

AM23

Notice of move from administration to dissolution



Companies House

For further information, please refer to our guidance at www.gov.uk/companieshouse

1 Company details

Company number 05849580

Company name in full UTILITYWISE PLC

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Courts of England and Wales. Insolvency and Companies List (ChD)

Court number C R - 2 0 1 9 - 0 0 1 0 9 7

3 Administrator's name

Full forename(s) SIMON

Surname KIRKHOPE

4 Administrator's address

Building name/number 200 ALDERSGATE

Street ALDERGATE STREET

Post town LONDON


County/Region GREATER LONDON

Postcode EC1A 4HD

Country UNITED KINGDOM

AM23

Notice of move from administration to dissolution

5	Administrator's name ①		
Full forename(s)	ANDREW JAMES		① Other administrator Use this section to tell us about another administrator.
Surname	JOHNSON		
6	Administrator's address ②		
Building name/number	200 ALDERSGATE		② Other administrator Use this section to tell us about another administrator.
Street	ALDERSGATE STREET		
Post town	LONDON		
County/Region	GREATER LONDON		
Postcode	E C 1 A 4 H D		
Country	UNITED KINGDOM		
7	Final progress report		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
8	Sign and date		
Administrator's signature	Signature X  X		
Signature date	d 1 d 1 m 0 m 2 y 2 y 0 y 2 y 2		

**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 **James Rowse**

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone **+447929847330**

**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 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

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JOINT ADMINISTRATORS' REPORT FOR THE PERIOD 13 AUGUST 2021 TO 11 FEBRUARY 2022

UTILITYWISE PLC (IN ADMINISTRATION) (COMPANY NUMBER: 05849580)

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Glossary

The Act	Insolvency Act 1986 (as amended)	The Rules	Insolvency (England and Wales) Rules 2016
EIC	Beardsley Realisations 1 Limited (name changed from Energy Intelligence Centre Limited on 05 April 2019)	Secured Lender	National Westminster Bank Plc
Corporate/ Corporate Business	Operating business unit of EIC and T-Mac	SIP2	Statement of Insolvency Practice 2
Enterprise/ Enterprise Business	Operating business unit of the Company	SIP 7	Statement of Insolvency Practice 7
FTI	FTI Consulting LLP	SIP 9	Statement of Insolvency Practice 9
ICON	ICON Communication Centres s.r.o	the Group	Utilitywise Plc and subsidiaries
Joint Administrators/ Administrators	Andrew Johnson and Simon Kirkhope	the Period	13 August 2021 to 10 February 2022
Old EIC	T-Mac and EIC collectively	T-Mac	Beardsley Realisations 2 Limited (name changed from T-Mac Technologies Limited on 05 April 2019)
RPS	Redundancy Payments Service	UTW / the Company	Utilitywise Plc

1. Introduction

- 1.1 Andrew Johnson and Chad Griffin were appointed as joint administrators of the Company on 13 February 2019. Chad Griffin was subsequently released as a joint administrator on 29 May 2020, with Simon Kirkhope appointed to replace him on 8 June 2020. Appendix A provides further statutory information in relation to the administration as required by the Rules.
- 1.2 We are now in a position to conclude the administration and we are required to provide creditors with a final report setting out the outcome of the administrations as well as key developments in the administration since our last six monthly progress report for the period ending 10 August 2021.
- 1.3 The administration will conclude by moving straight to dissolution pursuant to Paragraph 84 of Schedule B1 of the Act as the Joint Administrators consider that the Company has no property which permits a distribution to its creditors beyond the distributions that have been made to the secured creditors, preferential creditors and unsecured creditors under the prescribed part provisions.
- 1.4 The final progress report is prepared pursuant to rule 3.53 of the Rules and provides a summary of the Joint Administrators' Proposals, the steps taken during the administration and the overall outcome of the administration.
- 1.5 During the Period from their most recent report the Joint Administrators' have concluded all outstanding matters that remained outstanding at the time of drafting the Company's previous progress report have been concluded and that they are now in a position to conclude the administration, these workstreams included but are not limited to the following:
- Undertaking statutory compliance relating to the Company and completing the necessary steps to conclude the administration including drafting of this final progress report;
 - Completing the process of paying both a prescribed part distribution to the Company's unsecured creditors, and a distribution of the surplus floating charge realisations to the Company's secured creditors;
 - Ensuring that all necessary Company tax filings have been made and that the Company is deregistered for VAT purposes; and
 - Submitting a final form VAT 426 to ensure all receivable VAT has been recovered and arranging for this amount to be remitted directly to the secured lender as part of the final distribution to the Company's secured lenders.
- 1.6 This report, together with its appendices, contains details of the Joint Administrators and their teams actions during the Period as well as their time costs in accordance with SIP 9 (Appendices B and C).
- 1.7 A summary of our receipts and payments for the Company (in accordance with the Rules and SIP 7) is included at Appendix E, which includes a trading statement, relating to costs incurred by the Joint Administrators during the winding down of the Company's operations. Further information in relation to the wind-down and the background to our appointment, can be found in the Joint Administrators' proposals dated 5 April 2019 ("the Proposals") and our subsequent six-monthly reports, including our most recent report dated 4 March 2021, all of which can be found using the link below:
- <https://www.fticonsulting-emea.com/cip/utilitywise-plc>
- 1.8 If you wish to receive a hard copy of this report (or any of our previous reports), please contact the Joint Administrators or one of their team at UWadministrators@fticonsulting.com or on 020 3727 1700, or by writing to: The Joint Administrators, Utilitywise Plc (In Administration), c/o FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD. Creditors can also use these contact details if they have any specific queries in relation to this report or the Administration in general.
- 1.9 The estimated return to creditors is set out in Sections 2 and 4 of this report.

Administrators' remuneration

- 1.10 In our Proposals we proposed that our remuneration be fixed on the basis of time costs incurred by us and our staff properly spent in carrying out work required in the Administration, subject to given fees estimates. This basis and the initial fees estimate was agreed by preferential creditors and the Secured Lender on 23 April 2019 and 26 April 2019 respectively.
- 1.11 On 10 February 2020, the Joint Administrators sought approval to increase the fees estimate previously provided to creditors and approval to the increase was confirmed by the Secured Lender on 28 February 2020 and (by decision procedure) the preferential creditors on 31 March 2020.

- 1.12 During the previous period, work in progress exceeded the revised fees estimate and the Joint Administrators requested an additional increase, again from the Secured Lender and (by way of a decision by correspondence) from the Company's preferential creditors. On 22 March 2021, approval to this fees increase was confirmed by both the Secured Lender and the preferential creditors.
- 1.13 Details of the rules in relation to the Administrators' remuneration together with details of our time costs to date and our current and revised fees estimates, are set out at Appendices B and C.
- 1.14 In accordance with Rule 18.34 of the Rules, any secured creditor or an unsecured creditor, with the support of at least 10% in value of the unsecured creditors or with leave of the Court, may apply to the Court for one or more orders challenging the amount or the basis of the remuneration which the Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred. Such applications must be made within eight weeks of receipt by the applicant(s) of the report detailing the remuneration and / or expenses in question, in accordance with Rule 18.34(3) of the Rules.
- 1.15 Additional information in relation to our staffing policies can be found in Appendix D.

