was placed into Administration on 6 February 2008 to protect the business and assets. Andrew Tate and Nedim Ailyan of Abbott Fielding were appointed as Joint Administrators.

3. ACTION TAKEN BY THE JOINT ADMINISTRATORS SINCE OUR APPOINTMENT

- 3 1 As the Company could not continue to fund ongoing operations and had ceased trading, a sale of the business as a going concern was no longer viable
- 3 2 The Joint Administrators immediately re-contacted parties who had previously shown an interest in acquiring the business, with a view to selling the assets. Over a very short period of time two potential purchasers of the majority of the assets were identified and closing dates for offers were issued, being 11 February 2008. An independent valuation of assets was carried out by Edward Symmons, Chartered Surveyors
- 3 3 Thomas Eggar, solicitors, who had been instructed in relation to placing the Company into Administration, were instructed to prepare the sale agreement. The reinforced composite valves and a selection of manufacturing assets and stock were sold to Flow Group Limited on 11 February 2008 for a total consideration of £100,000 plus VAT
- 3 4 At approximately the same time the Company's IP not directly transferred to Flow Group and much of the remaining manufacturing and miscellaneous assets were sold to a new Company set up for the purpose called Composite Resin Developments Limited ("CRD Ltd")
- 3 5 The creation of CRD Ltd and its undertaking to manufacture moulded components for Flow Group amongst other potential customers as "trade moulders" plus the involvement in that company of Marshall Kaye and Neil Huntley (Moulding Manufacturing Manager of AVT) were key positive factors in Flow Group's decision to proceed with their offer
- 3 6 The Joint Administrators have also undertaken their normal duties, which are summarised as follows -
- Notification of Appointment to Debenture Holders, the Court, the Company and its creditors,
 - Process Redundancy claims of employees through the Insolvency Service,
 - Issue Notices to directors to prepare a Statement of Affairs,
 - Take possession of, and secure and insure the assets of the Company,
 - Take possession of the Books and records,
 - Preparation of these proposals and convening the meeting of creditors
- 3 7 A summary of the Joint Administrators receipts and payments to 4 March 2008 is attached at Appendix 1. The Joint Administrators will pay a fee to the company's corporate finance advisor from floating charge monies due to Questor VCT in recognition of his assistance with the sale of the company assets

4. STATEMENT OF AFFAIRS

- 4 1 A statement of affairs has been prepared in the prescribed form and a copy is attached at Appendix 2

- 4 2 The provisions of s 176A of the Insolvency Act apply to this administration. This provides for certain funds to be made available from the net property available to floating charge holders, (see paragraph 7 below), to be held for distribution to unsecured creditors (the "prescribed part"). The value of the prescribed part is estimated to be £20,942 based on net property available to floating charge creditors of £89,710, subject to costs.

5. MEETING OF CREDITORS

- 5 1 Pursuant to Paragraph 51 of Schedule B1 of The Insolvency Act 1986, we enclose at appendix 3 a formal notice of the initial meeting of creditors to be held at Nexus House, 2 Cray Road, Sidcup, Kent, DA14 5DB on Thursday, 20 March 2008 at 11 00am.
- 5 2 The following further documents are attached at appendix 6 (enclosed separately) for your attention, completion and return as appropriate:
- Proxy form for use at the creditors' meeting,
 - Proof of Debt Form
- 5 3 There is no requirement for you to attend the meeting, if you do not wish to do so. However, if you wish to vote at the meeting, you may complete the enclosed proxy form in favour of the Chairman of the meeting, indicating your specific voting instructions at section 1 of the proxy form relating to the Administrators' proposals. This should be returned to Abbott Fielding, Nexus House, 2 Cray Road, Sidcup, Kent DA14 5DB no later than 12 00 noon on the working day prior to the creditors meeting.
- 5 4 A statement of the voting rights of creditors at the meeting of creditors is included in appendix 3.

