In accordance with Rule 3.35 of the Insolvency (England & Wales) Rules 2016 & Paragraph 49(4) of Schedule B1 to the Insolvency Act 1986

AM03
Notice of administrator's proposals

Companies House

WEDNESDAY

A8KL6EHN
A26 18/12/2019 #188
COMPANIES HOUSE

1 Company details

Company number	1 0 9 3 2 3 3 9
Company name in full	Clearwin Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals

2 Administrator's name

Full forename(s)	Stephen Gerard
Surname	Clancy

3 Administrator's address

Building name/number	The Chancery
Street	58 Spring Gardens
Post town	Manchester
County/Region	
Postcode	M 2 1 E W
Country	

4 Administrator's name ❶

Full forename(s)	Sarah Helen
Surname	Bell

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	The Chancery
Street	58 Spring Gardens
Post town	Manchester
County/Region	
Postcode	M 2 1 E W
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

6 Statement of proposals

☑ I attach a copy of the statement of proposals

7 Sign and date

Administrator's Signature	Signature ✕ Stephen Clancy ✕
Signature date	d1 d6 m1 m2 y2 y0 y1 y9

DUFF & PHELPS

Statement of Proposals

16 December 2019

Install Base Investments Limited; Kairos Group Limited; Clearwin Limited; Install Base Limited; and Opensky Ventures Limited

(All in Administration) (together "the Group")

Joint Administrators' Report to Creditors and Statement of Proposals

Duff & Phelps Ltd
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	SIA Group independent agents who were instructed to assist with the valuation of the unencumbered tangible assets of Install Base
AHL	Altrincham Home Limited (Company Number 12120428)
AHSL	Altrincham Home Solutions Limited (Company Number 12245232)
APA	Asset Purchase Agreement
the Appointment Date(s)	22 October 2019 being the date of appointment of the Joint Administrators of Opensky and 28 October 2019 being the date of appointment of the Joint Administrators of IBIL Kairos Clearwin and Install Base
the Book Debt Agents	Cerberus Group independent agents who were instructed to review and value the contracts and outstanding book debt ledger
the Bank NatWest	National Westminster Bank with whom the Group banked
Category 2 Disbursements	The Joint Administrators internal costs and expenses in dealing with the Administration
Clearwin	Clearwin Limited (In Administration) Company Number 10932339
the Completion Date	28 October 2019 being the date that the sale of certain assets of the Group was completed
DBEIS	Department for Business Energy & Industrial Strategy
the Directors	Adrian Christopher Kirk the director of IBIL Kairos and Install Base Ann Gibb, the director of Clearwin and Anthony Thomas Ross Reilly the director of Opensky
Duff & Phelps	Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW
EC Regulation	EC Regulation on Insolvency Proceedings 2000
EHL	Envo Holdco Limited (Company Number 12245122)
Envo	Envo Energy Solutions Limited (Company Number 10935144)
HMRC	HM Revenue and Customs
the Group or the Companies	Install Base Investments Limited Kairos Group Limited Clearwin Limited, Install Base Limited Envo Energy Solutions Limited

	Origin Improvements Limited and Opensky Ventures Limited
IBIL	Install Base Investments Limited (In Administration) (Company Number 11007265)
Install Base	Install Base Limited (In Administration) (Company Number 10932372)
IPR	Intellectual Property Rights
the Joint Administrators	Stephen Clancy and Sarah Bell of Duff & Phelps
Kairos	Kairos Group Limited (In Administration) (Company Number 10935394)
Opensky	Opensky Ventures Limited (In Administration) (Company Number 07631979)
Origin	Origin Improvements Limited (Company Number 10932380)
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals dated 16 December 2019
the Purchasers / Newco	AHL the purchaser of the contracts of Clearwin AHSL the purchaser of the goodwill, IPR of IBIL, Install Base, Clearwin and Opensky together with the debtors of Clearwin and Tangible Assets and Stock of Install Base; and EHL the purchaser of the shareholding of Enviro and Origin from Kairos
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditor and / or AFL	Altrincham Finance Limited, NatWest and Barclays, the holders of fixed and floating charges over the assets of the Group
the Shareholder	Brian Kennedy, the ultimate sole shareholder of the Group
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by Directors
SIP 16	Statement of Insolvency Practice 16 – Industry best practice for

	Insolvency Practitioners in relation to the requirement for disclosure of information with respect to a 'Pre-Packaged' sale of business and/or assets of the Company
SOA	Statement of Affairs, documentation to be supplied by the Directors outlining the Groups financial position as at the Appointment Date
the Solicitors / Knights	Knights plc, a firm of independent solicitors instructed by the Joint Administrators to assist with the Joint Administrators' appointment and the sale of the business and assets of the Group
the Tangible Assets	Plant & Machinery and Office Furniture & Equipment, being the Tangible Assets of Install Base
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006

Contents

Appendices

1. Introduction

1.1 The Joint Administrators were appointed on the Appointment Dates by the Directors

1.2 The functions of the Joint Administrators may be exercised by either of the Joint Administrators

1.3 This report is the statutory statement of Proposals of the Joint Administrators. It sets out the circumstances leading up to their appointment and their strategy for achieving the purpose of the Administrations

1.4 These Proposals are deemed delivered to creditors within two business days of the date of this report

2. Background

2.1 Statutory information on the Group and a summary of its financial history is included at Appendix 1 and Appendix 2

2.2 The Group specialised in home improvements and double glazing and maintenance with operations throughout the United Kingdom

2.3 The Company operated from leasehold premises across England and Scotland with its head office based in the North West of England in Winsford

2.4 Creditors should note that detailed background information was provided in the SIP 16 Report which is enclosed at Appendix 11

3. Events Leading up to the Administration

3.1 As mentioned above, detailed information in relation to the Group's background and history in the lead up to the Appointment Dates and information in relation to the pre-packaged sale of the business and assets of the Company is provided in the SIP 16 Report, which is enclosed at Appendix 11

4. Purpose of the Administration

4.1 The purpose of an Administration is to achieve one of the following hierarchical objectives

- Rescuing the company as a going concern, or
- Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration), or
- Realising property in order to make a distribution to one or more secured or preferential creditors

4.2 In accordance with Paragraph 49(2) of Schedule B1 of the Act, the Joint Administrators note the following

- The first objective will not be achieved as there are insufficient funds and assets available to enable any of the Group companies to be rescued as a going concern

- With regards to the second objective, greater realisations for the Group's assets has been achieved than would have been likely in a Liquidation scenario, however it is not envisaged that a distribution will be available to the preferential or non-preferential creditors.

- The third objective has been achieved as the Secured Creditor has received a fixed charge distribution from the Administration estate of each of the Group companies.

4.3 The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report.

5. Statement of Affairs

5.1 The Joint Administrators have requested that the Directors provide a SOA and it is understood that this will be received shortly. Upon receipt, the SOA will be filed at Companies House accordingly.

5.2 A Statement of Estimated Financial Position has been provided at Appendix 4 in the absence of a SOA.

5.3 It should be noted that the costs and expenses of the Administration have not been applied and will be deducted from asset realisations.

5.4 Some creditor amounts shown may differ from the actual amount owed. This does not affect their claim.

6. Progress of the Administration to Date

6.1 The manner in which the affairs and business of the Group have been managed since the appointment of Joint Administrators and will continue to be managed and financed are set out below.

Decision Not to trade

6.2 Following an evaluation of the Group's financial position, the Joint Administrators took the decision not to trade the business for the following reasons:

- In view of the cash flow constraints faced by the Group, it would have been unable to meet its ongoing liabilities as and when they fell due. This included payments to employees and subcontractors for completed work.

- A significant proportion of the Group sales were undertaken with consumer finance and the financial uncertainty facing the business accelerated with the withdrawal of funding lines. Consequently, continuing to trade was not a viable option.

Sale of Business and Assets

6.3 It was not possible to achieve a going concern sale of the principal trading activity of the Group, but certain assets were acquired by the Purchasers on the Appointment Dates by way of a pre-packaged sale.

6.4 In accordance with SIP 16, prescribed information should be disclosed to creditors in all cases where there is a pre-packaged sale. Where an Insolvency Practitioner is party to a pre-packaged sale, they have a duty in accordance with best practice guidelines to disclose to creditors, where practicable, the information in respect of a pre-packaged sale.

6 5 Full details of the sale transaction and relevant disclosures in accordance with SIP 13 and SIP 16 were included within the SIP 16 Report attached at Appendix 11 A summary is also provided below

Sale Consideration

6 6 The total sale consideration due from each of the Purchasers is as follows

- AHL £100 000
- AHSL £245 000
- EHL £95 000

6 7 The sale consideration has been apportioned as follows

Fixed Charge Assets	IBIL	Kairos	Clearwin	Install Base	Opensky
	(£)	(£)	(£)	(£)	(£)
Envo Shareholding	-	94 999	-	-	-
Origin Shareholding	-	1	-	-	-
Goodwill IPR	15 000	-	100 000	15 000	£15 000
Floating Charge Assets					
Stock	-	-	-	45 000	-
Contracts	-	-	100 000	-	-
Debtors	-	-	50 000	-	-
Tangible Assets (exc Motor Vehicles)	-	-	-	5 000	-
Total	**15,000**	**95,000**	**250,000**	**65,000**	**15,000**

6 8 The sale consideration was paid in full by each of the respective Purchasers upon completion of the transaction on the Appointment Dates

Motor Vehicles

6 9 Install Base operated a fleet of 194 vehicles the majority of which were subject to finance agreements with various finance providers The Joint Administrators are liaising with these finance providers to assist with the collection of these vehicles where possible

6 10 Install Base also owned 23 vehicles of varying age and condition all of which were excluded from the APA

6 11 Upon their appointment the Joint Administrators instructed the Agents to assist with the valuation and sale of these owned vehicles and the Agents provided an estimated to realise value of £65 000 on an in-situ basis and £57.000 on an ex-situ basis

6 12 To date the sum of £4.570 has been realised in respect of the sale of some owned vehicles These monies are currently being held on account by the Agents and will be remitted to the Administration estate of Install Base once the remaining vehicles have been sold

6 13 No further information can be provided in respect of the remaining owned vehicles at this stage in order to avoid prejudicing the outcome of future sales An update will be provided in the next report to creditors

Worldpay

6.14 Worldpay provided Clearwin with a merchant services facility through which the majority of the Company's deposits were processed.

6.15 Any customers who paid a deposit but had not yet had works completed prior to the Appointment Dates are able to raise a charge-back claim to Worldpay via their credit / debit card provider.

6.16 As at the Appointment Dates, it is understood that Worldpay were holding a bond of £681,272 together with receipts of circa £80,000, in order to deal with any potential liability arising as a result of charge-back claims.

6.17 It is currently estimated that charge-back claims may total £800,000 and any surplus funds held by Worldpay, once chargeback claims have been dealt with, will be made available for the benefit of the Administration estate.

6.18 The former management team are assisting the Joint Administrators in respect of any charge-back claims and an update on the likely realisations from this source will be provided in the next report to creditors.

Cash at Bank

6.19 The Group held a number of bank accounts with NatWest, all of which were either overdrawn or had a Nil balance at the Appointment Dates.

6.20 In view of the above, no realisations are available from this source.

Business Rates Refunds

6.21 The sum of £975 has been received in respect of business rates refunds in respect of Clearwin.

6.22 The Joint Administrators are making further enquiries to establish if any further realisations can be made for the Group in respect of business rates refunds.

6.23 An update will be provided in the next report to creditors.

Licences to Occupy

6.24 As part of the sale transaction, the Joint Administrators of Kairos and Install Base granted AHSL licences to occupy four of the Group's trading premises as follows:

Property	Licence Period
Winsford	22 October 2019 to 28 November 2019
Staines	22 October 2019 to 22 January 2020
Norwich	22 October 2019 to 22 January 2020
Motherwell	22 October 2019 to 22 January 2020

6.25 Under the terms of the licences to occupy, the AHSL are required to pay monthly licence fees equivalent to any rent and/or service charges that fall due during the period of the licence to occupy.

6.26 To date, the Joint Administrators have received £51,517 from AHSL in respect of the first two months' licence fees.

6.27 It should be noted that the granting of the licence to occupy will have no impact on the outcome of the Administrations to creditors.