Further information

- 1.16 Any secured creditor, or unsecured creditor, with the support of at least 5% in value of the unsecured creditors or, with leave of the Court, may, in writing, request that the Administrators of the Company provide additional information regarding remuneration or expenses to that already supplied within this document. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9(2) of the Rules.
- 1.17 Further general information on insolvency processes including step-by-step guides can be found at the following website:
<http://www.creditorinsolvencyguide.co.uk/>
- 1.18 FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. The privacy and security of personal information is very important to us. You can find more information on how FTI uses your personal information at:
<https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>

2. Summary of Creditor Returns

2.1 Our current esti:

Summary of Return to Creditors			
Creditor Type	Estimated Claim (£m)	Net Distribution (£m)	% Realised
Secured Lender	21.1	5.5	26.34%
Preferential Creditors	1.1	1.1	100.00%
Unsecured Creditors	76.1	0.3	0.45%
Shareholders	17.8	0.0	0.00%
Total	116.0	7.0	

Further details are set out in section 4 of this report.

3. Actions Taken During the Administration

Asset realisations

This section of the report should be read in conjunction with our previous reports.

Sale of the Corporate Division

- 3.1 Following the sale of the Company's business and assets, certain funds were paid into escrow and were due to Old EIC on the completion of certain contract novations of both customers and suppliers to the purchaser. A commercial agreement totalling £144,708 was reached with the Purchaser. The escrow funds flowed to Old EIC and have not formed part of the Administration estate.
- 3.2 Old EIC was placed into Members Voluntary Liquidation on 21 April 2020. It was initially envisaged that any remaining assets held in the liquidations would be distributed to the Company (as shareholder); this would have been to the benefit of the Secured Lender as a consequence of their fixed charge security over the shares in Old EIC. However, due to the Liquidations not having concluded ahead of the Joint Administrators concluding the Administration as a consequence, the decision was taken by the Joint Administrators to formerly assign its rights to the distributions from Old EIC and BR2 to the Secured Lender.
- 3.3 Costs incurred by the Joint Liquidators in carrying out their duties will be/have been drawn out of realisations in Old EIC and BR2 these fees have been agreed with the Joint Administrators ahead of the conclusion of the Administrations. After these costs surplus funds held in the liquidation estates will be distributed to the secured lenders following the assignment, the anticipated distributions to be paid to the Secured Lenders total c£117k.

Book debts and accrued revenue

- 3.4 As set out in previous reports, we have contacted all debtors and have continued to receive amounts as they fall due in line with the Third-Party Introducers ("TPI") agreements.
- 3.5 Since the Joint Administrators appointment, total book debts collected relating to pre-administration invoices are £589,841, of which £571 has been received during the Period. Minimal book debts remained to be collected and anticipated realisations were not expected to exceed the anticipated costs of continuing the Administration.
- 3.6 Furthermore, due to the non-linear nature of the commissions (which are dependent on end-user usage, early termination penalties and offsets, customer attrition or non-commencement and the level of prior invoicing by the Company against forecast revenue) it was difficult to determine with precision the likely levels of recoverable income.
- 3.7 However, we have entered into discussions with various TPI's and as a consequence of both insolvencies in the sector and TPI's confirming that as a consequence of the Covid-19 pandemic usage was below what was anticipated at the outset of the contracts.

Receipts and payments during the Period

- 3.8 A receipts and payments account for the Administration during the period covered by this report is provided at Appendix E.
- 3.9 The most significant payments during the Period were the payment of outstanding office holder fees, totalling £262,678 and a final distribution to the secured lender totalling £517,649.

Employees

- 3.10 As set out in our previous report, we have had a number of employees make claims to employment tribunals during the Administration. Following all these claims having reached judgement a final proof of debt form was received from the RPS.
- 3.11 Following receipt of the final proof of debt from the RPS, we finalised our adjudication of preferential claims against the Company and on 29 June 2021, we proposed making a first and final distribution to the preferential creditors of the Company. Subsequently, following the last date for proving (and after the end of this Period), a first and final dividend to preferential creditors was declared and paid.

Taxation

- 3.12 HMRC were notified of our appointment and corporation tax returns have been completed for each of the required periods.
- 3.13 All outstanding corporation tax returns have been submitted and HMRC were made aware that the Joint Administrators' will be looking to close the Administration ahead of its anniversary on 12 February 2022. Given the Company's sustained losses in the period leading up to the Administration there has been no post-administration corporation tax liability, with no amounts falling due to HMRC.
- 3.14 Post-appointment VAT returns were completed for all periods up to 31 October 2021 and with effect from 1 November 2021 the Company was deregistered for VAT purposes. Following de registration a final VAT receivable amount was reclaimed using a form VAT 426, this totalled £68,865.34. Given, a distribution under the prescribed part had been made and all realisations remaining

would have been for the benefit of the secured creditors the rights to the VAT 426 monies have been assigned to the secured lender. The relevant submissions relating to the assignment have been made and it has been requested that the funds be directly remitted to the secured lenders, should HMRC raise any queries in relation to these amounts the Joint Administrators' team will look to assist with this.

Shareholders / SAYE

3.15 Link Group held a small balance of unclaimed shareholder funds in relation to ordinary dividends paid by the Company prior to the Administration. Having reviewed the Company's articles to check the segregated monies were not held on trust and having taken legal advice on the matter it has been confirmed that these funds could be utilised to pay the costs and expenses of the Administration, in accordance with the statutory payments waterfall. I can confirm that during the period funds totalling £1,135 have been received in respect of unclaimed shareholder funds.

Statutory investigations

3.16 We have undertaken investigation work in accordance with SIP 2 including a review of the Company's financial records in order to understand the realisable assets of the Company and comparing values to those set out in the directors' statement of affairs. We did not consider that further investigations were required nor that there are any further assets available to the Company other than those set out earlier in this report.

3.17 The data gathered from our initial investigations assisted with our statutory duties pursuant to the Company Directors Disqualification Act 1986 to review the conduct of all directors who served in respect of the Company in the three-year period prior to the date of the Administration. We submitted a final return to the Department for Business, Energy and Industrial Strategy. The content of our reports in relation to this are confidential.

3.18 Should any creditors have any further relevant information in relation to the directors' conduct, they should provide details in writing to the Joint Administrators. This request forms part of our normal investigations into directors' conduct and does not imply any criticism of the directors in this particular case.