6. PURPOSE OF THE ADMINISTRATION

- 6 1 The Administration process requires that the Administrators must perform their functions with the objective of:
- 6 1 1 Rescue the Company as a going concern, or
- 6 1 2 Achieve a better result for creditors as a whole than would be likely if the Company were wound up [without first being in administration], or
- 6 1 3 Realise property in order to make a distribution to one or more secured or preferential creditors.
- 6 2 The above is a hierarchy of objectives. The Administrators should pursue objective [b] if they consider that [a] is not reasonably practicable, and pursue [c] if they consider [a] or [b] not reasonably practicable.
- 6 3 It was not possible to rescue the Company itself as a going concern because of the extent of its liabilities. The Administrators believe that the sale of the business and assets as a going concern has achieved a higher value than would have been achieved if the Company had just been wound up.

- 6 4 The purchase consideration for the business and assets of Advanced Valve Technologies Limited are set out below -

	£
Goodwill and Intellectual Property	20,000
Plant & Machinery	14,486
Stock / WIP	<u>65,514</u>
	<u>100,000</u>

7. SECURED CREDITORS

- 7 1 Bibby Factors International Limited have a factoring agreement in respect of the book debts of the Company and a fixed and floating charge in relation to all assets. It is anticipated that a surplus of some £9,494, will be available after they have collected all amounts advanced under the terms of the factoring agreement.
- 7 2 The Royal Bank of Scotland plc, have a registered fixed and floating charge dated 9 September 1999, and are owed the sum of £32,711. The funds available under the fixed charge, is limited to goodwill element at £20,000. This charge is not within the scope of Section 176(A) of the Insolvency Act 1986 as it predates the relevant legislation and therefore there is no prescribed part to be retained for the benefit of the unsecured creditors from this charge.
- 7 3 Questor Group PLC have qualifying floating charges dated 14 April 2005, and Section 176(A) of the Insolvency Act 1986 applies to the funds available under this floating charge and the amount to be retained for unsecured creditors is set out in paragraph 4.2 above.

8. PREFERENTIAL CREDITORS

- 8 1 All employees were made redundant with effect from 31 January 2008, and therefore, the only preferential claims are in relation to accrued holiday pay which are estimated in the statement of affairs to be £7,405, part of which is payable by the Redundancy Payments Office and will be subject to Crown set-off against the anticipated corporation tax refund.

9. UNSECURED CREDITORS

- 9 1 According to the directors' statement of affairs, unsecured creditors claims total £165,693.
- 9 2 A proof of debt form is enclosed, which should be completed by creditors and returned to us in due course, (Appendix 6).

10. FUTURE CONDUCT OF THE ADMINISTRATION

- 10 1 It is proposed that the Joint Administrators will continue to administer the Company's affairs, which will include the following activities:
- Establish a Creditors' Committee, should the creditors so wish,
 - Adjudicating on any preferential creditors claims,

- Conducting our statutory investigation into the conduct of the Directors and Management of the Company and reporting to the relevant authorities
- Finalising the Administration issues, including payment of all Administration liabilities and realising remaining assets
- Dealing with statutory compliance and statutory reporting issues
- To deal with the placing of the Company into liquidation

10 2 The Joint Administrators' proposals are set out below. One of the proposals made is that the Company should be placed into Liquidation as soon as the Joint Administrators have completed their statutory duties and that the Joint Administrators should become the Liquidators of the Company.

11. JOINT ADMINISTRATORS' PROPOSALS AND END OF THE ADMINISTRATION

- 11 1 In accordance with The Insolvency Act 1986, as amended, we make certain proposals to creditors of the Company for exiting and discharging the Administration. We will seek approval of the proposals below at the meeting of creditors to be held on 20 March 2008.
- 11 2 We will also liaise with the Factoring Company in relation to the collection of book debt and the recovery of the anticipated surplus.
- 11 3 If, as expected, there are sufficient funds to allow a small dividend to unsecured creditors, it is our intention to seek to move the administration into a creditors voluntary liquidation ["CVL"] pursuant to paragraph 83 of Schedule B1 of the Insolvency Act 1986. If this route is followed, it is proposed that the Company will move straight into CVL, upon the filing in Court by the Joint Administrators of the relevant notice and that the Liquidators will be Andrew Tate and Nedim Ailyan of Abbott Fielding.
- 11 4 In accordance with paragraph 83[7] of Schedule B1 to the Insolvency Act 1986 and Rule 2.117[3] of the Insolvency Rules 1986, as amended, creditors may nominate a different person to be the proposed Liquidator, provided that the nomination is made after the receipt of these proposals and prior to their approval. Creditors should note that the person nominated must be authorised to act as an insolvency practitioner in order to be appointed as Liquidator.
- 11 5 The proposals are set out below -
- 11 5 1 The Joint Administrators should continue to realise the assets of the Company upon the terms they consider to be the most beneficial to creditors of the Company.
- 11 5 2 The Joint Administrators should arrange to distribute available funds from the realised assets to those creditors entitled to them in a timely manner.
- 11 5 3 The Joint Administrators be authorised to make such application to Court for directions as they consider appropriate with a view to achieving the objectives set out in this section.