Other Assets

6 28 The Joint Administrators are not aware of any other assets in any of the Group entities

7. *Investigations*

7 1 The Joint Administrators have a statutory obligation to file a report with DBEIS regarding the conduct of all directors that held office in the three years prior to the Administrations This report must be filed within three months from the Appointment Dates and the content of this report is confidential

7 2 The Joint Administrators also have a duty to investigate any antecedent transactions which include

- Transactions at an undervalue Section 238 of the Act
- Preferences Section 239 of the Act and
- Transactions to defraud creditors Section 423 of the Act

7 3 The Joint Administrators investigations in this regard have commenced and remain ongoing *If creditors have any information which they think will assist the Joint Administrators with their investigations* please forward details to Duff & Phelps The Chancery 58 Spring Gardens Manchester M2 1EW or by email to Callum.Obrien@duffandphelps.com

8. Liabilities and Dividends

Secured Creditors

Altrincham Finance Limited

8 1 As detailed in the SIP 16 Report AFL advanced monies to the Group to fund the initial purchase of the business and subsequent working capital Security was provided by way of fixed and floating charges over the assets of the Group supported by cross guarantees provided by each of the Group companies as summarised below

Company	Date Created	Date Registered
Kairos	30 August 2017	4 September 2017
Install Base	30 August 2017	4 September 2017
Origin	30 August 2017	4 September 2017
Clearwin	30 August 2017	6 September 2017
Opensky	30 October 2017	1 November 2017
Envo	30 October 2017	1 November 2017
IBIL	2 May 2019	9 May 2019

8 2 The indebtedness to AFL at the Appointment Date was circa £1 650 000 subject to interest and charges

8 3 Following completion of the sale to the Purchasers on the Appointment Date the following fixed charge distributions were made to the Secured Creditor

IBIL	£	10,000
Kairos	£	65 000
Clearwin	£	95 000
Install Base	£	5 000
Opensky	£	10,000

8.4 Based on current information it is anticipated that there will be insufficient funds to enable any further distributions to the Secured Creditor and it is expected that the Secured Creditor will suffer a shortfall of circa £1 465 000

8.5 Creditors should note that the funder and beneficial owner of AFL is connected to the Group and the Purchasers by way of common shareholder Brian Kennedy

NatWest

8.6 Clearwin granted a legal charge to NatWest on 14 December 2017. This charge contains a fixed charge with full guarantee charges of a deposit to the Bank

8.7 This charge is still shown as outstanding according to Companies House, however the Director has confirmed that Clearwin has no outstanding balance with the Bank

Barclays

8.8 Opensky granted Barclays a cross-guarantee and debenture including fixed and floating charges on 15 January 2015. This debenture was granted in exchange for all property and assets present and future

8.9 On 20 October 2017 this charge was satisfied in full and there is no outstanding balance with Barclays despite the charge still being shown as outstanding at Companies House

Preferential Creditors

8.10 The preferential creditors relate to the former employees of Clearwin and Install Base who were made redundant prior to the appointment of the Joint Administrators following the cessation of trade of the Group on 17 October 2019

8.11 Preferential claims relate to arrears of wages and holiday pay, subject to certain statutory limitations and it is expected that a significant element of the preferential claims will be subrogated to the Secretary of State following payment by the RPS

8.12 According to the Group's records, the expected preferential creditors will be as follows

Clearwin	£	57 586
Install Base	£	290 639

8.13 Based on current information it is anticipated that there will be insufficient realisations to enable a dividend to the preferential creditors of both Clearwin and Install Base

8.14 Creditors should note that the remaining Group entities did not trade, therefore no further preferential claims are expected

Prescribed Part

8.15 The Prescribed Part is calculated as a percentage of net property as follows -

Net property less than £10 000	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be disproportionate to the benefits

Net property greater than £10 000	*50% up to £10,000 plus 20% thereafter to a maximum of £600 000*

8.16 Based on the current information, it is expected that no funds will be available to distribute under the Prescribed Part as the net property of each of the Administration estates will be less than £10 000

Non-Preferential Creditors

8.17 The non-preferential creditors of the Group relate to Clearwin and Install Base and are as follows

Clearwin	£	459 606
Install Base	£	1 740 125

8.18 All of the other group companies did not trade therefore had no trade creditors

8.19 Based upon the current information available it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors

8.20 If not already done so creditors of the Group should complete the relevant proof of debt form at Appendix 10 and return same to the Joint Administrators in order to submit their claim for dividend purposes if they have not already done so Please ensure that this is for the correct company

9. Statement of Pre-Administration Costs

9.1 *Pre-Administration costs are fees charges and expenses incurred by the Joint Administrators or their firm or another person qualified to act as an insolvency practitioner before a company enters into Administration but with a view to it doing so*

9.2 The Pre-Administration time costs incurred in respect of the Group includes providing formal insolvency advice and assisting with placing the Group into Administration completing the marketing process liaising with interested parties and discussions with various stakeholders

9.3 The Joint Administrators have incurred time costs totalling £5 656 in the period leading up to the Appointment Date for IBIL representing 22 hours with an average charge out rate of £261 per hour

9.4 The Joint Administrators have incurred time costs totalling £3 703 in the period leading up to the Appointment Date for Kairos representing 13 hours with an average charge out rate of £283 per hour

9.5 The Joint Administrators have incurred time costs totalling £67,103 in the period leading up to the Appointment Date for Clearwin representing 190 hours with an average charge out rate of £353 per hour

9.6 The Joint Administrators have incurred time costs totalling £54 318 in the period leading up to the Appointment Date for Install Base, representing 158 hours with an average charge out rate of £343 per hour

9.7 The Joint Administrators have incurred time costs totalling £5,305 in the period leading up to the Appointment Date for Opensky, representing 18 hours with an average charge out rate of £289 per hour

9.8 The majority of this time was incurred under the heading Strategy Planning and Control and relates to time spent in formulating a strategy for the Administrations of the Group to ensure that one or more of the statutory objectives could be achieved and to ensure that an Administration of the Group was the most beneficial route available to creditors.

9.9 Further time has also been incurred under the heading Sale of Business and Dealings with Directors and Management. Time incurred under these headings related to time spent liaising with the Directors, the Solicitors, the Agents and interested parties whilst pursuing a sale of the business and assets of the Group. This also includes time spent reviewing the sale agreement and offers received, as well as drafting the SIP 16 Report.

9.10 All of these costs were incurred with a view to achieving a statutory purpose of the Administrations.

9.11 A summary of the Pre-Administration costs incurred is provided at Appendix 5.

9.12 The Joint Administrators confirm that payments of the unpaid Pre-Administration costs as expenses of the Administrations are subject to approval under Rule 3.52 of the Rules, and do not form part of the Joint Administrators' Report to Creditors and Statement of Proposals which are subject to approval under Paragraph 53 of Schedule B1 to the Act.

9.13 The Joint Administrators will be seeking approval from the Secured Creditor in respect of the pre-Administration costs for each of the Group companies.

10. Costs and Expenses

Estimated Fees and Expenses

10.1 It is proposed that the Joint Administrators' fees are based on time costs.

10.2 The time costs already charged since appointment are analysed at Appendix 5. Time is charged in six minute units.

10.3 Time costs of £5,437 have been incurred since the Appointment Date in relation BIL representing 23 hours at an average rate of £236 per hour.

10.4 Time costs of £12,953 have been incurred since the Appointment Date in relation Kairos representing 59 hours at an average rate of £221 per hour.

10.5 Time costs of £57,847 have been incurred since the Appointment Date in relation Clearwin representing 238 hours at an average rate of £243 per hour.

10.6 Time costs of £36,360 have been incurred since the Appointment Date in relation Install Base representing 138 hours at an average rate of £263 per hour.

10.7 Time costs of £5,136 have been incurred since the Appointment Date in relation Opensky representing 21 hours at an average rate of £243 per hour.

10.8 The Joint Administrators will be seeking the approval from the Secured Creditor for their remuneration in respect of the Administrations for each of the Group entities.

10.9 The amount of time costs expected to be incurred by the Joint Administrators during the course of the Administrations is shown in Appendix 6 - Fee Estimates. The total amounts indicated effectively acts as a cap on the level of fees to be drawn by the Joint Administrators.

10.10 Also attached at Appendix 7 is the Fee Narrative, a summary of key issues to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors (if any) are in the body of this report.

10.11 The estimated expenses of the Administrations of the Group are detailed at Appendix 8 - Estimated Expense Schedule. This Schedule illustrates the estimated expenses for all of the Administrations for the Group and is for information purposes only. No approval is required by creditors. This estimate may change over the course of the Administrations, but creditors will be informed of any variations with associated reasons in the annual Progress Reports.

10.12 Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is in Appendix 9.

11. Joint Administrators' Receipts and Payments Account

11.1 The Joint Administrators' Receipts and Payments accounts for the Group are provided at Appendix 3.

12. EC Regulation

12.1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation.

13. Deemed Approval

13.1 In accordance with Rule 3.38, a creditors' decision on the approval of the Proposals will not be sought as the Joint Administrators believe that each of the Group entities will have insufficient property to enable a distribution to be made to non-preferential creditors, other than by way of the Prescribed Part (if any).

13.2 The Joint Administrators' Proposals will be deemed approved by the creditors unless creditors whose debts amount to at least 10% of the total debts of the relevant Group company requests the Joint Administrators to seek a specific decision from that company's creditors.

13.3 The date of the deemed approval will be 2 January 2020, being at least eight business days from the date the Proposals are deemed to have been delivered on 18 December 2019, being two business days from the date of postage of this report on 16 December 2019.

13.4 Further information is provided on the Statement of Creditors' rights at Appendix 9.

14. End of the Administration

14.1 The options available to the Joint Administrators for the exit from the Administration are as follows:

- Compulsory Liquidation
- Creditors' Voluntary Liquidation
- Dissolution of Company

14.2 From 26 May 2015, under the Small Business Enterprise and Employment Act 2015, the Joint Administrators have the power to distribute a Prescribed Part to creditors without Court agreement. In addition, there is no exit to CVL available just for the purposes of distributing a Prescribed Part (if applicable).

14.3 Based on current information the Joint Administrators recommend that at the appropriate time each of the Group companies should be dissolved for the reasons set out below.

14.4 The Joint Administrators have formed the view that once all the outstanding Administration matters have been finalised, and all liabilities incurred during the Administrations have been discharged, there will be insufficient funds available to allow a distribution to non-preferential creditors of any of the Group companies.

14.5 Once all outstanding matters have been satisfactorily completed by the Joint Administrators, then in accordance with Paragraph 84 of Schedule B1 to the Act, the Joint Administrators will give notice to the Registrar of Companies to the effect that the Group has no remaining property, at which stage the Administrations will cease.

14.6 The Group will be dissolved three months following the registration of these notices at the Registrar of Companies.

14.7 You will note from the Proposals section below that the Joint Administrators have left the choice of exit route from the Administrations open so that an alternative strategy can be adopted, should this prove more appropriate at the time.

15. Joint Administrators' Proposals

15.1 The Joint Administrators' Proposals shall be deemed approved by the creditors on the expiry of the period in which a decision can be requisitioned by creditors as outlined above.

15.2 The Joint Administrators propose the following:

15.2.1 That the Joint Administrators continue each Administration to deal with such outstanding matters in relation to each company as the Joint Administrators consider necessary until such time as the Administrations cease to have effect.

15.2.2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administrations.

15.2.3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Group have no remaining property which might permit a distribution to its creditors, at which stage the Administrations will cease.

15.2.4 That the Joint Administrators, where they consider that there are funds available to be distributed to the non-preferential creditors (other than under the Prescribed Part) take the necessary steps to put the companies in the Group into either Creditors' Voluntary Liquidation or Dissolution as they deem appropriate. It is proposed that the Joint Administrators, currently Stephen Clancy and Sarah Bell of Duff & Phelps would act as Joint Liquidators should the any of the Group be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules, creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

15 3 The Joint Administrators will be seeking specific agreement to the following Proposals from the Secured Creditor:

15 3 1 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administrations or their appointment otherwise ceasing

15.3.2 That a Creditors Committee be established in either of the companies if sufficient creditors are willing to be members of a Committee

15 3 3 *That the Joint Administrators remuneration be fixed by reference to the time properly* given by them and their staff in attending to matters arising in the Administrations.

15 3 4 That the Joint Administrators Fee Estimates for IBIL, Kairos, Clearwin, Install Base and Opensky, in the total sums of £15 001, £33,046, £251,842, £72,826 and £15,584 respectively are approved.

15 3 5 That the Joint Administrators be authorised to draw their company s internal costs and expenses in dealing with the Administration ("Category 2 Disbursements").

15 4 The Joint Administrators will also seek specific agreement to the following resolutions from the Secured Creditor (which does not form part of the Proposals)

15 4 1 That the unpaid pre-Administration costs of each of the Group companies, as detailed in the Joint Administrators Statement of pre-Administration costs at Appendix 5 are approved for payment as expenses of the Administrations.

16. *Other Matters*

16 1 If any creditor has any information concerning the Group s affairs that they would like to bring to the Joint Administrators attention then they would be pleased to hear from them

16 2 If you require further information or assistance, please contact Callum O Brien of this office

Stephen Clancy
Joint Administrator

Enc

The affairs business and property of the Company are being managed by the Joint Administrators Stephen Clancy and Sarah Bell who act as agents for the Company and without personal liability Both are licensed by the Insolvency Practitioners Association and are bound by the Insolvency Code of Ethics

Appendix 1

Statutory Information

IBIL

Date of Incorporation	11 October 2017
Registered Number	11007265
Company Director	Adrian Kirk
Shareholders	Brian Kennedy (1 Ordinary Share of £1 each)
Trading Address	Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ
Registered Office	**Current:** c/o Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW **Former:** Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ

Kairos

Date of Incorporation	29 August 2017
Registered Number	10935394
Company Director	Adrian Kirk
Shareholders	Brian Kennedy (1 Ordinary Share of £1 each)
Trading Address	Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ
Registered Office	**Current:** c/o Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW **Former:** Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ

Clearwin

Date of Incorporation	29 August 2017
Registered Number	10932339
Company Director	Ann Gibb
Shareholders	Kairos Group Limited (1 Ordinary Share of £1 each)
Trading Address	Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ
Registered Office	**Current:** c/o Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW **Former:** Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ
Any Other Trading Names	Zenith Home Improvements Penicuik Home Improvements Weatherseal Home Improvements St Helens Home Improvements St Andrew Home Improvements, and Jobs Worth Doing

Install Base

Date of Incorporation	24 August 2017
Registered Number	10932372
Company Director	Adrian Kirk
Shareholders	Kairos Group Limited (1 Ordinary Share of £1 each)
Trading Address	Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ
Registered Office	**Current:** c/o Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW **Former:** Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ
Any Other Trading Names	Acraman 516 Limited

Opensky

Date of Incorporation	12 May 2011
Registered Number	07631979
Company Director	Anthony Reilly
Shareholders	Kairos Group Limited (1 Ordinary Share of £1 each)
Trading Address	Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ
Registered Office	**Current:** c/o Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW **Former:** Unit 7 Road One Winsford Industrial Estate Winsford England CW7 3PZ

Appendix 2

Financial Information

Creditors should note that the financial accounts the companies have been consolidated into a Group account, however this does not include the non-trading entities in IBIL and Kairos Group with dormant accounts.