Extension of the Administration

3.19 On 10 February 2021, following an application to court to extend the Administration for a period of 12 months to 12 February 2022 (and with an initial hearing for the application to extend the Administration having been adjourned), the Court consented to the Joint Administrators' application and ordered the extension as requested. An initial extension of the Administration to 12 February 2021 had previously been approved by the secured and preferential creditors.

3.20 No further extension of the Administration is required given that the Joint Administrators' have achieved their purpose as set out in the Joint Administrators proposals. The Joint Administrators have therefore taken the necessary steps to conclude the Administration.

4. Administration Outcomes

Secured creditors

4.1 At the date of appointment, the Secured Lender was owed approximately £21m by the Group. The Secured Lender holds fixed and floating charge security over the Company (including its shares in EIC, T-Mac and ICON) via two charges created on 12 June 2013 and 20 April 2015 with the security registered to NatWest and RBS respectively.

4.2 Since appointment fixed charge realisations have consisted funds flowing from the sales of ICON and EIC totalling £4.26m, and surplus distributions from floating charge realisations following payment of the preferential and secured distributions to the relevant creditors, the surplus funds distributed to the secured creditors total £587,688.

4.3 During the period we have made a final distribution of surplus floating charge recoveries to the Company's secured lender.

Preferential creditors

4.4 Under the Act, the main classes of preferential creditor are employees in respect of certain claims in relation to arrears of wages, holiday pay and pensions contributions.

- 4.5 We paid retained staff their wages and accrued holiday to the date of their redundancy.
- 4.6 Preferential claims totalled £1.1m. As previously commented, a dividend of 100 pence in the £ has been paid with regard to amounts due to preferential creditors of the Company. HMRC have also been paid the tax amounts due by employees on their gross claims.
- 4.7 As the Administration commenced prior to 1 December 2020, HMRC did not rank as a preferential creditor in the Administration.

Unsecured creditors

- 4.8 Unsecured creditors rank behind both secured and preferential creditors.
- 4.9 Under Section 176A of the Act where (after 15 September 2003) a company has granted a creditor a floating charge, a proportion of the net property of a company achieved from floating charge asset realisations must be made available for the unsecured creditors ("the Prescribed Part").
- 4.10 The Prescribed Part applies where there are net floating charge realisations (i.e. after costs of realisation) and is calculated as follows:
- 50% of net property up to £10k.
 - Plus 20% of net property in excess of £10k.
 - Subject to a maximum of £600k.
- 4.11 A Prescribed Part distribution was advertised on 20 August 2021 and unsecured creditors were given until 20 September 2021 to provide the Administrators with their claim. Total claims of £42,664,162.84 were received of which £42,429,868.59 were agreed after the adjudication process with the small balance of claims being rejected. A 0.79p in the £ distribution of £340,700 to the non-preferential unsecured creditors by way of the Prescribed Part was declared on 10 November 2021.
- 4.12 There have been no further distributions.

Shareholders

- 4.13 As set out above, there is a significant shortfall to the Company's Secured Creditors, and as such there will not be a return to the Company's shareholders.

Administration Outcome

- 4.14 The Administrators' proposals summarised the objectives for the administration. There have been no amendments or deviations from those proposals. I have set out a number of the key objectives from the proposals that have been completed below:
- The main purpose of the administration was statutory objective c, realising property in order to make a distribution to one or more secured or preferential creditors. This has been achieved with the secured creditors receiving both fixed and floating charge distributions. In addition and as detailed earlier in this report a dividend was paid to the Company's preferential creditors of 100p in the £, additionally a prescribed part distribution has been paid to the Company's unsecured creditors.
 - Run a sales process in order to extract value from the Company's subsidiaries.
 - Investigate, and as appropriate pursue, any claims that may lead to additional funds in the estate.
 - Report on the directors' conduct.
 - Resolve any taxation/VAT issues including submission of appropriate post appointment returns.
 - Take the required steps to bring the administration to a conclusion.

5. Discharge and Further Information

- 5.1 We will be discharged from liability in accordance with Paragraph 98(1) of Schedule B1 of the Act immediately upon our appointment as Administrators ceasing to have effect. The Company's Secured Creditor confirmed that they had no objection to the Joint Administrators' discharge from liability as well as their vacation from office by correspondence dated 10th February 2022.

5.2 The administration (as approved in the Proposals) is now complete and we will cease to act. Should creditors wish to receive a copy of any of the documents (including this report) they are available at <https://www.fticonsulting.com/emea/cip/utilitywise-plc>. Alternatively, if you require a hard copy of any of the administration documents or if you have any specific queries in relation to this report or the administration in general, please contact a member of the Joint Administrators' staff at UWadministrators@fticonsulting.com or 020 3727 1700 or by writing to FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD.

Yours faithfully
For and on behalf of the Company



Simon Kirkhope
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators. The Joint Administrators act as agents of the Company and without personal liability.

Andrew Johnson and Simon Kirkhope are licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales, under Section 390A(2)(a) of the Insolvency Act 1986.

The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information on our website at <https://www.fticonsulting-emea.com/~media/Files/emea-files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>.

Appendix A - Statutory Information

Company and Appointment Information

Company Name	Utilitywise PLC
Trading names	N/A
Registered number	05849580
Incorporation Date	19 June 2006
Nature of Business	35130 - Distribution of electricity, 70229 - Management consultancy activities other than financial management, 74901 - Environmental consulting activities
Registered office	C/O FTI Consulting LLP, 200 Aldersgate Street, London, EC1A 4HD
Director(s)	Brendan Peter Flattery, Richard Stephen Laker, Richard Brinsley Sheridan and Simon Waugh
Company secretary	Natalie Gerrard
Directors' shareholdings	Brendan Flattery 60,000 £0.001 ordinary shares ¹
Court reference	CR-2019-001097
Court	High Court of Justice, Business and Property Courts of England and Wales. Insolvency and Companies List (ChD)
Appointment date	13 February 2019
Appointer	Richard Laker (a director of the Company) pursuant to Paragraph 22 of Schedule B1 of the Act. Pursuant to Paragraph 29 of the Schedule B1 of the Act, notice of intention to appoint administrators was given to, and waived by, the Secured Lender.
Appointer's address	Utilitywise House, 3&4 Cobalt Park Way, Cobalt Business Park, North Tyneside, Tyne and Wear, NE28 9EJ

[1] Per 2017 audited accounts. It is uncertain from the Company's register who owns what shares due to nominee shareholdings.

Administrators' Information

	Administrator 1	Administrator 2
Name	Andrew Johnson	Simon Kirkhope
Address	200 Aldersgate Street, London EC1A 4HD	200 Aldersgate Street, London EC1A 4HD
Authorising body	ICAEW	ICAEW

The appointment of the Administrators was made by the directors of the Company pursuant to Paragraph 22 of Schedule B1 to the Act.