- 11 5 4 That the Joint Administrators' remuneration be taken on a time cost basis according to the complexity of the work undertaken at Abbott Fielding standard hourly rates and that such fees may be drawn on account from realisations
- 11 5 5 The Joint Administrators may end the Administration pursuant to Paragraph 83 by moving the Company into creditors' voluntary liquidation
- 11 5 6 Andrew Tate and Nedim Ailyan of Abbott Fielding be appointed as Joint Liquidators of the Company in the event that the exit route from Administration is by liquidation
- 11 5 7 The Joint Administrators of the Company be discharged from liability, pursuant to paragraph 98 of schedule B1 to the Insolvency Act 1986, in respect of any action of each or both of them as administrators, 28 days after the cessation of their appointment as Administrators

12. JOINT ADMINISTRATORS' REMUNERATION

- 12 1 The statutory provisions relating to remuneration are set out in Rule 2 106 of the Insolvency Rules 1986, as amended by the Insolvency [Amendment] Rules 2003 Further information is given in the Association of Business Recovery Professionals' publication "A Creditors' Guide to Administrators' Fees", a copy of which can be obtained from Abbott Fielding upon request or viewed on our website at <http://www.abbottfielding.co.uk/7.html>
- 12 2 The Joint Administrators propose that our remuneration be fixed on the basis of time properly given by us and our staff in dealing with matters arising in the Administration
- 12 3 As required by Statement of Insolvency Practice 9, the following are attached at appendix 4 for your information
- An analysis of time spent by the Administrators and their staff for the period from 6 February, 2008 to date,
 - Abbott Fielding time charging and disbursement policies
- 12 4 Abbott Fielding incurred time costs of in excess of £6,478 50, for advice to the Board prior to appointment as Joint Administrators plus legal fees £4,901 00, plus VAT was paid against these costs by the company The balance of these costs have been written off, and will not to be recovered from the assets available in the Administration

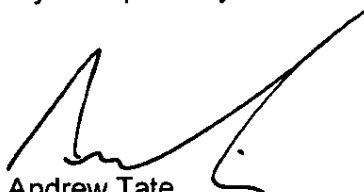
13. EC REGULATIONS

- 13 1 It is considered that the EC Regulations will apply and that these proceedings will be main proceedings as defined in Article 3 of the EC Regulations as the centre of main interest of the Company is in England and Wales This means that the Administration is to be conducted according to The Insolvency Act 1986

14. OTHER MATTERS

- 14 1 We are required to submit a report to the DTI concerning the conduct of the directors of the Company. The content of this report is confidential, however the creditors are invited to provide the Joint Administrators with any information that they believe is relevant
- 14 2 A creditors' committee may be formed at the creditors' meeting if between three and five creditor members are willing to serve on it

If you require any further information then, please, contact us



Andrew Tate
Joint Administrator

Andrew Tate and Nedim Ailyan of Abbott Fielding, Nexus House, 2 Cray Road, Sidcup, Kent, DA14 5DB 2QL, respectively were appointed Joint Administrators on 6 February 2008. The Joint Administrators now manage the affairs, business and property of the company. The Joint Administrators act as agents only and without personal liability

Andrew Tate is licensed to act as an insolvency practitioner by the Association of Chartered Certified Accountants

Appendix 1

Joint Administrators Receipts and Payments account to 4 March 2008

**Advanced Valve Technologies Limited
IN ADMINISTRATION**

Joint Administrators Proposals dated 4 March 2008

Advanced Valve Technologies Limited
(In Administration)