Group Consolidated Balance Sheet

		As at 31 October 2018
Fixed Assets		
Intangible Assets	£	999,995
Tangible Assets	£	36,557
	£	**1,036,552**
Current Assets		
Stocks	£	1,379,486
Debtors	£	3,323,941
Cash at Bank and in Hand	£	1,726,081
	£	**6,429,508**
Total Assets	**£**	**7,466,060**
Creditors: Amounts Falling due Within One Year	**£**	**(7,221,098)**
Net Current Assets	**£**	**(791,590)**
Total Assets Less Current Liabilities	**£**	**244,962**
Provisions	**£**	**(670,536)**
Net Liabilities	**£**	**(425,574)**
Capital and Reserves		
Share Capital	£	1
Profit and Loss Account	£	(425,575)
Shareholders Deficit	**£**	**(425,574)**

Group Consolidated Profit and Loss

		As at 31 October 2018
Turnover	**£**	**75,864,976**
Cost of Sales	£	33,804,976
Gross Profit	**£**	**42,060,000**
Distribution Costs	£	(23,149,070)
Administrative Expenses	£	(20,237,020)
Other Operating Income	£	850,329
Operating Loss	**£**	**(475,574)**
Loss Before Taxation	**£**	**(475,574)**
Tax on Loss	£	-
Loss for the Financial Period and Total Comprehensive Income	**£**	**(475,574)**

Appendix 3

Receipts and Payments Account

Install Base Investments Limited
(In Administration)

Summary of Receipts & Payments
28 October 2019 to 16 December 2019

RECEIPTS	**Total (£)**
Goodwill / IPR	15,000.00
Bank Interest Gross	1.66
	15,001.66
PAYMENTS	
Altrincham Finance Limited	10,000.00
Statutory Advertising	87.48
VAT Receivable	17.50
	10,104.98
Balance In Hand	**4,896.68**
	15,001.66

Kairos Group Limited
(In Administration)

Summary of Receipts & Payments
28 October 2019 to 16 December 2019

RECEIPTS	Total (£)
Envo Energy Solutions Limited Shares	94,999.00
Origin Improvements Limited Shares	1 00
Licence Fee	3,695.00
Bank Interest Gross	8.75
Bank Charges	5.00
	98,708.75
PAYMENTS	
Altrincham Finance Limited	65,000.00
Storage Costs	65.72
Statutory Advertising	87.48
Rents Payable	3,695.00
VAT Receivable	30 64
	68,878.84
Balance In Hand	**29,829.91**
	98,708.75

Clearwin Limited
(In Administration)

Summary of Receipts & Payments
28 October 2019 to 16 December 2019

RECEIPTS	**Total (£)**
Goodwill / IPR	100,000 00
Contracts	100,000.00
Debtors	50,000.00
Business Rates Refund	975.42
Bank Interest Gross	53 02
	251,028.44
PAYMENTS	
Altrincham Finance Limited	90,000.00
Data Room Costs	289 00
Storage Costs	76.89
Statutory Advertising	87 48
VAT Receivable	32 87
	90,486.24
Balance In Hand	**160,542.20**
	251,028.44

Install Base Limited
(In Administration)

Summary of Receipts & Payments
28 October 2019 to 16 December 2019

RECEIPTS	**Total (£)**
Goodwill / IPR	15,000.00
Licence Fee	47,816 66
Tangible Assets (exc Motor Vehciles)	5,000.00
Stock	45,000.00
Bank Interest Gross	31 69
VAT payable	19,433.34
	132,281.69
PAYMENTS	
Altrincham Finance Limited	5,000 00
Storage Costs	73.16
Statutory Advertising	87.48
Rents Payable (Licence to Occupy)	32,800 03
VAT Receivable	5,532 14
	43,492.81
Balance In Hand	**88,788.88**
	132,281.69

Opensky Ventures Limited
(In Administration)

Summary of Receipts & Payments
22 October 2019 to 16 December 2019

RECEIPTS	**Total (£)**
Goodwill / IPR	15,000.00
Bank Interest Gross	1.66
	15,001.66
PAYMENTS	
Altrincham Finance Limited	10,000.00
Statutory Advertising	*87.48*
VAT Receivable	17.50
	10,104.98
Balance In Hand	**4,896.68**
	15,001.66

Appendix 4

Statement of Estimated Financial Position

Statement of Estimated Financial Position as at 16 December 2019

	IBIL (£)	Kairos (£)	Clearwin (£)	Install Base (£)	Opensky (£)
	Estimated to Realise Values				
ASSETS					
Fixed Charge Assets					
Envo Shareholding	-	94 999	-	-	-
Origin Shareholding	-	1	-	-	-
Goodwill / IPR	15,000	-	100,000	15 000	15,000
Contracts / Debtors	-	-	150,000	-	-
Order Book	-	-	10,000	-	-
Fixed Chargeholder					
AFL	(1,650 000)	(1 650,000)	(1,650,000)	(1,650,000)	(1,650,000)
Surplus/(Shortfall) carried down	**(1,635,000)**	**(1,555,000)**	**(1,390,000)**	**(1,635,000)**	**(1,635,000)**
Floating Charge Assets					
B/fwd from Fixed Charge Assets	-	-	-	-	-
Stock	-	-	-	45,000	-
Motor Vehicles	-	-	-	20,000	-
Fixtures, Fittings Equipment and P&M	-	-	-	5 000	-
Business Rates Refunds	-	-	975	-	-
Worldpay monies	-	-	180,000	-	-
	-	**-**	**180,975**	**70,000**	**-**
Funds Available for Preferential Creditors	**-**	**-**	**180,975**	**70,000**	**-**
Less Preferential Creditors	-	-	(57,586)	(290 639)	-
Net Property	**-**	**-**	**123,389**	**(220,639)**	**-**
Less Prescribed Part	-	-	(27 678)	-	-
Est Funds Available to AFL under Floating Charge	**-**	**-**	**95,711**	**-**	**-**
AFL, floating chargeholder	(1 635 000)	(1 555 000)	(1 390,000)	(1,635,000)	(1 635,000)
Non preferential claims	-	-	(459 606)	(1 740,125)	-
TOTAL SURPLUS / (DEFICIT)	**(1,635,000)**	**(1,555,000)**	**(1,753,895)**	**(3,375,125)**	**(1,635,000)**

Management Account Book Values as at 31 August 2019

	IBIL* (£)	Kairos* (£)	Clearwin (£)	Install Base (£)	Opensky* (£)
ASSETS					
Prepayments	-		*269,200*	*896,200*	-
Goodwill	-		1,701,900	-	-
Provisions	-	-	188,800		
Cash	-	-	896,800	-	-
Stock	-	-	-	896,400	-
Motor Vehicles	-	-	-	21,000	-
Fixtures Fittings, Equipment and P&M	-	-	-	37 800	-
Trade Debtors	-	-	1,019,200	-	-
Intercompany debtors**			66,863,500		
Other debtors			85,900		
Total Assets	**-**	**-**	**71,025,300**	**1,851,400**	**-**
Liabilities					
Old co provision	-	-	2,300		-
Overdraft	-	-	-	*(714,500)*	-
Trade creditors	-	-	(255,800)	(1,563 500)	-
HMRC	-	-	(603,900)	(485,400)	-
Accruals	-	-	(362,500)	(211,500)	-
Payments on Account			(969,500)		
Other creditors			(1,058,900)		
Intercompany debts**	-	-	-	(69,059 600)	-
	-	**-**	**(3,248,300)**	**(72,034,500)**	**-**
Net assets / (Liabilities)	**-**	**-**	**67,777,000**	**(70,183,100)**	**-**

*The Companies' management team have stated that management accounts were not kept for IBIL, Kairos or Opensky as these were non trading entities used solely for intercompany transactions

** Intercompany debtors net to zero across the Group

Appendix 5

Analysis of Time Charged and Expenses Incurred

110887 INSTALL BASE INVESTMENTS LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 21/10/2019 to 06/12/2019

ADP-Admin. - Pre Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	0 00	0 00	0.00	0 00	0 00	0 00	0.00	0 00
Dealings with Directors and Management	0 00	0 00	0 00	0 00	0 00	0.00	0 00	0 00
Financial review	0 30	0 00	0 00	0 00	0 00	0 30	159 00	530.00
IPS set up & maintenance	0 00	0 00	0 00	3 20	0 00	3 20	530 50	165.78
Strategy planning & control	1 20	0 00	1 80	2 20	0 00	5 20	1,636 50	314 71
Creditors								
Communications with Creditors / Employees	0 00	0 00	0 00	3 50	0 00	3 50	630 00	180 00
Pref claims adjudication & distribution	0 00	0 00	0 00	1 50	0 00	1 50	270 00	180 00
Realisation of Assets								
Sale of business	0 40	0 00	7 20	0 40	0 00	8 00	2,430 00	303 75
Total Hours:	**1.90**	**0.00**	**9.00**	**10.80**	**0.00**	**21.70**		**260.65**
Total Fees Claimed: £	**1,007.00**	**0.00**	**2,655.00**	**1,994.00**	**0.00**		**5,656.00**	

Category 2 Disbursements:

110887 INSTALL BASE INVESTMENTS LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 21/10/2019 to 06/12/2019

ADM-Admin - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.50	0 00	0 00	0 10	0 00	0 60	286 00	476 67
Cashiering & accounting	0 00	0 10	0 10	2 40	0 00	2 60	542 00	208 46
Dealings with Directors and Management	0.00	0.00	0 00	5 00	0 00	5 00	900 00	180 00
IPS set up & maintenance	0 00	0 00	0 00	1 40	0 00	1 40	221 00	157 86
Insurance	0 00	0 00	0 00	0 10	0.00	0 10	23 50	235.00
Statutory matters (Meetings & Reports & Notices)	*0 00*	*0 00*	*6 10*	*4 60*	*0 00*	*10.70*	*2,788 00*	*260 56*
Strategy planning & control	0.00	0 25	0 00	1 40	0 00	1 65	380 25	230 45
Tax Compliance / Planning	0 00	0 00	0 00	0 10	0 00	0 10	23 50	235 00
Creditors								
Communications with Creditors / Employees	0.00	0 75	0 00	0 00	0 00	0 75	251 25	335 00
Non Pref Creditors / Employee claims handling	0 00	0 00	0 00	0 10	0 00	0 10	21 00	210 00
Total Hours:	**0.50**	**1.10**	**6.20**	**15.20**	**0.00**	**23.00**		**236.37**
Total Fees Claimed: £	**265.00**	**378.00**	**1,833.50**	**2,960.00**	**0.00**		**5,436.50**	

Category 2 Disbursements:

110882 KAIROS GROUP LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 21/10/2019 to 06/12/2019

ADP-Admin - Pre Appt

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dealings with Directors and Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial review	0.60	0.00	0.00	2.50	0.00	3.10	768.00	247.74
IPS set up & maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Strategy planning & control	0.30	0.00	2.30	2.20	0.00	4.80	1,307.00	272.29
Creditors								
Communications with Creditors / Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets								
Sale of business	0.50	0.00	4.30	0.40	0.00	5.20	1,627.50	312.98
Total Hours:	**1.40**	**0.00**	**6.60**	**5.10**	**0.00**	**13.10**		**282.63**
Total Fees Claimed: £	**742.00**	**0.00**	**1,947.00**	**1,013.50**	**0.00**		**3,702.50**	

Category 2 Disbursements

110882 KAIROS GROUP LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 21/10/2019 to 06/12/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0 20	0 60	0 00	3 60	0 00	4 40	1,027 00	233.41
Cashiering & accounting	0 00	0.60	0 10	4 20	0 00	4 90	1,126 00	229.80
IPS set up & maintenance	0 00	0 00	0 00	3.30	0 00	3 30	561 50	170 15
Insurance	0 00	0 00	0 00	0 20	0 00	0 20	47 00	235 00
Statutory matters (Meetings & Reports & Notices)	0 00	0 00	6.10	17 30	0 00	23 40	5,085.00	217 31
Strategy planning & control	0 80	0.25	0 00	13 50	0 00	14 55	3,061 25	210 40
Creditors								
Communications with Creditors / Employees	0.20	0 75	0.00	0 00	0 00	0.95	357 25	376 05
Non Pref Creditor claims adjudication & dist'n	0 00	0 00	0 00	1 00	0 00	1 00	180 00	180 00
Non Pref Creditors / Employee claims handling	0 00	0 00	0 00	0 10	0 00	0 10	21 00	210 00
Investigations								
CDDA & reports & Communication	0 00	0.00	0 00	0 10	0 00	0 10	23 50	235 00
Realisation of Assets								
Freehold and Leasehold Property	0 00	0 00	2 00	3 80	0 00	5 80	1,463 00	252 24
Total Hours:	**1.20**	**2.20**	**8.20**	**47.10**	**0.00**	**58.70**		**220.66**
Total Fees Claimed: £	**636.00**	**863.00**	**2,423.50**	**9,030.00**	**0.00**		**12,952.50**	