The security is in favour of National Westminster Bank Plc and was granted on 12 June 2013 and is a fixed and floating charge debenture. An additional debenture was granted in favour of Natwest Markets Plc (The Royal Bank of Scotland Plc acted as Security Agent) on 20 April 2015 as agent to National Westminster Bank Plc.

Pursuant to Paragraph 100 of Schedule B1 of the Act, any function of the Administrators may be exercised by any or all of the Administrators named above.

Pursuant to Paragraphs 76(2)(b) and 78(2) of Schedule B1 to the Act, the period of the Administration was extended by one year to 12 February 2021, follow the consent of the Secured Lender and preferential creditors on 12 November 2019 and 20 September 2019 respectively. The Administration was extended by a further 12 months by order of the court dated 10 February 2021, to 12 February 2022.

Appendix B - Administrators' time costs and expenses

Pre-Administration fees

Information in relation to the Joint Administrators' involvement with the Company prior to the date of Administration is detailed below, pursuant to Rule 3.1, Rule 3.35(10)(a) and Rule 3.36.

FTI Consulting LLP ("FTI") provided advisory services pursuant to a letter of engagement dated 16 August 2018 ("LoE") with The Royal Bank of Scotland plc, in relation to their secured lending to the Company, and its subsidiaries. The Company was also party to this LoE and was responsible for making payments as part of the terms of its funding from the Secured Lender.

FTI's initial engagement scope was to carry out a review of the options available to the Secured Lender and to consider the contingency plans / proposals provided by the Group to the Secured Lender.

FTI's work included preparation of a high-level estimated outcome statement and identifying key issues and risks in relation to contingency options and developing potential strategies for realising key assets of the Group. This work also included a review of the Group's short-term cash flow forecast.

On 24 September 2018, under an addendum to the LoE, FTI provided a high-level review of the Group's separation plan in relation to the Corporate Business.

On 2 January 2019, under a further addendum to the LoE, FTI undertook detailed contingency planning work for a potential insolvency process. This work was undertaken alongside planning for a consensual re-financing of the Group, as well as consideration of an accelerated M&A process of the Group outside of the administration.

The Company's board considered it necessary to consider all available options in order to maximise the returns to the Company's creditors, in accordance with their fiduciary duties. Consequently, FTI's work during this period included both specific planning for the Administration appointment, as well as other potential outcomes that did not involve an insolvency appointment. The latter aspects included meetings with the Secured Lender, management, M&A advisors, the Company's NOMAD, as well as diligence, outcome modelling, cashflow analysis and other ad-hoc advisory work, which did not directly relate to an insolvency appointment.

Insolvency workstreams included planning the appointment strategy, client take-on procedures (including anti money laundering, ethics and GDPR assessments), drafting appointment documents, preparation for day 1, analysis of the Company's assets, drafting initial correspondence, understanding the operational connections between the Enterprise and Corporate business, liaison with operational management, mapping of key operational suppliers, preparation of master control schedules, understanding of the Group's property position, understanding the Group's lease creditor position and understanding the Groups' management and structure. It was necessary to complete these workstreams ahead of the Administration in order to have an effective and deliverable strategy on appointment.

Prior to the appointment of the Administrators, £167,200 plus VAT of time costs and £5,824 plus VAT of out-of-pocket expenses were incurred and paid by the Company. Approval for payment of further pre-administration time costs of £28,451 plus VAT and out-of-pocket costs of £8,357 plus VAT was received on 26 April 2019. Legal expenses of £3.85k have been paid, but it is now expected that the remainder of the unpaid pre-administration costs will not be drawn.

There were no other fees that were charged by any other insolvency practitioner in preparation for the insolvency appointment.

Administrators' fee basis and fee approval

Pursuant to Rule 18.16 of the Rules, the remuneration of administrators can be fixed on the basis of one (or a combination) of the following:

- as a percentage of the value of property with which they have to deal;
- by reference to time properly given by the Administrators and their staff in attending to matters arising in the Administration (a time cost basis); or
- a set amount.

In their Proposals, the Administrators confirmed that they would be seeking approval on a time cost basis.

As the Company's creditors have not formed a creditors' committee and because the Administrators made a statement in their Proposals under Paragraph 52(1)(b) of Schedule B1 of the Act, the basis of the Administrators' remuneration may be fixed in this case by the approval of:

- Each secured creditor; or
- If the Administrators have made (or intend to make) a distribution to preferential creditors, with the approval of each secured creditor and 50% of the preferential creditors who respond to an invitation to consider approval.

There is no requirement for unsecured creditors to pass a resolution in respect of Administrators' remuneration.

Pursuant to the rules set out above, we have sought approval to remuneration on a time cost basis as described below:

Description	(Revised) Fees Estimate	Approved by
Initial determination	£769,592	Preferential creditors on 23 April 2019 Secured Lender on 26 April 2019
Further approval to exceed the fees estimate	£970,049	Preferential creditors on 31 March 2020 Secured Lender on 28 February 2020
Further approval to exceed the fees estimate	£1,060,049	Preferential creditors on 22 March 2021 Secured Lender on 03 March 2021

Please also note the following:

- The final fees estimate is £1,060,049. As previously mentioned, we will be discharged from liability in accordance with Paragraph 98(1) of Schedule B1 of the Act immediately upon our appointment as Administrators ceasing to have effect. The Company's Secured Creditor confirmed that they had no objection to the Joint Administrators' discharge from liability as well as their vacation from office by correspondence dated 10th February 2022.
- Consent of the preferential creditors was obtained by decision procedure.
- Fees of £200k plus VAT were drawn from fixed charge realisations on 23 August 2019, after the initial determination.
- Fees of £650k plus VAT were drawn from floating charge realisations in June 2020, after the first increase was approved.
- Fees of £210k plus VAT were drawn from floating charge realisations in November 2021.
- Fees of £32.5k plus VAT were drawn from floating charge realisations in January 2022. This amount related to undrawn fixed charge fees secured creditor consent to draw these fees was sort and received in January 2022 (only secured creditor consent was requested and required as all future distributions at the time would be for the benefit of the secured creditor).
- In addition to the above disbursements of £20,129 were drawn during the period. These were previously incurred but had not yet been drawn, ahead, of conclusion these disbursements were drawn and no amounts remain outstanding.
- After the initial determination, we identified some technical deficiencies in the proof of debt provided by the RPS when voting in relation to this matter. We subsequently received a revised proof of debt from the RPS, which substantiates their claim and confirms that fees drawn to date have been done so in accordance with the Act and Rules.

A copy of the 'Creditors' Guide to Administrators' Fees' is available at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

Creditors can alternatively request a copy from us, and we will provide a paper copy by post.

Post-appointment time costs and expenses

An analysis of our time in accordance with the provisions of SIP 9, which provides details of work done by grade of staff to 12 August 2021, is set out later.

The main areas of our work to date and expected future work streams have been set out in the body of the report but have been summarised in the following table.