Joint Administrators' Abstract Of Receipts And Payments
To 03 March 2008

RECEIPTS	Total (£)
Goodwill and Intellectual Property	20,000 00
Plant & Machinery	14,486 00
Stock / WIP	65,514 00
Vat Payable	17,500 00
	<hr/>
	117,500 00
	<hr/>
PAYMENTS	
Statutory Advertising	147 85
Casual Labour	1,655 00
Vat Receivable	25 88
	<hr/>
	1,828 73
Balances in Hand	115,671 27
	<hr/>
	117,500 00
	<hr/>

Appendix 2

Statement of affairs as at 6 February 2008

**Advanced Valve Technologies Limited
IN ADMINISTRATION**

Joint Administrators Proposals dated 4 March 2008

Advanced Valve Technologies Limited
Statement Of Affairs as at 6 February 2008

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £	
Assets subject to fixed charge:			
Goodwill and Intellectual Property	37,070 00	20,000 00	
National Westminster Bank Plc		(32,711 00)	
Deficiency c/d		(12,711 00)	
Book Debts	28,556 00	24,556 00	
Bibby Factors Int Ltd		(15,062 00)	
HP Asset (1)	4,977 00	4,977 00	
Finance Company(1)		(4,977 00)	
		9,494 00	9,494 00
Assets subject to floating charge:			
Uncharged assets:			
Plant & Machinery	87,896 00		14,486 00
Stock / WIP	134,416 00		65,514 00
Corporation Tax Refund (Note 1)	51,023 00		NIL
Proforma stock sale	4,901 00		4,901 00
Petty cash	100 00		100 00
Estimated total assets available for preferential creditors			94,495 00

Signature _____ Date _____

Advanced Valve Technologies Limited
Statement Of Affairs as at 6 February 2008

A1 - Summary of Liabilities

	Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)	94,495 00
Liabilities	
Preferential Creditors -	
Employee Arrears/Hol Pay (Note 2)	4,785 00
	<u>4,785 00</u>
Estimated deficiency/surplus as regards preferential creditors	89,710 00
Estimated prescribed part of net property where applicable (to carry forward)	<u>20,942 00</u>
Estimated total assets available for floating charge holders	68,768 00
Debts secured by floating charges	
Deficiency b/d	12,711 00
Quester VCT PLC	1,600,000 00
	<u>1,612,711 00</u>
Estimated deficiency/surplus of assets after floating charges	<u>(1,543,943 00)</u>
Estimated prescribed part of net property where applicable (brought down)	<u>20,942 00</u>
Total assets available to unsecured creditors	20,942 00
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	
Trade & Expense Creditors	80,390 00
Employers P/L & RP (Note 3)	32,005 00
Inland Revenue - PAYE/NI (Note 4)	NIL
CSA - (Note 4)	NIL
Customs & Excise - VAT (Note 4)	NIL
	<u>112,395 00</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	(91,453 00)
Shortfall to floating charge holders (brought down)	<u>1,543,943 00</u>
Estimated deficiency/surplus as regards creditors	(1,635,396 00)
Issued and called up capital	
Preference Shareholders	37,500 00
Ordinary Shareholders	2,658,330 00
	<u>2,695,830 00</u>
Estimated total deficiency/surplus as regards members	<u>(4,331,226 00)</u>