Category 2 Disbursements·

111663 **CLEARWIN LIMITED**

ANALYSIS OF TIME COSTS FOR THE PERIOD 25/09/2019 to 06/12/2019

ADP-Admin - Pre Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	0 00	0 00	0 00	1 65	0 65	2 30	479 00	208 26
Dealings with Directors and Management	0 30	0 00	0.00	0 00	0 00	0 30	159 00	530 00
Financial review	1 90	0 00	0 00	0 00	0 00	1 90	1,007 00	530 00
IPS set up & maintenance	2 50	0 00	0 00	0 70	0 00	3 20	1,405 50	439 22
Strategy planning & control	15 90	10 25	47 30	3 70	32 70	109 85	36,672 75	333 84
Creditors								
Communications with Creditors / Employees	0 40	0 75	0 00	0 00	0 50	1 65	568 25	344 39
Non Pref Creditors / Employee claims handling	*0 00*	*0 00*	*0 70*	*1 80*	*0 00*	*2 50*	*584 50*	*233 80*
Realisation of Assets								
Freehold and Leasehold Property	0 00	0 00	0 00	0 00	0 65	0 65	136 50	210 00
Sale of business	0 90	42 00	5 40	1 25	17 95	67 50	26,090 50	386 53
Total Hours:	**21.90**	**53.00**	**53.40**	**9.10**	**52.45**	**189.85**		**353.45**
Total Fees Claimed: £	**11,607.00**	**23,735 00**	**15,753.00**	**1,865.50**	**14,142.50**		**67,103.00**	

Category 2 Disbursements

111663 CLEARWIN LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 25/09/2019 to 06/12/2019

ADM-Admin - Post Appt

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	6 40	1 80	0 00	0 10	0 00	8 30	4,223 00	508 80
Cashiering & accounting	0 00	0 50	0 00	3 50	0.00	4 00	917 00	229 25
IPS set up & maintenance	0 00	0 00	0 00	2 20	0 00	2.20	365 00	165 91
Insurance	0 00	0 00	0 00	0 10	0 00	0 10	23 50	235 00
Statutory matters (Meetings & Reports & Notices)	*0 00*	*0 00*	*8 10*	*10 60*	*0 00*	*18 70*	4,458.00	238 40
Strategy planning & control	0 00	3 10	17 50	2 50	0 00	23 10	7,045 00	304 98
Tax Compliance / Planning	0 00	0 00	0 00	1 00	0.00	1 00	180 00	180 00
Creditors								
Communications with Creditors / Employees	0.20	0 00	24 80	45 90	0 00	70 90	15,110 00	213 12
Non Pref Creditor claims adjudication & dist'n	0 00	0 00	0 00	11.00	0 00	11 00	2,062 50	187 50
Non Pref Creditors / Employee claims handling	0 00	0 00	0 00	56 90	0 00	56 90	11,762 50	206 72
Investigations								
CDDA & reports & Communication	0 00	0.00	0 00	0 10	0 00	0 10	23 50	235 00
Realisation of Assets								
Book debts	0 00	2 00	17 10	0 80	0.00	19 90	6,125.00	307 79
Freehold and Leasehold Property	0 00	0 00	6.50	11 30	0 00	17 80	4,373 00	245 67
Hire Purchase and Lease Assets	0 00	0 00	2 50	0 90	0 00	3 40	939 00	276 18
Other Intangible Assets	0 00	0 00	0 60	0 00	0 00	0 60	177 00	295 00
Plant & Machinery & Fixtures & Motor Vehicles	0 00	0 00	0.00	0 30	0 00	0 30	63 00	210 00
Total Hours:	**6.60**	**7.40**	**77.10**	**147.20**	**0.00**	**238.30**		**242.75**
Total Fees Claimed: £	**3,498.00**	**3,320.00**	**22,744.50**	**28,284.50**	**0.00**		**57,847.00**	

Category 2 Disbursements

110692 INSTALL BASE LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 25/09/2019 to 06/12/2019

ADP-Admin. - Pre Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	1 40	0 00	0 00	2 70	0 00	4 10	1,402 50	342 07
Financial review	1 30	0 00	0 00	0 00	0 00	1 30	689 00	530 00
IPS set up & maintenance	2 50	0 00	0 00	0 70	0 00	3 20	1,405 50	439 22
Insurance	0 80	0 00	0 00	0 00	0 00	0 80	424 00	530 00
Strategy planning & control	15 90	4 90	47 30	36 00	0 00	104 10	34,252 50	329 03
Creditors								
Communications with Creditors / Employees	0 40	0 00	0 00	0 80	0 00	1 20	380 00	316 67
Non Pref Creditors / Employee claims handling	0 00	0 00	0 70	2 50	0 00	3 20	731 50	228 59
Realisation of Assets								
Plant & Machinery & Fixtures & Motor Vehicles	0 00	0 00	0 40	0 00	0 00	0 40	118 00	295 00
Sale of business	0 40	22 80	3.00	13 70	0 00	39 90	14,914 50	373 80
Total Hours:	**22.70**	**27 70**	**51.40**	**56.40**	**0.00**	**158.20**		**343.35**
Total Fees Claimed: £	**12,031.00**	**12,465.00**	**15,163.00**	**14,658.50**	**0.00**		**54,317.50**	

Category 2 Disbursements

110692 INSTALL BASE LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 25/09/2019 to 06/12/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	2 50	1 80	0 00	0 10	0 00	4.40	2,156 00	490 00
Cashiering & accounting	0 00	0 80	0 40	4 30	0 00	5 50	1,338 00	243 27
IPS set up & maintenance	0 00	0.00	0 00	2.20	0.00	2.20	365 00	165 91
Insurance	0 00	0 00	0 00	0 70	0 00	0 70	164 50	235.00
Statutory matters (Meetings & Reports & Notices)	0 00	0 00	8.10	4 10	0 00	12 20	3,288 00	269 51
Strategy planning & control	0 00	2 05	11 80	1 70	0 00	15 55	4,739 25	304 77
Tax Compliance / Planning	0 00	0.00	0 00	1.00	0 00	1 00	180 00	180 00
Creditors								
Communications with Creditors / Employees	0 20	0 75	11 00	14.90	0 00	26 85	6,793 75	253 03
Non Pref Creditor claims adjudication & dist'n	0 00	0 00	0 00	1 50	0 00	1 50	270 00	180.00
Non Pref Creditors / Employee claims handling	0 00	0 00	3 80	18 45	0 00	22 25	5,300 50	238 22
Pref claims adjudication & distribution	0 00	0 00	0.00	3 40	0 00	3 40	744.00	218 82
Investigations								
CDDA & reports & Communication	0 00	0 00	0 00	0 10	0 00	0 10	23 50	235 00
Realisation of Assets								
Book debts	0 00	0 00	0 00	0 10	0 00	0 10	23.50	235 00
Freehold and Leasehold Property	0 00	0 00	10 60	15 00	0 00	25 60	6,414 50	250 57
Hire Purchase and Lease Assets	0.00	0 00	8 10	6 50	0 00	14 60	3,907 00	267 60
Plant & Machinery & Fixtures & Motor Vehicles	0.00	0.00	1 20	1 30	0 00	2 50	652 00	260 80
Total Hours:	**2.70**	**5.40**	**55.00**	**75.35**	**0.00**	**138.45**		**262.62**
Total Fees Claimed: £	**1,431.00**	**2,299.00**	**16,243.00**	**16,386.50**	**0.00**		**36,359.50**	

Category 2 Disbursements

110672 OPENSKY VENTURES LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 07/10/2019 to 06/12/2019

ADP-Admin - Pre Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	0 00	0.00	0 00	0 20	0 00	0 20	42 00	210 00
Dealings with Directors and Management	0 30	0.00	0 00	0 00	0 00	0 30	159 00	530 00
Financial review	0 30	0 00	0 00	0 00	0 00	0 30	159 00	530 00
IPS set up & maintenance	0 00	0 00	0 00	0 70	0 00	0 70	80 50	115 00
Strategy planning & control	2 30	0 00	4 90	6 75	0 00	13.95	3,947 00	282 94
Creditors								
Non Pref Creditors / Employee claims handling	0 00	0 00	0 00	0 10	0 00	0 10	21 00	210 00
Realisation of Assets								
Sale of business	0 40	0 00	2 00	0 40	0 00	2 80	896 00	320 00
Total Hours:	**3.30**	**0.00**	**6.90**	**8.15**	**0.00**	**18.35**		**289.07**
Total Fees Claimed: £	**1,749.00**	**0.00**	**2,035.50**	**1,520.00**	**0.00**		**5,304.50**	

Category 2 Disbursements

110672 OPENSKY VENTURES LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 07/10/2019 to 06/12/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0 20	0.60	0 00	0 10	0 00	0 90	397 00	441.11
Cashiering & accounting	0 00	0 10	0 10	2 30	0 00	2 50	529 00	211.60
IPS set up & maintenance	0 00	0.00	0 00	1 40	0 00	1 40	221 00	157 86
Statutory matters (Meetings & Reports & Notices)	0 00	0 00	6 10	5 60	0 00	11 70	3,023 00	258.38
Strategy planning & control	0 00	0 00	0.00	2 40	0 00	2.40	506 50	211 04
Tax Compliance / Planning	0 00	0 00	0 00	1 00	0 00	1 00	180 00	180 00
Creditors								
Non Pref Creditors / Employee claims handling	0 00	0.00	0 00	0 20	0 00	0 20	44 50	222 50
Investigations								
CDDA & reports & Communication	0.00	0 00	0 00	1 00	0 00	1 00	235 00	235 00
Total Hours:	**0.20**	**0.70**	**6.20**	**14.00**	**0.00**	**21.10**		**243 41**
Total Fees Claimed: £	**106.00**	**313.00**	**1,833.50**	**2,883.50**	**0.00**		**5,136.00**	

Category 2 Disbursements

Appendix 6

Fee Estimates

Fees Estimate

Project: Install Base Investments Limited

For the period of the Administration

Administration - Post Appointment (New)								
Classification of Work Function	**Hours**					**Total**		**Avg.**
	Partner	**Manager**	**Senior**	**Assistant**	**Support**	**Hours**	***Time Cost***	***Hourly***
Admin & Planning								
Case review and Case Diary management	1.00	1.00	1.50	2.00	0.00	5.50	1,887.50	343.18
Cashiering & accounting	0.00	1.00	1.00	3.00	0.00	5.00	1,335.00	267.00
Dealings with Directors and Management	0.00	0.00	0.00	5.00	0.00	5.00	900.00	180.00
IPS set up & maintenance	0.00	0.00	0.00	1.40	0.00	1.40	221.00	157.86
Insurance	0.00	0.00	0.00	0.50	0.00	0.50	95.00	190.00
Statement of affairs	0.00	0.00	0.50	0.50	0.00	1.00	237.50	237.50
Statutory matters (Meetings, Reports and Notices)	1.00	1.00	8.00	10.00	0.00	20.00	5,260.00	263.00
Strategy planning & control	0.00	1.00	1.00	2.00	0.00	4.00	1,145.00	286.25
Tax Compliance/Planning	0.00	0.00	0.50	0.50	0.00	1.00	237.50	237.50
Creditors								
Communications with Creditors/Employees	0.00	0.75	0.00	0.00	0.00	0.75	251.25	335.00
Non Pref Creditors/Employee claims handling	0.00	0.00	0.00	0.10	0.00	0.10	21.00	210.00
Secured Creditors	0.00	0.50	1.00	0.00	0.00	1.50	525.00	350.00
Investigations								
CDDA, reports & Communication	0.50	0.50	1.50	2.50	0.00	5.00	1,442.50	288.50
Financial review and investigations (S238/239 etc)	0.50	0.50	1.50	2.50	0.00	5.00	1,442.50	288.50
Total Hours	**3.00**	**6.25**	**16.50**	**30.00**	**0.00**	**55.75**		269.07
Total Estimated Fees	**1,800.00**	**3,000.00**	**4,702.50**	**5,700.00**	**0.00**		**15,000.75**	

Fees Estimate

Project: Kairos Group Limited

For the period of the Administration

Administration - Post Appointment (New)								
Classification of Work Function	**Hours**					**Total**		**Avg.**
	Partner	**Manager**	**Senior**	**Assistant**	**Support**	**Hours**	**Time Cost**	**Hourly**
Admin & Planning								
Case review and Case Diary management	1.50	2.00	5.00	6.00	0.00	14.50	4,425.00	305.17
Cashiering & accounting	0.00	2.00	1.00	6.00	0.00	9.00	2,385.00	265.00
Dealings with Directors and Management	0.00	0.00	1.00	5.00	0.00	6.00	1,235.00	205.83
IPS set up & maintenance	0.00	0.00	0.00	3.30	0.00	3.30	627.00	190.00
Insurance	0.00	0.00	0.00	0.50	0.00	0.50	95.00	190.00
Statement of affairs	0.00	0.00	0.50	0.50	0.00	1.00	237.50	237.50
Statutory matters (Meetings, Reports and Notices)	1.50	2.00	10.00	15.00	0.00	28.50	7,560.00	265.26
Strategy planning & control	2.00	2.00	4.00	15.00	0.00	23.00	6,150.00	267.39
Tax Compliance/Planning	0.00	0.00	0.50	0.50	0.00	1.00	237.50	237.50
Creditors								
Communications with Creditors/Employees	0.20	0.75	0.00	0.00	0.00	0.95	480.00	505.26
Non Pref Creditor claims adjudication and dist'n	0.00	0.00	0.00	1.00	0.00	1.00	190.00	190.00
Non Pref Creditors/Employee claims handling	0.00	0.00	0.00	0.10	0.00	0.10	19.00	190.00
Secured Creditors	0.50	1.00	2.00	1.00	0.00	4.50	1,540.00	342.22
Investigations								
CDDA, reports & Communication	0.50	0.50	1.50	2.50	0.00	5.00	1,442.50	288.50
Financial review and investigations (S238/239 etc)	1.50	1.50	2.50	6.00	0.00	11.50	3,472.50	301.96
Realisation of assets								
Freehold and Leasehold Property	0.00	1.00	4.00	7.00	0.00	12.00	2,950.00	245.83
Total Hours	***7.70***	**12.75**	***32.00***	***69.40***	***0.00***	**121.85**		271.20
Total Estimated Fees	**4,620.00**	**6,120.00**	**9,120.00**	**13,186.00**	**0.00**		**33,046.00**	