Category	Description (O – Ongoing, C – Completed, F – Future)	Rationale
Administration & Planning	<ul style="list-style-type: none"> Cashiering and establishment and reconciliation of bank accounts - C Complying with statutory formalities including relevant filings and statutory communications – C Maintaining the Administration record – C Requesting creditor consent to the extension of the Administration and complying with statutory formalities – C Drafting the relevant documentation and filing an application to Court for a further extension of the Administration – C 	Statutory / compliance requirement; to ensure efficient project management
Investigations	<ul style="list-style-type: none"> Review of relevant accounting and statutory records in accordance with SIP 2 – C Gathering books and records of the business and ensuring appropriate storage facilities are in place – C Completion and filing of the relevant forms to the Insolvency Service with regards Directors conduct – C 	Statutory requirement: to assess whether potential claims can be brought for the benefit of creditors
Realisation of Assets	<ul style="list-style-type: none"> Performing background checks, collating information and reviewing legal documentation to facilitate the sale process – C Oversight of due diligence for the sales processes – C Liaising with advisers regarding the sale process – C Meetings and discussions with potential purchasers – C Understanding and oversight of IT environment and operational transition – C Liaison with Corporate staff in relation to separation issues – C Ongoing support and correspondence with the Corporate business to realise further conditional consideration – C Sale of chattel assets – C Continued correspondence and negotiations with suppliers regarding collection of book debts – C 	Identify, assess and seek to realise potential value for the potential financial benefit of the Company's creditors
Trading	<ul style="list-style-type: none"> Collation of debtor information – C Wind-down of operational site – C Management and liaison with lease creditors – C Discussions and correspondence with landlord – C Managing insurance and health and safety processes of business – C Finalisation of trading, including payment of final invoices – C 	Necessary to facilitate Administrators' duties, e.g. collection of Company data; maximisation of asset realisations through collation of information in relation to the Enterprise business, including book debts, separation of Corporate business, sale of data book and sale of subsidiaries.
Creditors & Shareholders	<ul style="list-style-type: none"> Establishment of employee claims including any additional claims or offsets arising from flexi-time, holiday allowances, employee loans – C Responding to employee queries and complaints – C Responding to shareholder queries – C Correspondence with Secured Lender – C Dealing with unsecured creditor queries – C Maintaining up to date creditor information on the case management system – C 	Statutory requirements; required for orderly case management

	<ul style="list-style-type: none"> Management of a potential unsecured or preferential dividend, including issuing a notice of intended dividend, reviewing proofs of debt, adjudicating claims, calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend – C 	
Tax	<ul style="list-style-type: none"> Notifications to relevant tax authorities – C Liaising with taxation team to ensure recovery of pre-and post-appointment tax recoverable – C Completion of quarterly VAT returns – C Preparing and filing Corporation Tax returns – C Seeking closure clearance from HMRC – C Paying tax deducted from any potential dividends paid to employees – C 	Statutory requirements; ensure tax attributes assessed and utilised; recovery of taxes for the benefit of creditors.
Reporting & other matters	<ul style="list-style-type: none"> Preparing, reviewing and issuing Proposals to the creditors, members and Companies House – C Reporting on the outcome of the approval of the Proposals to the creditors, Companies House and the Court – C Preparing, reviewing and issuing six-month progress reports to creditors and Companies House – C Preparing, reviewing and issuing final report to creditors and Companies House – C Reporting to the Secured Lender – C Miscellaneous and ad-hoc tasks not falling within the categories above – C 	Required by statute and to inform creditors; required in order to seek approval as required for Administration strategy including disposal of assets subject to security

Further information in relation to our time costs can be found in the SIP 9 analysis in Appendix C.

A summary of time costs incurred and drawn during the Period is shown below:

Summary of Time and Expenses During Period (£)								
Company	Time Costs Incurred	Other Fee Adjustment	Billed in Period	Cat 1 Expenses	Billed in Period	Cat 2 Expenses	Billed in Period	Current Total
Utilitywise Plc	59,806	-	(210,059)	-	-	-	-	(150,253)
	59,806	-	(210,059)	-	-	-	-	(150,253)

(13 Aug 21 to 10 Feb 22)						
	Senior Managing Director	Managing Director/ Director	Senior Consultant/ Consultant	Associate	Total Hours	Total Cost
Administration and Planning	0.0	1.7	0.0	11.1	12.8	3,413
Investigations	0.0	0.0	0.0	0.0	0.0	0
Realisation of assets	0.0	0.3	0.0	19.7	20.0	5,038
Trading	0.0	0.0	0.0	5.5	5.5	1,375
Creditors	0.0	9.8	0.0	136.6	146.4	37,528
Tax	0.0	1.5	0.0	0.0	1.5	516
Reporting	1.5	14.1	0.0	25.1	40.7	11,938
Other	0.0	0.0	0.0	0.0	0.0	0
Total	1.5	27.4	0.0	198.0	226.9	59,806
Total (Inc VAT)						71,768

A summary of time costs incurred and drawn for the full Administration period is shown below:

Summary of Time and Expenses During the Full Administration Period (£)								
Company	Incurred	Adjustment	Period	Expenses	Period	Expenses	Period	Current Total
Utilitywise Plc	1,128,042	(32,322)	(1,060,049)	21,662	(21,662)	534	(534)	35,671
	1,128,042	(32,322)	(1,060,049)	21,662	(21,662)	534	(534)	35,671

As disclosed in previous reports, £200k of the time costs billed to date relate solely to costs incurred in relation to fixed charge realisations, namely the sale of the subsidiaries. The invoices were paid out of the Administration estate however as the proceeds of the subsidiary sale did not flow through the estate, these costs were recharged to the subsidiaries.

Utilitywise Plc (13 Feb 19 to 10 Feb 22)						
	Senior Managing Director	Managing Director/ Director	Senior Consultant/ Consultant	Associate	Total Hours	Total Cost
Administration and Planning	93.0	141.6	146.4	495.3	876.3	257,409
Investigations	0.0	33.9	12.1	131.7	177.7	47,922
Realisation of assets	209.1	388.0	218.1	172.4	987.6	326,350
Trading	14.5	161.1	69.0	265.4	510.0	145,816
Creditors	0.5	129.4	35.3	548.6	713.8	192,398
Tax	7.8	51.4	39.2	22.7	121.1	37,935
Reporting	41.8	70.8	103.0	128.2	343.8	102,572
Other	10.8	13.0	17.5	12.6	53.9	17,641
Total	377.5	989.2	640.6	1,776.9	3,784.2	1,128,042
Adjustment	(0.2)	(71.1)	(10.5)	(19.0)	(100.8)	(32,322)
Adjusted Total	377.3	918.1	630.1	1,757.9	3,683.4	1,095,720
Adjusted Total (Inc VAT)						1,314,864

Some £860k of time costs billed to date relate to costs incurred in relation to floating charge realisations i.e., collection of commission from debtors. The invoices were paid out of the Administration estate.