Signature _____ Date _____

Key	Name	Address	£
CA00	APC EAST KENT	Unit 5 Little Cliffsend Farm, Chalk Hill Cliffsend, Ramsgate, CT12 5HP, CT12 5HP	184 67
CA01	Amagan Ltd	34 Northdown Road, Broadstairs Kent, CT10 2UN, CT10 2UN	118 38
CA02	Ashton Seals Ltd	P O Box 269 Cortonwood Drive, Cortonwood Business Park, Brampton, Barnsley, S73 0YP	82 18
CA03	A T A Grinding Processes	Dalsetter House, 37 Dalsetter Ave, Glasgow, G15 8TE	249 82
CB00	Bastion Glassfibre Ltd	12 Harvey Close, Crowther Ind Estate, Washington, Thyme & Ware, NE38 0AB	787 78
CB01	R Bell & Co	10 Anson Close, Pysons Road Industrial Estate, Broadstairs, Kent, CT10 2LA	41 71
CB02	Biffa Waste Services Ltd	Coronation road, Cressessx High Wycombe, Bucks, HP12 3TZ	244 47
CB03	Blackburns Metals Ltd	Birmingham New Rd, Tipton, West Midlands, DY4 9AG	962 23
CB04	Bibby Factors International Limited	105 Duke Street, Liverpool, L1 5JQ	15 062 00
CC00	Child Support Agency	27 The Green, Kings Norton, Birmingham, B38 8SD	306 47
CC01	Close Asset Finance Ltd	Unit D, Telford Court, Chester Gates, Chester, CH1 6LT	3,288 02
CC02	County Business Systems	Unit 47a Millstrood Road, Whitstable, Kent, CT5 3PS	17 40
CD00	Dufton Europe Ltd	PO Box 1683, Slough, Berkshire, SL1 2FD, SL1 2FD	11,113 95
CD01	Dustbusters (SouthEast) Ltd	1 Lyndhurst Road, Ramsgate, Kent, CT11 8EA	587 50
CE00	Energy Industries Council	Newcombe House 45 Notting Hill Gate London, W11 3LQ	9,706 25
CE01	Energy Alloys UK Ltd	Canklow Meadows Ind Est, West Bawdry Road, Rotherham S60 2XN	1,071 27
CF00	Faversham Laundry Ltd	29 Ashford Road Faversham, Kent ME13 8XN	494 58
CF01	Fasteners & Engineering Supplies Ltd	5 Westgate Street, Cowbridge, Vale of Glamorgan, CF71 7AQ	613 35
CF02	Fibracon Twin Ltd	Jodrell Meadow, Whaley Bridge, High Peak, SK23 7AJ	719 11
CF03	FIRE PROTECTION COATINGS LTD	UNIT 8, 229 TORRINGTON AVENUE, COVENTRY, CV4 9HN	4,507 37
CF04	Force Five (Kent) Ltd	Units 8 & 9, Church Road Business Centre, Sittingbourne Kent, ME10 3RS	330 15
CH00	HM Revenue & Customs	Centurion House, Bench Street, Dover, Kent, CT16 1JB	30,475 66
CH01	HM Revenue & Customs	VAT Central Unit, 21 Victoria Avenue, Southend on Sea, Essex, SS99 1AA	1,834 55
CH02	G HENLEY-PRICE	KENDSO LTD, 12 Cornwell Gardens London, SW7 4AN	2,447 91
CH03	Huntsman	Deutsche Bank AG London HAM Europe BVBA, PO Box 601, Doncaster, DN4 5XB	6 748 03
CJ00	J & L Industrial Supply	7 Pacific Avenue, Wednesbury West Midlands, WS10 7WP	1,134 75
CK00	M W Kaye	190 North Road, Coombe Down Bath, Avon, BA2 5DN	(311 38)
CK01	Kea-Flex Mouldings Ltd	Woolmer Way, Woolmer Trading Estate, Bordon Hampshire GU35 9QE	290 70
CM00	Marsh Ltd UK	Cash Control GRO 2E, Grove House, Newland Street, Witham, Essex CM8 2UP	4,063 25
CM01	Maydown International Tools Ltd	HSBC Invoice Finance (UK) Ltd, Farncombe Road, Worthing, West Sussex, BN11 2BW	271 78
CM02	Mr Box Ltd	Unit 2, Hill Farm Barns, Ashbocking Road, Henley, Ipswich, Suffolk IP6 0SA	75 20
CN00	National Quality Assurance Ltd	Warwick house Houghton Hall Park, Houghton Regis, Dunstable, LU5 5ZX	2,173 75
CN01	Nildram	1 Triangle Business Park, Stoke Mandeville, Bucks HP22 5BL	37 60
CO00	Office Depot	PO Box 6262, Leycroft Road, Leicester, LE4 1YE	11 96
CO01	Opal	PO BOX 136, Birchwood, Warrington, WA3 7WU	37 17
CO02	Orange Personal Communications	Orange Payment Processing, Southend-on-Sea, Essex, SS99 6LU	117 50
CO03	Orinoco Ltd	Unit A Far Royds Ind Estate, 283 Whitehall Road, Leeds, West Yorkshire	330 77
CP00	Powergen / EON	190 London Road Rayleigh, Essex SS6 9EE	1,284 00