Fees Estimate

Project: Clearwin Limited

For the period of the Administration

Administration - Post Appointment (New)								
Classification of Work Function	Hours					Total		Avg.
	Partner	Manager	Senior	Assistant	Support	Hours	Time Cost	Hourly
Admin & Planning								
Case review and Case Diary management	8.00	4.00	10.00	20.00	0.00	42.00	13,370.00	318.33
Cashiering & accounting	1.00	4.00	10.00	6.00	0.00	21.00	6,510.00	310.00
Dealings with Directors and Management	1.00	1.00	10.00	5.00	0.00	17.00	4,880.00	287.06
IPS set up & maintenance	0.00	0.50	2.00	4.00	0.00	6.50	1,570.00	241.54
Insurance	0.00	0.00	1.00	1.50	0.00	2.50	570.00	228.00
Statement of affairs	0.00	0.50	1.00	1.00	0.00	2.50	715.00	286.00
Statutory matters (Meetings, Reports and Notices)	5.00	15.00	40.00	30.00	0.00	90.00	27,300.00	303.33
Strategy planning & control	10.00	15.00	25.00	10.00	0.00	60.00	22,225.00	370.42
Tax Compliance/Planning	1.00	1.00	2.00	4.00	0.00	8.00	2,410.00	301.25
Creditors								
Communications with Creditors/Employees	2.00	5.00	120.00	250.00	0.00	377.00	85,300.00	226.26
Non Pref Creditor claims adjudication and dist'n	0.00	0.00	0.00	11.00	0.00	11.00	2,090.00	190.00
Non Pref Creditors/Employee claims handling	0.00	0.00	25.00	150.00	0.00	175.00	35,625.00	203.57
Secured Creditors	1.00	1.00	2.00	2.00	0.00	6.00	2,030.00	338.33
Investigations								
CDDA, reports & Communication	2.00	2.00	4.00	4.00	0.00	12.00	4,060.00	338.33
Financial review and investigations (S238/239 etc)	2.00	2.00	15.00	30.00	0.00	49.00	12,135.00	247.65
Realisation of assets								
Book debts	0.00	3.00	20.00	5.00	0.00	28.00	8,090.00	288.93
Freehold and Leasehold Property	1.00	5.00	15.00	25.00	0.00	46.00	12,025.00	261.41
Hire Purchase and Lease Assets	0.00	1.00	4.00	8.00	0.00	13.00	3,140.00	241.54
Other Intangible Assets	1.00	3.00	10.00	15.00	0.00	29.00	7,740.00	266.90
Sale of Business	0.00	0.00	0.00	0.30	0.00	0.30	57.00	190.00
Total Hours	**35.00**	**63.00**	**316.00**	**581.80**	**0.00**	**995.80**		252.90
Total Estimated Fees	**21,000.00**	**30,240.00**	**90,060.00**	**110,542.00**	**0.00**		**251,842.00**	

Fees Estimate

Project: Install Base Limited

For the period of the Administration

Administration - Post Appointment (New)								
Classification of Work Function	**Hours**					**Total**		**Avg.**
	Partner	**Manager**	**Senior**	**Assistant**	**Support**	**Hours**	**Time Cost**	**Hourly**
Admin & Planning								
Case review and Case Diary management	3.00	2.50	4.00	8.00	0.00	17.50	5,660.00	323.43
Cashiering & accounting	0.00	1.00	2.00	6.00	0.00	9.00	2,190.00	243.33
Dealings with Directors and Management	0.50	1.00	2.00	2.00	0.00	5.50	1,730.00	314.55
IPS set up & maintenance	0.00	0.00	0.00	2.20	0.00	2.20	418.00	190.00
Insurance	0.00	0.00	0.50	1.50	0.00	2.00	427.50	213.75
Statement of affairs	0.00	0.00	1.00	1.00	0.00	2.00	475.00	237.50
Statutory matters (Meetings, Reports and Notices)	1.00	2.00	20.00	20.00	0.00	43.00	11,060.00	257.21
Strategy planning & control	1.00	4.00	14.00	5.00	0.00	24.00	7,460.00	310.83
Tax Compliance/Planning	0.00	0.00	0.50	1.50	0.00	2.00	427.50	213.75
Creditors								
Communications with Creditors/Employees	1.00	2.00	22.00	40.00	0.00	65.00	15,430.00	237.38
Non Pref Creditor claims adjudication and dist'n	0.00	0.00	0.00	1.50	0.00	1.50	285.00	190.00
Non Pref Creditors/Employee claims handling	0.00	0.00	4.50	22.00	0.00	26.50	5,462.50	206.13
Pref Claims Adjudication & distribution	0.00	0.00	0.00	3.40	0.00	3.40	646.00	190.00
Secured Creditors	0.00	0.50	1.00	2.00	0.00	3.50	905.00	258.57
Investigations								
CDDA, reports & Communication	1.00	1.00	2.00	2.00	0.00	6.00	2,030.00	338.33
Financial review and investigations (S238/239 etc)	1.50	2.00	5.00	8.00	0.00	16.50	4,805.00	291.21
Realisation of assets								
Book debts	0.00	0.00	0.00	0.10	0.00	0.10	19.00	190.00
Freehold and Leasehold Property	0.00	0.00	15.00	25.00	0.00	40.00	9,025.00	225.63
Hire Purchase and Lease Assets	0.00	0.00	10.00	8.00	0.00	18.00	4,370.00	242.78
Total Hours	**9.00**	**16.00**	**103.50**	**159.20**	**0.00**	**287.70**		253.13
Total Estimated Fees	**5,400.00**	**7,680.00**	**29,497.50**	**30,248.00**	**0.00**		**72,825.50**	

Fees Estimate

Project: Opensky Ventures Limited

For the period of the Administration

Administration - Post Appointment (New)								
Classification of Work Function	**Hours**					**Total**		**Avg.**
	Partner	**Manager**	**Senior**	**Assistant**	**Support**	**Hours**	**Time Cost**	**Hourly**
Admin & Planning								
Case review and Case Diary management	1.00	1.00	1.50	2.00	0.00	5.50	1,887.50	343.18
Cashiering & accounting	0.00	1.00	1.00	3.00	0.00	5.00	1,335.00	267.00
Dealings with Directors and Management	0.00	0.00	0.00	5.00	0.00	5.00	950.00	190.00
Insurance	0.00	0.00	0.00	0.50	0.00	0.50	95.00	190.00
IPS set up & maintenance	0.00	0.00	0.00	1.40	0.00	1.40	266.00	190.00
Statement of affairs	0.00	0.00	0.50	0.50	0.00	1.00	237.50	237.50
Statutory matters (Meetings, Reports and Notices)	1.00	1.00	8.00	10.00	0.00	20.00	5,260.00	263.00
Strategy planning & control	0.00	1.00	1.00	3.00	0.00	5.00	1,335.00	267.00
Tax Compliance/Planning	0.00	0.00	0.50	1.50	0.00	2.00	427.50	213.75
Creditors								
Communications with Creditors/Employees	0.00	0.00	1.00	1.00	0.00	2.00	475.00	237.50
Secured Creditors	0.00	0.50	1.00	0.00	0.00	1.50	525.00	350.00
Investigations								
CDDA, reports & Communication	0.50	0.50	1.50	2.00	0.00	4.50	1,347.50	299.44
Financial review and investigations (S238/239 etc)	0.50	0.50	1.50	2.50	0.00	5.00	1,442.50	288.50
Total Hours	**3.00**	**5.50**	**17.50**	**32.40**	**0.00**	**58.40**		266.84
Total Estimated Fees	**1,800.00**	**2,640.00**	**4,987.50**	**6,156.00**	**0.00**		**15,583.50**	

Appendix 7

Fee Narratives

Install Base Investments Limited ("IBIL"); Kairos Group Limited ("Kairos"): Clearwin Limited ("Clearwin"); Install Base Limited ("Install Base"); and Opensky Ventures Limited ("Opensky") – All in Administration ("the Group")

The Joint Administrators' Fee Estimates for the period of Administration

Stephen Clancy and Sarah Bell were appointed Joint Administrators of Opensky on 22 October 2019 and were appointed Joint Administrators of the remainder of the Group companies on 28 October 2019

Introduction

The following information is provided to creditors to enable them to consider and approve the Joint Administrators remuneration It is a summary of key issues to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors in a potential dividend to the Group s non-preferential creditors

This document should be read in conjunction with the Joint Administrators Statement of Proposals which provides further details of the assets liabilities and estimated return to creditors if any Particular reference is made to the Appendices entitled Fee Estimates and Estimated Expenses of the Administrations

Should the Joint Administrators anticipate further time costs in addition to the above they will issue further Fee Estimates for approval

Estimated Fees and Expenses

The Joint Administrators propose that their fees will be based on time costs being fixed by reference to the time given by them and their staff in attending to matters arising in the Administrations 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

The Secured Creditor will be asked to approve the Fee Estimates which effectively acts as a cap on the fees that can be drawn (subject to the Joint Administrators ability to seek an increase in the approved amount from creditors if appropriate) The Fee Estimates are enclosed at Appendix 6

The Estimated Expenses for the Administrations are as shown at Appendix 8 to this narrative this illustrates the incurred and anticipated expenses for all of the Administrations and is for information purposes only (and does not require approval by any class of creditor)

It should be noted that the Fee Estimates are an estimate of time costs that the Joint Administrators expect to incur and the level of fees drawn will be dependent on the asset realisations and agreement of the Secured Creditor

Estimated Return to Creditors

The outcome for all classes of creditor is referred to in detail in the main body of the report the contents of which have been summarised for reference below

Secured Creditor

Fixed charge distributions were made to the Secured Creditor from each of the Group companies on the Completion Date.

No further distributions are expected to be made to the Secured Creditor

Preferential Creditors

It is anticipated there will be preferential claims in respect of wage arrears and outstanding holiday pay due to the employees of Clearwin and Install Base at the Appointment Date

It is likely that a significant element of the preferential claims will be subrogated to the Secretary of State following payment by the RPS

Based on current information it is anticipated that there will be insufficient realisations to enable a dividend to the preferential creditors of either of the companies

Non-Preferential Creditors

Based upon the current information available it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors of Clearwin and Install Base

There are no non-preferential creditors of any of the other Group companies

Joint Administrators' Estimated Time Costs

Statutory Compliance · Administration & Planning

The role of a Joint Administrator is highly regulated, being required to conform to insolvency legislation, industry best practice policies, Statements of Insolvency Practice, and relevant case law. Consequently, the Joint Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors

In addition, throughout the course of the Administrations, the Joint Administrators regularly review the strategy and complete case reviews at week one, after three months, and every six months thereafter. These activities do not necessarily provide a direct financial benefit to creditors, however these are necessary to ensure that the Administrations run efficiently

Total time costs estimated to be incurred for Administration & Planning of the Group total £156,463, including costs incurred to date. This process will include the following future tasks

- Complying with anti-money laundering checks, bribery act and ethical checks
- Setting up the Administrations on Duff & Phelps' internal systems and on the Duff & Phelps website;
- Companies House filings
- Calculating and obtaining the Insolvency Practitioners' bond
- Undertaking treasury functions in setting up the Administrations
- Arranging and maintaining insurance for the Properties
- Internal strategic discussions and meetings and completing case reviews
- Advertising the Joint Administrators' appointments and notifying relevant stakeholders
- Opening Administration bank accounts and facilitating a transfer of funds from the Administrations
- Preparing the Joint Administrators' progress reports.
- Performing periodic and strategic case reviews.
- Undertaking ongoing cashiering and accounting functions
- Filing notices with Companies House and the Court at relevant intervals
- Dealing with tax compliance and returns
- Ensuring that all insurance and bonding requirements are appropriate
- Preparing a final report to all creditors of the Group, and
- Internal strategic discussions and meetings

Creditors

The Joint Administrators will deal with all creditor queries as appropriate The majority of the time incurred to date and the expected future time to be incurred in relation to creditor communications relates to Clearwin as this was the sales division of the Group.