Category 1 expenses are not subject to creditor approval. Category 2 disbursements do require approval from creditors and relate to services provided to us by associated companies and costs which are apportioned overheads such as mileage and data storage. Further details in relation to this can be found at Appendix D (if applicable) together with additional information in relation to our policy on staffing, the use of subcontractors, and details of our applicable charge out rates by staff grade.

Administrators' fee estimate

A breakdown of the time costs incurred to date (and during the reporting period) together with the Administrators' revised fee estimate is provided below.

The Administrators' fees estimate represents the likely time costs that will be incurred in undertaking their duties in respect of the Company during the Administration and, should the Administrators become liquidators, their duties in the liquidation (however this is not envisaged in this instance). It is important to note that the amount of remuneration drawn will be limited by the realisations from the Company's assets and as such fees will only be drawn if there are funds in the Administration (in addition to agreed funding provided by the Secured Lender), or subsequent liquidation, to do so.

Fee estimate for Utilitywise Plc						
	Total Revised Estimate			Incurred to date		Rationale
	Hr	£	£/Hr	Hr	£	£/Hr
Administration and Planning	850	255,000	300	876	257,409	294
Investigations	178	47,922	270	178	47,922	270
Realisation of assets	970	330,000	340	988	326,350	330
Trading	510	145,816	286	510	145,816	286
Creditors	477	133,421	280	714	192,398	270
Tax	140	42,500	304	121	37,935	313
Reporting	300	90,000	300	344	102,572	298
Other	54	17,641	327	54	17,641	327
Administrators' fee estimate	3,479	1,062,299	305	3,784	1,095,720	290

* A cap is in place which limits the daily cost for each of the Administrators' staff. Where an individual has incurred costs greater than the cap, the additional cost has been deducted.

The revised fee estimate is a consequence of the extension of the Administration to February 2022. The additional workstreams that have been/ or anticipated will be undertaken includes the following:

- Continued correspondence with the RPS and our agents (ERA Solutions) in relation to both employment tribunals and employee claims.
- The application to court for a second-year extension to the Administration.
- Continued correspondence with debtors to collect outstanding amounts due.
- Preparation and submission of outstanding VAT and CT returns.
- Preparing, reviewing and issuing six-monthly progress reports.
- Ad-hoc reports to the Secured Lender as necessary.
- Realisation of assets from the Company's subsidiaries and subsequent distribution to creditors.
- Preparing, reviewing and issuing final reports to Creditors and Companies House.

The revised fee estimate represents the expected time costs that will be incurred prior to the Administrators' discharge from liability in respect of their actions as joint administrators of the Company. Although it is expected that the total time incurred will exceed the current fee estimate, the JAs do not anticipate seeking further fee approval as no further fee is anticipated to be taken beyond which has been requested within this report.

Administrators' expenses estimate

Utilitywise Plc - Estimate of Costs (incl VAT)						
Payee	Type of Cost	Cost to date (£)		Estimated Future Costs (£)		Estimated Total Cost (£)
		Fixed	Floating	Fixed	Floating	
Pinsent Masons LLP	Legal fees	97,500	204,662	-	19,467	321,629
Addleshaw Goddard	Legal fees	3,600	-	-	-	3,600
Deloitte LLP	M&A Advisor	288,000	-	-	-	288,000
Herax Partners	M&A Advisor	165,000	-	-	-	165,000
Shareholder Corporate Finance	M&A Advisor	135,000	-	-	-	135,000
ERA Solutions	Employee Advisor	-	46,470	-	4,000	50,470
Sanderson Weatherall	PPE Sales Agent	10,693	-	-	-	10,693
Lovetts	Debt Collection Fees	-	732	-	50	782
Rent (inc Insurance and Service Charge) ¹	Trading Costs	4,572	-	-	-	4,572
Property Expenses	Trading Costs	-	13,156	-	2,000	15,156
Utilities and Rates	Trading Costs	-	15,051	-	-	15,051
Retained Staff	Trading Costs	54,042	81,042	-	-	135,084
Pension Contributions	Trading Costs	7,188	11,708	-	-	18,897
Payroll Expenses	Trading Costs	693	795	-	-	1,488
PAYE/NIC	Trading Costs	29,581	44,572	-	-	74,153
Staff Vehicles	Trading Costs	-	-	-	-	-
Data Protection Costs	Insolvency Costs	-	-	-	120	120
Contingency Costs	Insolvency Costs	-	-	-	10,000	10,000
Leased IT Assets / Software	Trading Costs	49,621	241	-	-	49,862
Administration Costs	Insolvency Costs	-	3,247	-	500	3,747
Total Cost Estimate ²		845,490	421,676	-	36,137	1,303,304

¹ Rent was due to be paid by the Company however the cost was covered by the subsidiary due to their continued occupation of the premises. The £4.3k payment relates to insurance cover.

² Total costs have exceeded our previous estimate, primarily due to a variance in the cost of our M&A advisors. This is due to the sale processes taking longer than originally anticipated.

Administrators' Expenses			
	Incurred	To be incurred	Total
Travel	6,959	-	6,959
Accommodation	10,328	-	10,328
Subsistence	2,492	-	2,492
Miscellaneous	1,902	-	1,902
Category 2	534	-	534
Total	22,216	-	22,216

-Misc includes office supplies and document couriers

-Category 2 expenses include personal travel costs (45p per mile)

Appendix C – Time cost analysis

Utilitywise Plc – Analysis of Time Costs In Accordance with SIP9 for the period 13 August 2021 to 10 February 2022

Task	Senior Managing Director	Managing Director / Director	Senior Consultant / Consultant	Associate	Total Time	Total Cost	Average Hourly Rate
Administration and Planning							
Strategy and planning	-	-	-	6.5	6.5	1,625.0	250.0
Receipts and payments accounts	-	1.7	-	2.0	3.7	1,137.5	307.4
Checklist and reviews	-	-	-	0.6	0.6	150.0	250.0
Cashiering and reconciliations	-	-	-	1.6	1.6	400.0	250.0
Subtotal	-	1.7	-	11.1	12.8	3,412.5	
Realisation of assets							
Book debts	-	-	-	19.7	19.7	4,925.0	250.0
Subtotal	-	0.3	-	19.7	20.0	5,037.5	
Trading							
Ongoing trading / monitoring	-	-	-	5.0	5.0	1,250.0	250.0
Employees - Payroll	-	-	-	0.5	0.5	125.0	250.0
Subtotal	-	-	-	5.5	5.5	1,375.0	
Creditors (correspondence and claims)							
Unsecured creditors	-	-	-	99.2	99.2	24,800.0	250.0
Employees	-	6.3	-	28.6	34.9	9,325.0	267.2
Subtotal	-	9.8	-	136.6	146.4	37,528.1	
Tax							
Post appointment VAT	-	1.5	-	-	1.5	515.6	343.8
Subtotal	-	1.5	-	-	1.5	515.6	
Reporting							
Other statutory reports/meetings	1.5	14.1	-	25.1	40.7	11,937.5	293.3
Subtotal	1.5	14.1	-	25.1	40.7	11,937.5	
Total Time by Grade	1.5	27.4	-	198.0	226.9		
Total Cost by Grade	656.3	9,650.0	-	49,500.0	59,806.3		
Average Hourly Rate	437.5	352.2	-	250.0	263.6		