Signature

Date

Key	Name	Address	£
CP01	ProActive Technical Solutions	Suite 36, 10 Churchill Square, Kings Hill, West Malling, Kent ME19 4YU	123 02
CQ00	Quester VCT plc	33 Glasshouse Street London, W1B 5DG	1 600,000 00
CR00	M J Raven & Son Ltd	Unit 22 Patricia Way Pysons Road Ind Estate Broadstairs, Kent, CT10 2LF	1,145 63
CR01	RS Components Ltd	PO Box 99, Corby Northants, NN17 9RS	58 77
CR02	The Royal Bank of Scotland plc	Specialised Lending Services, 10th Floor, 280 Bishopsgate, London, EC2M 4RB	32,711 34
CS00	SME Corporate Finance	25 Eccleston Square, London, SW1V 1NS	1 593 75
CS01	Source Fire Protection	120 Raymond Fuller Way, Kennington Ashford, Kent, TN24 9TB	105 75
CS02	Space Saver Storage	Unit 1 Waterham Storage Park, Highstreet Road, Waterham, Faversham, ME13 9EJ	672 10
CS03	Super Alloys International Ltd	Number 1 Java Park Bradbourne Drive, Tilbrook, Milton Keynes, MK7 8AT	678 83
CS04	Sussex Spring Water	1 Sybron Way, Millbrook Business Park, Crowborough, East Sussex, TN6 3DZ	59 22
CT00	Thanet District Council	PO Box 9, Cecil Street, Margate, Kent, CT9 1XZ	8,078 13
CT01	Thistle Tools	Unit A2 Continental Approach, Westwood Industrial Estate, Margate, Kent, CT9 4JG	591 03
CT02	Thorley Taverns Ltd	The Fayreness Hotel, Manne Drive, Kingsgate, Kent, CT10 3LG	97 85
CT03	Thomas Eggar LLP	The Corn Exchange, Baffins Lane, Chichester, West Sussex, PO19 1GE	6 867 88
CT04	Thos P Headland Ltd	UNIT 4, BLACKWATER CLOSE, FAIRVIEW INDUSTRIAL PARK, RAINHAM, ESSEX RM13 8UA	2,268 64
CT05	TNT International	P O Box 186, Ramsbottom, Bury, BL0 9GR	279 86
CT06	TYCO Valves & Controls (UK) Ltd	Crosby Road, Market Harborough, LE16 9EE	165 68
CT07	TYCO (Netherlands)	Mijkenbrook 20, Breda, 4824 AB, Netherlands	1 573 15
CW00	Workpoint Environment Ltd	14 Grange Farm Road, Colchester, Essex CO2 8JW	150 40
CW01	Wulfrun Specialised Fasteners Ltd	Integrity Works, Colliery Rd, Wolverhampton, West Midlands, WV1 2RD	598 59
EB00	Mr G Batchelor	127 Woodnesborough Road, Sandwich, Kent, CT13 0BA	536 98
EC00	Mr S Cornick	28 Rydal Avenue, Ramsgate, Kent, CT11 0PU	287 07
EC01	Miss E Cooper	151 Westwood Road, Broadstairs, Kent, CT10 2NR	1,953 96
EC02	Mr SR Coates	The Bryn, Kingsdown Hill, Kingsdown, Deal Kent CT14 8EA	2 771 08
EH00	Mr J Hill	66 Woodnesborough Road, Sandwich, Kent CT13 0AD	3,373 16
EH01	Mr TA Haywood	15 Sandwich Road, Ash, Canterbury, Kent CT3 2AF	368 22
EH02	Mr NG Huntley	120 Dane Valley Road, Margate, Kent CT9 3RY	8,230 71
EK00	Mr MW Kaye	5 Setterfield Road, Margate, Kent CT9 1TG	4,203 28
ER00	Mr D Rimmington	76 Arlington Gardens, Margate, Kent CT9 3TA	3,349 58
ER01	Mr DR Richards	76 Arlington Gardens, Margate, Kent, CT9 3TA	246 14
ER02	Mr AR Richards	37 Garrard Avenue, Margate, Kent, CT9 5PY	4,738 67
ER03	Mr L Relph	20 The Centre, Newington Ramsgate, Kent CT12 6LB	4,468 20
ER04	Mr PR Redford	48 Crescent Road, Ramsgate Kent, CT11 9QX	1,594 32
ES00	Mrs L Sparkes	28 Salmsstone Road, Margate, Kent, CT9 4DD	5,085 92
EW00	Mr AD Ward		483 29