With regard to non-preferential creditors the Joint Administrators and case staff will liaise accordingly to assist them in submitting their claims in the Administrations During the Administrations it is anticipated that the Joint Administrators will have to deal with creditor queries and lodging creditors claims that will be submitted onto the case management system

A significant amount of the creditor queries have been received and are expected to continue to be received in relation to customers of Clearwin who have paid a deposit for services that were not completed at the Appointment Date

In addition the Joint Administrators have been assisting the former employees of Clearwin and Install Base with the submission of their claims to the RPS and dealing with any subsequent queries arising from these claims

Furthermore the Joint Administrators have liaising with subcontractors previously employed by Install Base regarding monies owed to them further creditor queries are expected to be in relation to outstanding wages of the sub-contractors the Group employed to complete the home improvement works

To date the Joint Administrators have dealt with the Secured Creditors in confirming the amounts due in respect of the fixed and floating charges held following the application of any relevant interest and charges and repaying part of these balances

The Joint Administrators will also deal with general creditors queries regarding the Adminsitration process and providing updated to creditors where applicable

Going forward the Joint Administrators will continue dealing with creditor matters as detailed above as and when queries and claims are presented Total time costs in respect of creditors for the Group are estimated to be £151 800 including the costs incurred to date and are expected to comprise of the following future tasks.

- Dealing with correspondence emails and telephone conversations regarding claims in the Administration
- Dealing with any claims submitted
- Maintaining up to date creditor information and claims status on the case management system.
- Maintaining the creditors portal website
- Adjudicating and agreeing creditor claims in the event a dividend will become payable
- Declaring calculating and paying a dividend or Prescribed Part dividend
- Distributing dividends to creditors in the event that dividends will be payable and
- Reporting to the Secured Creditor

Investigations

It is a statutory requirement that the Joint Administrators provide a report to the DBEIS on the conduct of any directors of the Group within the last three years to determine their fitness to act in such a role

This will entail a broad level of investigation to ensure that best practice standards are met and the Fee Estimates reflects this standard If DBEIS then instigates Directors Disqualification proceedings further time may be expended in providing supporting documents witness statements etc Such investigations may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Administration estate

Total time costs in respect of Investigations for the Group are estimated to be £33 620 This process includes the following tasks

- Securing the Group's books and records and taking a backup of the Group's accounting system
- Writing to the Bank to request historic bank statements for the Group
- Seeking the completion of a questionnaire by the Directors
- Review of bank statements
- Investigation of any potential claims with regard to antecedent transactions
- Land Registry and Companies House searches
- Logging and reviewing any creditor complaints and concerns regarding the Directors' conduct
- Internet and social media searches
- Completion of the Duff & Phelps investigation work programme and
- Statutory reporting requirements to the DBEIS in respect of the Directors' conduct and any resulting correspondence

The above time estimate assumes that more detailed investigations are not required In the event however that more detailed work is required the time costs involved are expected to be higher In such a scenario the Joint Administrators will advise creditors in future progress reports

It should be noted that full details of the investigations cannot be disclosed in order to avoid prejudicing any potential recovery or action in this regard

Realisation of Assets

The fundamental duty of an Administrator is that of the recovery and realisation of a company's assets The Joint Administrators' powers are designed to ensure the effective discharge of this duty The Joint Administrators must recover the assets of the Group for the benefit of the creditors and must realise the same to affect the best possible outcome

Sale of Business

As detailed in the SIP 16 disclosure the sale of the business and certain assets of the Group has already been completed

The time incurred to date in respect of the sale of business includes time that was incurred on the Appointment Date relating to finalising the sale agreement

Future time is also expected to be incurred in relation to any queries from debtors regarding the debt assignment and liaising with the Purchasers regarding any post sale matters that may arise

Motor Vehicles

As advised in the Proposals the majority of the Group's fleet were subject to finance agreements and the owned vehicles were excluded from the sale to the Purchasers

The time costs expected to be incurred in relation to Motor Vehicles will include discussions with various former employees interested in purchasing the vehicles as well as liaising with the Agents regarding offers received and updates on the sale process

Time has also been incurred and will continue to be incurred, in assisting finance providers in recovering their vehicles

Freehold and Leasehold Property

The Joint Administrators anticipate time costs in dealing with the Freehold and Leasehold Property of the Group which includes establishing the position of the landlords and making efforts to agree a surrender leases where possible

Furthermore time will be incurred liaising with the Purchaser and the relevant landlords regarding the *licence to occupy and any obligations which fall due during the period of the licence to occupy*

In addition, the Joint Administrators are making enquiries to establish if any further recoveries can be made in respect of business rates refunds

Hire Purchase and Lease Assets

The Group utilised various assets that were subject to finance agreements The Joint Administrators will spend time reviewing and verifying the finance agreements identifying the location of assets and assisting with the collection of third-party assets were possible Time will also be incurred liaising with any landlords in possession of third-party assets to assist with collection in the event that the Joint Administrators cannot provide access to third parties for collection

As such the Joint Administrators anticipate total time costs of £47 416 in dealing with the realisation of the Group s assets

There are no other known assets of the Administrations at this time however the Joint Administrators will seek to identify any additional assets for the benefit of the Administration estates

Should you have any queries please contact Callum O Brien of this office

Appendix 8

Estimated Expenses of the Administrations of the Group

Pre- Administration Costs Schedule

	IBIL	Kairos	Clearwin	Install Base	Opensky	Total
Duff & Phelps - Fees	£5,656	£3,703	£67,103	£54,318	£5,305	**£136,085**
Duff & Phelps Disbursements			£53	£150	-	**£204**
Knights - Legal Costs	£1,250	£5,000	£10,000	£5,000	£1,250	**£22,500**
Cerberus Group - Book Debt Agents' Costs			£8,500			**£8,500**
Total	**£6,906**	**£8,703**	**£85,656**	**£59,468**	**£6,555**	**£167,289**

Install Base Investments Limited (In Administration) ("the Company")

Joint Administrators' Estimated Expenses for Whole Period of Administration

Company	Activity	Date Of Instruction	Fee Basis	Anticipated Total Cost
Professional Advisors/Services				£
None				
Total professional advisors costs				*Nil*
Disbursements				
Category 1				
Willis Towers Watson	Bond Premium	25-Oct-19	Fixed Fee	225.00
Courts Advertising Limited	Statutory Advertising	24-Oct-19	As incurred	84.60
Barclays Bank	Bank Charges	25-Oct-19	Per Facility	10.00
Total Category 1 disbursements				*319.60*
Category 2				
None				
Total Category 2 disbursements				*Nil*
Total Estimated Expenses				*£319.60*

Kairos Group Limited (In Administration) ("the Company")

Joint Administrators Estimated Expenses for Whole Period of Administration

Company	Activity	Date Of Instruction	Fee Basis	Anticipated Total Cost
Professional Advisors/Services				£
None				
Total professional advisor costs				*Nil*
Disbursements				
Category 1				
Willis Towers Watson	Bond Premium	28-Oct-19	Fixed Fee	225 00
Courts Advertising Limited	Statutory Advertising	28-Oct-19	As Incurred	84 60
Barclays Bank	Bank Charges	28-Oct-19	Per Facility	50 00
Total Category 1 disbursements				*359 60*
Category 2				
None				
Total Category 2 disbursements				Nil
Total Estimated Expenses				*£359 60*

Clearwin Limited (In Administration) ("the Company")

Joint Administrators Estimated Expenses for Whole Period of Administration

Company	Activity	Date Of Instruction	Fee Basis	Anticipated Total Cost
Professional Advisors/Services				£
Knights	Advice on legal matters including post Administration compliance with the Sale Purchase Agreement	28-Oct-19	Time Costs	5,000.00
Total professional advisor costs				*5,000.00*
Disbursements				
Category 1				
Willis Towers Watson	Bond Premium	28-Oct-19	Fixed Fee	225.00
Courts Advertising Limited	Statutory Advertising	28-Oct-19	As incurred	84.60
Total Data Management	Storage of Company books and records	28-Oct-19	Per unit	2,000.00
Barclays Bank	Bank Charges	28-Oct-19	Per Facility	100.00
Total Category 1 disbursements				*2,409.60*
Category 2				
None				
Total Category 2 disbursements				-
Total *Estimated Expenses*				*£7,409.60*

Install Base Limited (in Administration) ("the Company")

Joint Administrators' Estimated Expenses for Whole Period of Administration

Company	Activity	Date Of Instruction	Fee Basis	Anticipated Total Cost
Professional Advisors/Services				£
SIA Group	Valuation and realisation of tangible assets	28-Oct-19	Percentage of realisations	TBC
Total professional advisor costs				*TBC*
Disbursements				
Category 1				
Willis Towers Watson	Bond Premium	28-Oct-19	Fixed Fee	225.00
Courts Advertising Limited	Statutory Advertising	28-Oct-19	As incurred	84.60
Total Data Management	Storage of Company books and records	28-Oct-19	Per Unit	2,000.00
Barclays Bank	Bank Charges	28-Oct-19	Per Facility	50.00
Total Category 1 disbursements				***2,359.60***
Category 2				
None				
Total Category 2 disbursements				Nil
Total Estimated Expenses				***£2,359.60***

Opensky Ventures Limited (In Administration) ("the Company")

Joint Administrators' Estimated Expenses for Whole Period of Administration

Company	Activity	Date Of Instruction	Fee Basis	Anticipated Total Cost
Professional Advisors/Services				**£**
None				
Total professional advisor costs				*Nil*
Disbursements				
Category 1				
Willis Towers Watson	Bond Premium	22-Oct-19	Fixed Fee	225.00
Courts Advertising Limited	Statutory Advertising	22-Oct-19	As incurred	84.60
Barclays Bank	Bank Charges	22-Oct-19	Per Facility	10.00
Total Category 1 disbursements				*319.60*
Category 2				
None				
Total Category 2 disbursements				*Nil*
Total Estimated Expenses				*£319.60*

Appendix 9

Statement of Creditors' Rights

STATEMENT OF CREDITORS' RIGHTS

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)
Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section please contact Callum O'Brien at Callum.Obrien@duffandphelps.com

This notice is accompanied by the Joint Administrators' Statement of Proposals

Information for creditors on remuneration and disbursements of Administrators

Information regarding the fees and disbursements of administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets

(click on the document Administration (appointment from 1 October 2015)). Should you require a copy, please contact this office.

Creditors may requisition a decision to be made by all of the creditors for approval of the Joint Administrator' Proposals under para 52(2) Schedule B1 Insolvency Act 1986

The Joint Administrators shall seek a decision from the Company's creditors as to whether they approve the proposals if requested by creditors of the Company whose debts amount to at least 10% of the total debts of the Company. Such a request must be received by the Joint Administrators within 8 business days of the date on which the Joint Administrator's statement of proposals is delivered.

The request for a requisitioned decision must include a statement of the purpose of the proposed decision and either—

(a) a statement of the requesting creditor's claim together with—

- a list of the creditors or contributories concurring with the request and of the amounts of their respective claims or values; and
- confirmation of concurrence from each creditor; or

(b) a statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors.

Creditors may be requested to meet the costs of a requisitioned decision and a deposit will be required for this purpose. These costs may be ordered to be paid as an expense of the Administration if the creditors so resolve.

A requisitioned decision must be made within 28 days of receiving the deposit or the expiry of 14 days without the Administrator informing the requesting creditor of the deposit sum.

Appendix 10

Proof of Debt Form

Rule 14.4
IR 2016

PROOF OF DEBT - GENERAL FORM

	Install Base Investments Limited - In Administration **Company No. 11007265**	
	Date of Administration: 28 October 2019	
1	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)	
2	Address of Creditor for correspondence	
	Contact telephone number of creditor	
	Email address of creditor	REF
3	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	
4	Details of any documents by reference to which the debt can be substantiated (please attach)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES / NO
	Position with or in relation to creditor Address of person signing (if different from 2 above)	

Admitted to vote for £	Admitted for dividend for £
Date	Date
Administrator	Administrator

Rule 14.4
IR 2016

PROOF OF DEBT - GENERAL FORM

Kairos Group Limited - In Administration **Company No. 10935394**		
Date of Administration: 28 October 2019		
1	Name of Creditor (If a company please also give company registration number and if non-UK country of registration)	
2	Address of Creditor for correspondence	
	Contact telephone number of creditor	
	Email address of creditor	REF
3	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	
4	Details of any documents by reference to which the debt can be substantiated (please attach)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held the value of the security and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES NO
	Position with or in relation to creditor Address of person signing (if different from 2 above)	

Admitted to vote for £	Admitted for dividend for £
Date	Date
Administrator	Administrator

ADM

Rule 14.4
IR 2016

PROOF OF DEBT - GENERAL FORM

Clearwin Limited - In Administration **Company No. 10932339**		
Date of Administration 28 October 2019		
1	Name of Creditor (If a company please also give company registration number and if non-UK country of registration)	
2	Address of Creditor for correspondence	
	Contact telephone number of creditor	
	Email address of creditor	REF
3	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	
4	Details of any documents by reference to which the debt can be substantiated (please attach)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES / NO
	Position with or in relation to creditor Address of person signing (if different from 2 above)	
Admitted to vote for £	Admitted for dividend for £	
Date	Date	
Administrator	Administrator	

Rule 14.4
IR 2016

PROOF OF DEBT - GENERAL FORM

Install Base Limited - In Administration
Company No. 10932372

Date of Administration 28 October 2019

1	Name of Creditor (If a company please also give company registration number and if non-UK country of registration)	
2	Address of Creditor for correspondence	
	Contact telephone number of creditor	
	Email address of creditor	REF
3	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	
4	Details of any documents by reference to which the debt can be substantiated (please attach)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES NO
	Position with or in relation to creditor Address of person signing (if different from 2 above)	

Admitted to vote for £	Admitted for dividend for £
Date	Date
Administrator	Administrator