	Time Costs	Category 1	Category 2	Total
Total Costs to Date	59,806.3	-	-	59,806.3
Amount Billed	(210,049.0)	-	-	(210,049.0)
Total WIP	-	-	-	-

Utilitywise Plc - Analysis of Time Costs In Accordance with SIP9 for the period 13 February 2019 to 10 February 2022

Task	Senior Managing Director	Managing Director / Director	Senior Consultant / Consultant	Associate	Total Time	Total Cost	Average Hourly Rate
Administration and Planning							
Strategy and planning	82.0	55.8	62.0	10.8	210.6	77,787.5	369.4
Initial actions	11.0	65.3	-	105.8	182.1	53,709.4	294.9
Appointment and related formalities	-	4.3	16.3	16.3	36.9	10,315.6	279.6
Receipts and payments accounts	-	1.7	4.5	43.9	50.1	12,990.6	259.3
Checklist and reviews	-	4.3	32.7	90.7	127.7	34,093.8	267.0
Cashiering and reconciliations	-	8.7	26.9	218.3	253.9	64,621.9	254.5
Bonding and IPS maintenance	-	1.5	4.0	9.5	15.0	3,890.6	259.4
Subtotal	93.0	141.6	146.4	495.3	876.3	257,409.4	
Investigations							
Correspondence with directors	-	7.0	-	-	7.0	2,406.3	343.8
Directors questionnaire/checklists	-	0.4	-	4.1	4.5	1,175.0	261.1
Statement of affairs	-	4.4	-	8.2	12.6	3,562.5	282.7
Reports of Directors' conduct	-	1.0	6.0	-	7.0	1,875.0	267.9
Books and records	-	7.6	2.3	97.3	107.2	27,693.8	258.3
Electronic records	-	11.9	3.8	17.3	33.0	9,440.6	286.1
Other investigations	-	1.6	-	4.8	6.4	1,768.8	276.4
Subtotal	-	33.9	12.1	131.7	177.7	47,921.9	
Realisation of assets							
Sale of business	203.1	203.4	207.0	3.5	617.0	212,175.0	343.9
Post-completion obligations	3.4	13.8	-	-	17.2	6,662.5	387.4
Book debts	2.6	53.3	8.1	134.7	198.7	56,559.4	284.6
Property, plant and vehicles	-	49.4	0.6	30.7	80.7	24,900.0	308.6
Other assets	-	40.8	1.9	3.5	46.2	15,965.6	345.6
Health & Safety/Insurance	-	4.7	-	-	4.7	1,671.9	355.7
Legal issues/litigation	-	2.4	0.5	-	2.9	959.4	330.8
Fixed Charge Property	-	20.2	-	-	20.2	7,456.3	369.1
Subtotal	209.1	388.0	218.1	172.4	987.6	326,350.0	
Trading							
Initial control of operations	-	-	2.0	38.8	40.8	10,200.0	250.0
Ongoing trading / monitoring	14.5	155.0	28.3	160.6	358.4	106,978.1	298.5
Closure of trading	-	4.3	22.9	44.0	71.2	18,231.3	256.1
Employees - Payroll	-	1.8	15.8	22.0	39.6	10,406.3	262.8
Subtotal	14.5	161.1	69.0	265.4	510.0	145,815.6	
Creditors (correspondence and claims)							
Unsecured creditors	-	17.8	13.8	262.0	293.6	75,644.4	257.6
Secured creditors	-	10.7	2.0	16.8	29.5	8,681.3	294.3
Pensions	-	4.8	-	-	4.8	1,690.6	352.2
Employees	0.5	87.3	19.5	264.0	371.3	101,865.6	274.3
ROT creditors	-	3.0	-	-	3.0	1,031.3	343.8
Shareholders	-	1.0	-	3.4	4.4	1,225.0	278.4
Lease creditors	-	4.8	-	2.4	7.2	2,259.4	313.8
Subtotal	0.5	129.4	35.3	548.6	713.8	192,397.5	
Tax							
Initial reviews CT and VAT	-	-	-	8.5	8.5	2,125.0	250.0
Pre-appointment CT	1.5	8.1	0.3	5.0	14.9	4,765.6	319.8
Pre-appointment VAT	0.7	-	10.0	-	10.7	3,340.6	312.2
Post appointment CT	4.0	21.5	-	4.0	29.5	10,153.1	344.2
Post appointment VAT	-	12.9	27.9	4.7	45.5	13,341.3	293.2
Tax advice on transactions	-	2.4	1.0	0.5	3.9	1,275.0	326.9
Other post appointment tax	1.6	6.5	-	-	8.1	2,934.4	362.3
Subtotal	7.8	51.4	39.2	22.7	121.1	37,935.0	
Reporting							
Proposals	-	20.8	31.5	13.5	65.8	18,612.5	282.9
Other statutory reports/meetings	8.7	18.5	58.5	92.4	178.1	49,646.9	278.8
Secured creditor reports	33.1	31.5	13.0	22.3	99.9	34,312.5	343.5
Subtotal	41.8	70.8	103.0	128.2	343.8	102,571.9	
Other							
Other	10.8	13.0	17.5	12.6	53.9	17,640.6	327.3
Subtotal	10.8	13.0	17.5	12.6	53.9	17,640.6	
Total Time by Grade	377.5	989.2	640.6	1,776.9	3,784.2		
Total Cost by Grade	165,156.3	348,453.1	170,207.5	444,225.0	1,128,041.9		
Adjustment	(87.5)	(24,859.4)	(2,625.0)	(4,750.0)	(32,321.9)		
Adjusted Cost	165,068.8	323,593.8	167,582.5	439,475.0	1,095,720.0		
Average Hourly Rate	437.3	327.1	261.6	247.3	289.6		
	Time Costs	Category 1	Category 2	Total			
Total Costs to Date	1,095,720.0	21,661.6	534.4	1,117,916.0			
Amount Billed	(1,060,049.0)	(21,661.6)	(534.4)	(1,082,245.0)			
Total WIP	35,671.0	-	-	35,671.0			

Appendix D – Additional information in relation to Administrators' fees pursuant to SIP 9

Detailed below is FTI's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Senior Managing Director, Managing Director, Director, Senior Consultant, Consultant and Associate. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Senior Consultants/Consultants may be allocated to meet the demands of the case.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do we seek to charge and recover our time in this regard.