Signature

Date

Key Name	Address	£
<div>Advanced Valve Technologies Limited B-Company Creditors</div>		

73 Entries Totalling

1,801,022.04

Signature _____ Date _____

Appendix 3

**Notice of meeting of creditors and statement of the voting rights of creditors at
the meeting of creditors**

**Advanced Valve Technologies Limited
IN ADMINISTRATION**

Joint Administrators Proposals dated 4 March 2008

Notice of a meeting of creditors

Name of Company Advance Valve Technologies Limited	Company number 053521927
In the High Court of Justice [full name of court]	Court case number 776 / 2008

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

Notice is hereby given by (a) Andrew John Tate and Nedim Patrick Ailyan, both of Abbott Fielding, Nexus House, 2 Cray Road, Sidcup, Kent DA14 5DB

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

that a meeting of the creditors of (b) Advanced Valve Technologies Limited, Nexus House, 2 Cray Road, Sidcup, Kent DA14 5DB

(c) Insert details of place of meeting

is to be held at (c) Nexus House, 2 Cray Road, Sidcup, Kent DA14 5DB

(d) Insert date and time of meeting

on (d) Thursday, 20 March 2008 at 11 00am

*Delete as applicable

The meeting is

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

I invite you to attend the above meeting

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

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim

Signed


A J Tate
Joint Administrator

Dated 3 March 2008

A copy of the *proposals / revised proposals is attached

* Delete as applicable

INSOLVENCY RULES 1986 (AS AMENDED)

Entitlement to vote (Rule 2.38)

- 1 Subject as follows, at a meeting of creditors in administration proceedings a person is entitled to vote only if
 - 1 1 he has given to the administrator, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of the debt which
 - 1 1 1 he claims to be due to him from the company, or
 - 1 1 2 in relation to a member State liquidator, is claimed to be due to creditors in proceedings in relation to which he holds office,
 - 1 2 the claim has been duly admitted under the following provisions of this Rule, and
 - 1 3 there has been lodged with the administrator any proxy which he intends to be used on his behalf, and details of the debt must include any calculation for the purposes of Rules 2 40 to 2 42
- 2 The chairman of the meeting may allow a creditor to vote, notwithstanding that he has failed to comply with paragraph (1)(a), if satisfied that the failure was due to circumstances beyond the creditor's control
- 3 The chairman of the meeting may call for any document or other evidence to be produced to him, where he thinks it necessary for the purpose of substantiating the whole or any part of the claim
- 4 Votes are calculated according to the amount of a creditor's claim as at the date on which the company entered administration, less any payments that have been made to him after that date in respect of his claim and any adjustment by way of set-off in accordance with Rule 2 85 as if that Rule were applied on the date that the votes are counted
- 5 A creditor shall not vote in respect of a debt for an unliquidated amount, or any debt whose value is not ascertained, except where the chairman agrees to put upon the debt an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose
- 6 No vote shall be cast by virtue of a claim more than once on any resolution put to the meeting
- 7 Where –
 - a creditor is entitled to vote under this Rule,
 - has lodged his claim in one or more sets of other proceedings, and
 - votes (either in person or by proxy) on a resolution put to the meeting, and

- the member State liquidator casts a vote in respect of the same claim, only the creditor's vote shall be counted

8 Where –

- a creditor has lodged his claim in more than one set of other proceedings, and
- more than one member State liquidator seeks to vote by virtue of that claim, the entitlement to vote by virtue of that claim is exercisable by the member State liquidator in main proceedings, whether or not the creditor has lodged his claim in the main proceedings