ADM

Rule 14.4
IR 2016

PROOF OF DEBT - GENERAL FORM

Opensky Ventures Limited - In Administration **Company No. 07631979**		
Date of Administration 22 October 2019		
1	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)	
2	Address of Creditor for correspondence	
	Contact telephone number of creditor	
	Email address of creditor	REF
3	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	
4	Details of any documents by reference to which the debt can be substantiated (please attach)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES / NO
	Position with or in relation to creditor Address of person signing (if different from 2 above)	

Admitted to vote for £	Admitted for dividend for £
Date	Date
Administrator	Administrator

Appendix 11

SIP 16 Report to Creditors

DUFF & PHELPS

SIP 16 Report to Creditors

1 November 2019

Install Base Investments Limited;
Kairos Group Limited;
Clearwin Limited;
Install Base Limited; and
Opensky Ventures Limited
(All in Administration)
(together "the Group")

Joint Administrators' report on the pre-packaged sale of certain Group business and assets

Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Definitions

Word or Phrase	Definition
the Agents	SIA Group independent agents who were instructed to assist with the valuation of the unencumbered tangible assets of Install Base Limited
AHL	Altrincham Home Limited (Company Number 12120428)
AHSL	Altrincham Home Solutions Limited (Company Number 12245232)
the Appointment Date(s)	22 October 2019 Being the date of appointment of the Joint Administrators of Opensky and 28 October 2019 being the date of appointment of the Joint Administrators of IBIL Kairos Clearwin and Install Base
the Book Debt Agents	Cerberus Group independent agents who were instructed to review and value the contracts and outstanding book debt ledger
Clearwin	Clearwin Limited (Company Number 10932339)
Duff & Phelps	Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW
EHL	Envo Holdco Limited (Company Number 12245122)
Envo	Envo Energy Solutions Limited (Company Number 10935144)
FCA	Financial Conduct Authority
GDPR	General Data Protection Regulation
the Group or the Companies	Install Base Investments Limited Kairos Group Limited Clearwin Limited Install Base Limited Envo Energy Solutions Limited Origin Improvements Limited and Opensky Ventures Limited
IBIL	Install Base Investments Limited (Company Number 11007265)
Install Base	Install Base Limited (Company Number 10932372)
IPR	Intellectual Property Rights
the Joint Administrators	Stephen Clancy and Sarah Bell of Duff & Phelps
Kairos	Kairos Group Limited (Company Number 10935394)
Management	The Group's management team
NDA	Non-Disclosure Agreement

NOIA	Notice of Intention to Appoint Administrators
Opensky	Opensky Ventures Limited (Company Number 07631979)
Origin	Origin Improvements Limited (Company Number 10932380)
the Purchaser(s)	AHL the purchaser of the contracts of Clearwin AHSL the purchaser of the goodwill IPR of IBIL Install Base Clearwin and Opensky together with the debtors of Clearwin and Tangible Assets and Stock of Install Base and EHL the purchaser of the shareholding of Envo and Origin from Kairos
the Secured Creditor and / or AFL	Altrincham Finance Limited the holder of fixed and floating charges over the assets of the Group
the Shareholder	Brian Kennedy the ultimate sole shareholder of the Group
SIP 16	Statement of Insolvency Practice 16 – industry best practice for Insolvency Practitioners in relation to the requirement for disclosure of information with respect to a Pre-Packaged sale of business and or assets of the Company
the Solicitors	Knights plc a firm of independent solicitors instructed by the Joint Administrators to assist with the Joint Administrators appointment and the sale of the business and assets of the Group
the Tangible Assets	Plant & Machinery and Office Furniture & Equipment being the tangible assets of Install Base

Install Base Investments Limited, Kairos Group Limited, Clearwin Limited, Install Base Limited and Opensky Ventures Limited (All in Administration)

Joint Administrators' report on the pre-packaged sale of the Companies business and assets

Outlined below are details of the sale of the business and assets of the Group to the Purchaser(s)

Creditors will note that Stephen Clancy and Sarah Bell were appointed Joint Administrators of Opensky on 22 October 2019 Whilst SIP 16 requires a pre-package sale statement to be made to creditors within seven days of appointment of Administrators the transaction relating to Opensky formed part of the wider pre-packaged sale of the Group which completed on 28 October 2019 Consequently the Joint Administrators considered that in the interest of clarity and simplicity for creditors the statement relating to Opensky would be made in this report In any event the only creditors of Opensky are Clearwin and Install Base

General explanatory points on pre-packaged sales

Creditors should be aware of the differing roles of an Insolvency Practitioner associated with an Administration that involves a pre-packaged sale of a company's business and assets Prior to the formal appointment the Insolvency Practitioner will have been instructed by a company and or a secured creditor to provide advice although will act at all times independent of that company's management who will remain responsible for the affairs of the company That advice will normally include consideration of potential insolvency exit strategies and to assist Management meet their fiduciary duties and obligations when running a company with particular attention being paid to any proposed pre-packaged Administration sale scenario On formal appointment the Administrator who is an officer of the court and an agent of that company will manage the company's affairs business and property for the benefit of creditors as a whole

Background information

The Group was formed to acquire the business and certain assets of Entu (UK) Limited (in Administration) on 31 August 2017 It should be noted that neither Duff & Phelps nor the Joint Administrators had any involvement with the Administration of Entu (UK) Limited Entu (UK) Limited was a home improvements and double glazing business with operations throughout the UK

The transaction and subsequent working capital was advanced to Kairos by AFL Security was provided by way of a fixed and floating charge over the assets of Kairos supported by cross guarantees provided by each of the Group companies as summarised below

Company	Date Created	Date Registered
Kairos	30 August 2017	4 September 2017
Install Base	30 August 2017	4 September 2017
Origin	30 August 2017	4 September 2017
Clearwin	30 August 2017	6 September 2017
Opensky	30 October 2017	1 November 2017
Envo	30 October 2017	1 November 2017

The indebtedness to AFL at the time of the Administration was circa £1 65 million

Each of the Group companies operated different functions within the business and these are summarised as follows

<u>Company</u>	<u>Trading Activity</u>
Install Base Investments Limited	Ultimate Parent Company
Kairos Group Limited	Parent Company
Clearwin Limited	Sales and warranties
Install Base Limited	Installations
Envo Energy Solutions Limited	Fulfilled a single fixed term contract
Origin Improvements Limited	Owned a number of industry brands
Opensky Ventures Limited	Operated an FCA Licence

Following the implementation of new GDPR legislation in May 2018, the Group's sales began to steadily decline. As the Group's sales relied heavily on telemarketing, the increased data protection compliance requirements resulted in reduced lead generation. In addition, current economic uncertainty has contributed to falling demand.

As a result of the decline in business activity, Management took the decision to implement a turnaround strategy.

Management began to rationalise Group costs, incorporating a redundancy process that was commenced in August 2019.

On 20 September 2019, the main provider of consumer finance to the Group's customers served notice that these facilities would be withdrawn with effect from 1 November 2019. Management took steps to find an alternative funder but it did not prove possible to secure a new financier. Management also entered discussions with AFL and their bank to secure debt finance but given the absence of a consumer finance provider the business was not considered viable and neither were prepared to provide finance. As a consequence, Management took the decision to seek professional advice in September 2019.

Duff & Phelps was engaged on 1 October 2019 to commence an accelerated marketing process to seek a purchaser for either the share capital or the business and assets of the Group. Further detail of the marketing undertaken and the sale of the business and assets is provided later in this report.

Mindful of their obligations and duties as directors of Clearwin and Install Base, the respective Directors filed NOIA's on 4 October 2019 to appoint Stephen Clancy and Sarah Bell as Joint Administrators of the Company in order to protect the companies' assets during the sales and marketing process.

In the meantime, Duff & Phelps continued to review the financial position of the Group as a whole. Due to the intercompany positions, cross corporate guarantees and intercompany guarantees provided, it became apparent that an insolvency process would also be required for IBIL, Kairos and Opensky.

In view of the above, a NOIA was filed on 9 October 2019 in respect of Opensky, and NOIAs were subsequently filed in respect of Kairos and IBIL on 18 October 2019. Management made the decision to stop taking new customer orders on 14 October 2019 and to work in conjunction with the consumer financier to complete as many customer orders as possible.

Further NOIAs were also filed on 21 October 2019 in relation to both Clearwin and Install Base in order to provide further opportunity to facilitate the disposal of the business in whole or part.

The Joint Administrators considered the position prior to accepting the appointment and having regard to the Insolvency Practitioners Association's ethical guidelines, considered that there were no circumstances preventing them from accepting the appointment.

Stephen Clancy and Sarah Bell of Duff & Phelps were subsequently appointed as Joint Administrators of Opensky on 22 October 2019 and IBIL Kairos Clearwin and Install Base on 28 October 2019 The sale of certain business and assets of the Group was completed to the Purchaser immediately upon the appointment of the Joint Administrators

Further details regarding the marketing undertaken and the transaction are detailed further in this report below

Initial introduction

Representatives of Duff & Phelps first met with the Group s Management team on 1[?] September 2019 following a direct approach to assess and discuss the financial position of the Group

Following an assessment of the financial position of the Group Duff & Phelps were instructed on 1 October 2019 to provide contingent restructuring and insolvency advice and engaged to conduct a marketing exercise to explore a sale of the share capital or the business and assets of the Group

Prior to this Stephen Clancy had carried out historical consultancy work for the director of IBIL Kairos and Install Base Sarah Bell has had no previous business relationship with the Group or its directors

Pre-appointment considerations

Due to the financial position of the business the Joint Administrators discussed the following potential restructuring and insolvency options available to the Group

Continuing to Trade

In view of the financial position and the cash flow constraints faced by the Group it would have been unable to continue to meet its ongoing liabilities as and when they fell due This included payments to employees and subcontractors for completed work

A significant proportion of the Group sales were undertaken with consumer finance and the financial uncertainty facing the business accelerated with the withdrawal of funding lines Consequently continuing to trade was not a viable option

Given the above Management concluded that formal insolvency processes were the only viable options available to the Group companies

Creditors Voluntary Liquidation (CVL)

If the Group or core operating companies within the group had been placed into CVL trading would have ceased prior to or upon the appointment of Joint Liquidators and all customer contracts would have been immediately terminated

The Group's primary asset was its Goodwill / IPR which would have had a negligible realisable value as a consequence of the cessation of trade and termination of customer contracts The Group s other significant assets were its contracts and book debt ledger It was considered that the collectable value of outstanding debts would have significantly reduced upon the Group entering into CVL

In addition, a CVL would have caused a delay to any sale of the assets of the Group due to the notice requirements for the convening of a meeting of members and the creditors decision procedure required to place the various entities into CVL

In view of the above it was concluded that a CVL would not represent the most appropriate strategy to maximise realisations and would result in a lower return to creditors overall

Company Voluntary Arrangement (CVA)

A CVA is a formal procedure under Part I of the Insolvency Act which enables a company to make a proposal to its creditors to make funds available to the appointed Supervisor of the CVA to be paid to the creditors in full and final satisfaction of the company's debts at an agreed amount

For the avoidance of doubt this is not a Liquidation or an Administration but rather a process that can facilitate the business continuing to trade

For the CVA to become binding it must be approved by at least 75% in value of creditors voting on the resolution to accept or reject the CVA (in person or by proxy) at a meeting of that company's creditors

Due to the Group's cash flow constraints and the withdrawal of the consumer finance funding the Group would have been unable to trade profitably in order to generate sufficient funds to initiate a CVA process and maintain monthly contribution requirements

Administration

Consideration was also given to trading the Group whilst in Administration however as was the case with a CVA the Group was unable to obtain sufficient funding and generate enough cash flow to enable a period of trading

It was believed that had the Group continued trading for any extended period it would likely have incurred trading losses reducing the overall realisable value of the business and assets and therefore resulting in the business becoming a less attractive opportunity to any potential purchaser

It is also assumed that significant professional costs would be incurred as a result of trading the business in Administration which would impact on any potential funds available for creditors

The Joint Administrators considered that by selling the business and/or assets through a pre-packaged Administration process both the tangible and intangible asset realisations would be maximised for the benefit of the Administration estates

The Secured Creditor also confirmed its support of a pre-packaged sale strategy as it provided continuity of trade with the customer base which typically results in a better outcome in relation to value obtained for the business and/or assets

Consultation with Major Creditors

Secured Creditor

Duff & Phelps entered into discussions with the Secured Creditor prior to marketing the business to understand the financial position of the Group and its attitude towards the exit options available

The Secured Creditor was not in a position to support ongoing trading noting the required turnover and withdrawal of the consumer finance facility

Duff & Phelps have kept an open dialogue with the Secured Creditor throughout to ensure that the Secured Creditor has been kept fully appraised of all major developments progress during the sale process

Preferential Creditors

The Joint Administrators did not consult with the preferential creditors in order to maintain the business whilst discussions took place with interested parties It was considered that this approach was in the best interest of all creditors

Non-Preferential Creditors

The key supplier of products to the Group was a connected business which was aware of the circumstances and continued to supply products

Other non-preferential creditors were not consulted whilst discussions took place to seek an outcome that would have benefitted all creditors.