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

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

Appendix 4

**Summary of Joint Administrators time costs to date and statement of Abbott
Fielding's charging and disbursements policy**

**Advanced Valve Technologies Limited
IN ADMINISTRATION**

Joint Administrators Proposals dated 4 March 2008

Time Summary

[illegible]

Legal matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors Meetings	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	16 00	3 20	0 00	0 00	19 20	5,056 00	263 33
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Management of operations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Accounting for trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
On-going employee issues	1 50	3 90	0 00	0 00	5 40	1,212 00	224 44
Trading	1 50	3 90	0 00	0 00	5 40	1 212 00	224 44
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Communication	0 00	1 50	0 00	0 00	1 50	307 50	205 00
Claims inc emp, prefs	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Report/secured creditor	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Validity of security	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Committee Reporting	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Committee meetings	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Payment of dividends	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	1 50	0 00	0 00	1 50	307 50	205 00
Case Specific (e g Joint Office Hcl	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case Specific 1	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case Specific 2	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	30 30	19 30	0 00	0 00	49 60	12,289 00	247 76
Total Fees Claimed						0 00	

Abbott Fielding

Charge-out Rates

	Period from 1 November 2005 to 31 December 2007	Period from 1 January 2008
Partners	£250	£275
Managers	£195	£205
Administrators	£160	£168
Support Staff	£120	£126

Disbursements recovered by Abbott Fielding

Insolvency practitioners are required to divide the expenses incurred in an insolvency assignment into two categories. These are described below, together with examples of the type of expenses relating to each category.

CATEGORY 1

Category 1 Disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. It will also include services specific to the case where these cannot practicably be provided internally, such as printing, room hire and document storage. Information relating to a specific Category 1 disbursements can be provided where reasonably requested.

CATEGORY 2

Category 2 Disbursements are those where costs are recovered which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs. These are identified and subject to approval by those approving the Insolvency Practitioner's remuneration. Such expenses should be of an incidental nature and directly incurred on the case. Where Category 2 disbursements are drawn there will be a reasonable method of calculation and allocation, for example a comparison with the cost of external provision of the expenses. The basis for charging Category 2 disbursements will be disclosed to creditors and authorised by those responsible for approving the Insolvency Practitioner's remuneration. Abbott Fielding will not be seeking to recover Category 2 disbursements in this case.

Appendix 5

Proof of debt form and proxy form

**Advanced Valve Technologies Limited
IN ADMINISTRATION**

Joint Administrators Proposals dated 4 March 2008

**PROOF OF DEBT
[GENERAL FORM]**

Advanced Valve Technologies Limited

1	Name of creditor [If a company please also give company registration number]	
2	Address of creditor for correspondence	
3	Total Amount of Claim, including any Value Added Tax and outstanding uncapitalised interest As at the date the company went into liquidation	£
4	Details of any documents by reference to which the debt can be substantiated [Note There is no need to attach them now but the administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting]	
5	If amount in 3 above includes uncapitalised interest please state amount	£
6	If the amount shown in 3 above includes any Value Added Tax please show [a] amount of Value Added Tax [b] amount of claim net of Value Added Tax	£ £
7	If you have filled in both box 3 and box 6, please state whether you are claiming the amount shown in box 3 or the amount shown in box 6[b]	
8	Give details of whether the whole or any part of the debt falls within any [and if so which] of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 [as read with schedule 3 to the Social Security Pensions Act 1985]	Category Amount[s] claimed as Preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security and the date it was given	£
	Signature of creditor or person authorised to act on his/her behalf Name in BLOCK LETTERS Position with or in relation to creditor	
	Address of person signing [if different from 2 above]	

Proxy (Administration)

Advanced Valve Technologies Limited

Name of Creditor

Address

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

Name of Proxy Holder

1

2

3

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

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on Thursday, 20 March 2008, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion)

Voting Instructions for resolutions

*Please delete as appropriate

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

2 For the appointment of

of

representing

as a member of the creditors' committee

This form must be signed

Signature

 Date

Name in CAPITAL LETTERS

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

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

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