Marketing of the business and assets

Prior to the appointment of the Joint Administrators Duff & Phelps were instructed to market the business and assets of the two main trading companies, Clearwin and Install Base as well as related entities

With the assistance of Management Duff & Phelps prepared a Marketing Document which provides a high-level overview of the business and its financial data The Marketing Document also highlighted that whilst a sale of the business as a whole was being sought in the first instance the business was divisible geographically and sensible offers for either region would be considered

The Marketing Document was circulated to interested parties from Duff & Phelps interested party database on 2 October 2019 The interested party database includes but is not limited to parties within the engineering manufacturing and raw materials sectors as well as corporate financiers entrepreneurs, lawyers business advisors and business financiers The Marketing Document was issued to a total of 610 contacts and a deadline for expressions of interest was set at 7 October 2019

The Joint Administrators approach was to contact those interested parties which Management considered would have the capacity to acquire a UK wide business and to quickly establish their level of interest These were UK national double glazing businesses In addition the Joint Administrators wanted to reach out to a broader market and used their own database of potential interested parties to facilitate this strategy

The Joint Administrators instructed the Agents to conduct a review and provide a valuation of the Tangible Assets The Agents attended site on 4 October 2019 in anticipation of the potential forthcoming offers

The Joint Administrators also instructed the Book Debt Agents on 4 October 2019 to carry out an independent review and provide a valuation of the outstanding book debt ledger

11 parties expressed an interest in the opportunity by signing and returning a NDA Upon receipt of the signed NDA these interested parties were granted access to the Duff & Phelps data-room which provided additional management information on the Companies including financial data and asset details

Duff & Phelps were also advised that the Group's Shareholder was exploring the opportunity to purchase certain assets of the Group

The Joint Administrators engagement letter dated 7 October 2019 referred the Management team who also act for the Purchasers and common Shareholder, to the Pre-Pack Pool and advised that connected parties who expressed an interested in purchasing the business and assets could refer their offer to the Pre-Pack Pool so that they could receive an independent evaluation on the merits of the offer.
Following the passing of the deadline for expressions of interest on 7 October 2019 the Joint Administrators contacted each of the interested parties to understand their level of interest All interested parties, other than the Shareholder, confirmed that they would not be making an offer for the business and withdrew their interest accordingly

The Purchaser submitted an offer on 17 October 2019 for certain assets of the Group.

The only assets available in Kairos were the shareholding of Envo and Origin and the only assets available in IBIL and Opensky was Goodwill / IPR. As detailed earlier in this report, the assets of each of these companies was subject to fixed charge security in favour of AFL to the sum of circa £1.65 million. Creditors should note that AFL is a connected company with a common ultimate owner.

Upon receipt of the offer from the Purchaser, the Joint Administrators consulted with the Secured Creditor, the Agent and the Book Debt Agent, who all subsequently confirmed that the offer submitted was at an acceptable level and recommended that the offer be accepted.

In view of the above, and in the absence of any offers for the business and/or assets of Install Base, Clearwin, Envo and Origin, it was considered that further marketing of the Group would not be in the interest of creditors and would only result in additional professional costs being incurred. Consequently, the Joint Administrators confirmed to the Purchaser that the offer was acceptable and completion was set to take place immediately upon the Appointment Date.

The Joint Administrators believe that sending the Marketing Document to a targeted list of Duff & Phelps' interested party database, as well as interested parties identified by Management as detailed above, has provided sufficient exposure to potential interested parties who would be able to transact a sale in the short term, as required given the financial position of the Group. Furthermore, the Joint Administrators decided against marketing the business online as the more targeted approach of reaching out to known interested parties was believed to be more expedient in achieving the desired outcome.

Given the cash flow constraints of the Group, it was trading on a critical payment only basis, therefore a short-term marketing period was deemed necessary by the Joint Administrators in order to achieve a sale on a going concern basis. This enabled the Joint Administrators to maximise realisations, providing a greater return to the Group's general body of creditors.

As the Group continued to trade during the marketing campaign, it was decided that the marketing should be conducted anonymously until such time as the Joint Administrators had satisfied themselves of the validity of the interest received and their viability to complete a transaction within the required time scale.

The Joint Administrators have satisfied themselves of the adequacy of the marketing carried out prior to completion of the sale.

Valuation of the business and assets

<u>Tangible Assets</u>

The Joint Administrators engaged the Agents on 2 October 2019 to perform a valuation of the unencumbered Tangible Assets of Install Base.

The Agents are independent third-party valuation agents, specialising in providing appraisals to asset-based lenders and restructuring and turnaround professionals such as Duff & Phelps. In valuing the assets, the Agents adopted the principles of the RICS Valuation – Global Standards 2017 incorporating the International Valuation Standards. The Agents have confirmed and evidenced that they hold adequate PI insurance.

The valuation provided was on an in-situ and ex-situ market value basis. A summary of the valuation is set out overleaf.

	In Situ (£)	Ex Situ (£)
Plant & Machinery	3 500	700
Office Furniture & Equipment	44 000	8 000
Stock	90 000	22 500

It should be noted that the ex-situ value provided by the Agents does not include the costs associated with the sale which would ultimately reduce the net realisable value available for the Administration estate

Upon receipt of the offer for the business and assets of the Group the Joint Administrators sent the details of the offer on to the Agents to review The Agents subsequently advised that the offer consideration relating to unencumbered Tangible Assets exceeded the ex-situ valuation and that the overall value of the offer represented fair value for the business and assets and should be accepted accordingly

In addition the Agents advised that given the marketing undertaken by Duff & Phelps and the fact that only one viable offer had been presented, it was likely that any additional marketing would only incur further costs and result in lower overall realisations

The Joint Administrators and the Agents are satisfied that the sale of the assets under the terms of the pre-packaged sale has resulted in the best outcome obtainable for the creditors in the circumstances

There were no tangible assets in any of the other Group companies

Goodwill / IPR

Valuations of the Goodwill and IPR in Clearwin Install Base Opensky and Origin have not been obtained The Joint Administrators are confident that in light of the marketing of the business and assets that the best outcome has been achieved as no other offers were received It is envisaged that no value would be received in the event that the Group ceased to trade

It is also noted that there has been a significant shortfall to the Secured Creditor and as such given its fixed charge any offer which had been received would need to have been in excess of £1 65 million to provide any benefit to non-preferential or preferential creditors which was deemed highly unlikely

There was no Goodwill value in Kairos

Contracts / Book Debts

The gross book debt ledger totalled £876 461 however £457 424 was over 180 days old

Book debts do not equate to fully completed works. Many balances are subject to the issue of satisfaction notes and completion of snagging works which will be required in order to establish a true collectable debtor balance

The Joint Administrators instructed the Book Debt Agents to review the contracts and assess the collectability of the outstanding debtor ledger of Clearwin Following a review of the records and discussions with the management team, an expected collectable value of circa £168 000 was provided subject to additional works required to complete orders

The Joint Administrators discussed the offer received with the Book Debt Agents who confirmed that the offer consideration relating to Book Debts represented fair value when taking into account the likely costs associated with collections in an Administration scenario

Furthermore it is understood that up to 80% of the perceived collectable book debt balances may be subject to consumer finance agreements As there is likely to be a shortfall to the retail finance provider under its finance facility due to ongoing warranty claims the Joint Administrators anticipate that the finance provider may seek to retain these book debt proceeds and therefore the offer received from the Purchaser represents and/or exceeds fair value

Envo and Origin Shareholding

The Joint Administrators did not obtain formal valuations for the Group's shareholding in Envo and Origin

As detailed earlier in this report Envo had one customer with a contract due to expire within a year Therefore and as noted in the Goodwill IPR section above any offer for the shares would have needed to exceed £1 4 million for any benefit to accrue to non-preferential creditors this is more than the future revenue in Envo

Origin is also a non-trading entity that owns a number of brands The business and assets of Origin were marketed for sale however no offers were received Origin is a guarantor to AFL and therefore this would have had a detrimental effect on any valuation

The Joint Administrators did not therefore believe that a formal valuation would be required for either shareholding in this instance and would only result in increased professional costs to the detriment of creditors

The transaction

The pre-packaged sale of some of the Group's assets completed on 28 October 2019 to the Purchasers following the appointment of the Joint Administrators

Purchasers and related parties

The Purchasers are as follows

Altrincham Home Limited

The Joint Administrators assigned any such right title and interest that Clearwin had in the Contracts to AHL for consideration of £100 000 These contracts predominantly related to customer warranty contracts

AHL's registration number is 12120428

The directors of AHL are Adrian Kirk Joseph Haworth and Timothy Halpin and its shareholder is Brian Kennedy who holds 100% of Ordinary shares

AHL is therefore connected to Clearwin by way of a common shareholder

AHL was incorporated on 24 July 2019 and its registered office is Hamilton House Church Street Altrincham England WA14 4DR

The Joint Administrators are not aware of the directors of AHL providing any personal guarantees to any creditor

Altrincham Home Solutions Limited

The Joint Administrators assigned any such right title and interest that Clearwin had in the Book Debts to AHSL for consideration of £50 000 The Joint Administrators also assigned to AHSL the Goodwill / IPR of the following Group entities

- IBIL
- Clearwin
- Install Base
- Opensky

Additionally any such right, title and interest the Joint Administrators had in the Tangible Assets and Stock of Install Base was sold to AHSL for consideration of £5 000 and £45 000 respectively

AHSL s registration number is 12245232

The directors of AHSL are Joseph Haworth and Timothy Halpin and its shareholder is Brian Kennedy who holds 100% of Ordinary shares

AHSL is therefore connected to IBIL Clearwin Install Base and Opensky by way of a common shareholder

AHSL was incorporated on 4 October 2019 and its registered office is Hamilton House Church Street Altrincham England WA14 4DR

The Joint Administrators are not aware of the directors of AHSL providing any personal guarantees to any creditor

Envo Holdco Limited

The Joint Administrators sold any such right title and interest that Kairos had in its shareholding of Envo and Origin for the sums of £94 999 and £1 respectively It should be noted that this represented a solvent sale of these businesses to EHL

EHL s registration number is 12245122

The sole director of EHL is Timothy Halpin and its shareholder is Brian Kennedy who holds 100% of Ordinary shares

EHL is therefore connected to Kairos by way of a common shareholder

EHL was incorporated on 4 October 2019 and its registered office is Hamilton House Church Street Altrincham England WA14 4DR

The Joint Administrators are not aware of the directors of EHL providing any personal guarantees to any creditor

Assets

The sale of the assets encompassed any such right title and interest that the respective group company has in the following assets

IBIL

- the Goodwill / IPR

Kairos

- the Shareholding in Envo
- the Shareholding in Origin

Clearwin

- the Goodwill / IPR
- the Contracts
- the Debtors

Install Base

- the Goodwill / IPR
- the Stock
- the Tangible Assets

The following assets have been excluded from the sale

- the Office Holders' Records
- Cash
- Motor Vehicles
- Claims
- the VAT Records
- all policies of insurance relating to the Business together with the benefit of any claims under them
- any shares or other securities owned by the Seller
- any other property rights or assets of the Seller which are subject to third party finance

Sale consideration

The total consideration due from each of the Purchasers is as follows

- AHL £100 000
- AHSL £245 000
- EHL £95 000

The sale consideration has been apportioned as follows

Fixed Charge Assets	IBIL	Kairos	Clearwin	Install Base	Opensky
Envo Shareholding	-	94 999	-	-	-
Origin Shareholding	-	1	-	-	-
Goodwill / IPR	15 000	-	100 000	15 000	£15 000
Floating Charge Assets					
Stock	-	-	-	45 000	-
Contracts	-	-	100 000	-	-
Debtors	-	-	50 000	-	-
Tangible Assets (exc Motor Vehicles)	-	-	-	5 000	-
Total	**15.000**	**95.000**	**250.000**	**65.000**	**15.000**

The sale consideration was paid in full by each of the respective Purchasers upon completion of the transaction on 28 October 2019, therefore there were no requirements for the Joint Administrators to obtain any form of security

Connected Party Transactions

As mentioned previously the Joint Administrators' engagement letter advised the Management team, who also act for the Purchasers and common Shareholder of the Pre-Pack Pool The Pre-Pack Pool is an independent body of experienced business people who offer an opinion on the purchase of a business and/or its assets by connected parties to a company where a pre-packaged sale is proposed, in order to enhance stakeholder confidence

However the requirement to use the Pre-Pack Pool is not mandatory and Management did not choose to make an application to the Pre-Pack Pool therefore no viability statement has been prepared or provided by the Purchasers in this instance

Statutory Purpose

The statutory purpose of an Administration is to achieve one of the following hierarchical objectives

- Rescuing a company as a going concern or
- Achieving a better result for a company's creditors as a whole than would be likely if the company were wound up (without first being in Administration) or
- Realising property in order to make a distribution to one or more secured or preferential creditors

The first objective will not be achieved as there are insufficient funds and assets available to enable any of the Group companies to be rescued as a going concern

With regards to the second objective greater realisations for the Group s assets has been achieved than would have been likely in a Liquidation scenario, however it is not envisaged that a distribution will be available to the preferential or non-preferential creditors

The third objective will also be achieved as it is anticipated that the Secured Creditor will receive a fixed charge distribution from the Administration estate of each of the Group companies Consequently, the transaction has enabled the statutory purpose to be attained.

The Joint Administrators consider that the sale price achieved was the best reasonably obtainable in the circumstances

Any queries relating to the content of this report should be directed to Jamie Maddox on 0161 827 9000

Sarah Bell
Joint Administrator

The affairs business and property of the Company are being managed by the Joint Administrators Stephen Clancy and Sarah Bell who act as agents for the Company and without personal liability They are both licensed in the UK by the Insolvency Practitioners Association and are bound by the Insolvency Code of Ethics

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	Harry Collins
Company name	Duff & Phelps Ltd
Address	The Chancery
	58 Spring Gardens
Post town	Manchester
County/Region	
Postcode	M 2 1 E W
Country	
DX	
Telephone	0161 827 9046

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