Professional advisors

On this assignment we have used or intend to use the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Professional Advisor Fees			Fees to Date (incl. VAT)
Name of Professional Advisor	Service	Basis of Fee Arrangement	
Pinsent Masons LLP	Legal Advice	Hourly rate and disbursements	£302,162.13
Deloitte LLP	M&A Advisor	Weekly retainer fee (plus success fee)	£288,000.00
Herax Partners	M&A Advisor	Monthly retainer fee (plus success fee)	£165,000.00
Shareholder Corporate Finance Ltd	M&A Advisor	Monthly retainer fee (plus success fee)	£135,000.00
ERA Solutions	Employee Advisor	Hourly rate and disbursements	£46,470.00
Sanderson Weatherall	Auctioneer	Percentage of realisations	£10,693.15
Addleshaw Goddard	Legal Advice	Hourly rate and disbursements	£3,600.00
Lovetts	Debtor Realisations	Fixed cost per realisation	£782.00

Deloitte

We note that the total fees paid to Deloitte include amounts in relation to pre-appointment work undertaken that have been paid from the Administration estate of the Company. During that period, Deloitte acted as the Company's pre-appointment M&A advisor. Following our appointment, Deloitte were retained to assist with the sale of the intellectual property and other assets, including data, of the Company. The choice to retain Deloitte was based on the Administrators' perception of their knowledge of both the Company and the type of work required.

Pinsent Masons

Pinsent Masons have provided both pre-appointment and post-appointment legal advice to the Company. The advice included, but was not limited to; drafting sale documentation, assisting with GDPR matters and other employee queries. The service provided by Pinsent Masons is a specialist service which the Administrators' staff could not appropriately perform in house.

Pinsent Masons carried out work in respect of legal advice relating to the escrow funds and the collection of outstanding book debts. This work has now concluded.

Herax Partners and Shareholder Corporate Finance Ltd

Herax Partners were engaged to assist Deloitte in the sale of ICON. ICON was a standalone business operating in the Czech Republic, for which the Company was the sole shareholder. Herax Partners had previously acted as M&A advisors to the Company when a sales process for ICON was run in 2018. It was the Administrators' view that Herax Partners should be contacted in order to reignite interest from parties contacted in the previous sales process.

On request from Herax Partners, the success fee payable to them was split between themselves and an associate Shareholder Corporate Finance Ltd.

ERA Solutions

ERA Solutions were engaged by the Administrators to assist the Company's former employees in submitting their claims against the Company. They liaised directly with employees in respect of their claims against the Company.

Payments to date total £49,716 (including VAT).

The choice of ERA Solutions was based on the Administrators' perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. It was also considered that the basis on which they will charge their fees represented value for money and was more cost effective than if the work had been undertaken by the Administrators' staff.

Sanderson Weatherall

We engaged chattel agents, Sanderson Weatherall, to assist with the sale of a large volume of chattel assets on site at the Company's offices in North Tyneside, primarily furniture and IT equipment. This sale was concluded in a short period of time, as the costs of continued occupation of the Company's leased property were considered to exceed the realisable value of the chattel assets. It was considered that the basis on which they charged their fees represented value for money.

Addleshaw Goddard

Addleshaw Goddard were the Company's pre-appointment legal advisors. The balance paid to Addleshaw Goddard relates to the pre-appointment costs incurred by the Company in connection with the appointment of the Administrators.

Lovetts

Lovetts were engaged to collect debts from former employees of the Company. Whilst this function could be carried out by the Administrators' staff, it was considered more cost effective and efficient for Lovetts to undertake these duties.

Other FTI Teams

We have utilised the services of other teams within FTI Consulting LLP to assist with the Administration process. The fees of our tax and strategic communications teams have been included in our SIP 9 analysis provided to creditors of the Company and allocated to the work streams to which their work related, for approval by those parties approving our fees.

We consider that the rates chargeable for these services are in line with general market practice and that the service is comparable to similar firms of professional advisors. In addition, by working closely with our internal teams, we believe a more coordinated and cost-effective approach to the Administration workstreams has been possible.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred which relate to payments due to associated Company for the provision of services to the office holder.

Charge-out rates

A schedule of FTI's charge-out rates (exclusive of VAT) for this assignment to date is below. All time incurred by the Administrators and their staff is recorded in six-minute increments.

Grade	£ (Per Hour)
Senior Managing Director	437.50
Managing Director	375.00
Senior Director	343.75
Director	343.75
Senior Consultant	306.25
Consultant	250.00
Analyst (experienced)	250.00
Analyst (junior)	250.00

Our fees are subject to an additional cap on this assignment whereby charges are restricted to eight hours per person per day.

Appendix E – Receipts and Payments

Administrators' Account of Receipts And Payments				
	Statement of Affairs	13 Feb 2019 - 12 Aug 2021	13 August 2021 to 08 February 2022	Total
	£	£	£	
Fixed Charge Receipts				
Sale of Subsidiary 1	4,000,000	1,408,103	-	1,408,103
Loan from Floating Charge Account		166	-	166
Recharge of Fixed Charge Costs		604,362	-	604,362
Subtotal	4,000,000	2,012,631	-	2,012,631
Fixed Charge Payments				
Fixed Charge Advisor Fees 2		(559,300)	-	(559,300)
Office Holder's Fees		(200,000)	-	(200,000)
Fixed Charge Legal Fees		(84,250)	-	(84,250)
Fixed Charge Insurance Costs		(30,728)	-	(30,728)
Fixed Charge Trading Deficit		(145,697)	-	(145,697)
Fixed Bank Charges		(101)	(90)	(191)
Fixed Charge VAT Irrecoverable		(5,000)	-	(5,000)
Subtotal		(1,025,076)	(90)	(1,025,166)
Fixed Charge Surplus/Deficit		987,554	(90)	987,464
Floating Charge Receipts				
Sales		1,871,794	239,601	2,111,395
VAT Refund (Offset) 3		1,596,478	-	1,596,478
Property, Plant and Equipment	30,000	103,278	-	103,278
Intellectual Property		200,000	-	200,000
Book Debts	448,000	589,270	572	589,842
Legal Settlement		1,051,199	-	1,051,199
Refund of Rent Deposit		55,960	-	55,960
Other Debtors and Prepayments		36,892	444	37,336
Petty Cash 4	6,431	5,583	-	5,583
Unclaimed Share Dividends 5		-	1,155	1,155
Subtotal	484,431	5,510,454	478,776	5,752,227
Floating Charge Payments				
Floating Charge Advisor Fees		(65,723)	(5,016)	(70,739)
Office Holder's Fees		(650,000)	(242,549)	(892,549)
Office Holder's Expenses			(20,129)	(20,129)
Floating Charge Legal Fees		(173,247)	(5,864)	(179,111)
Pre-Appointment Legal Fees		(3,851)	-	(3,851)
Printing, Stationery & Postage		(1,106)	(770)	(1,876)
Insolvency Expenses 6		(1,987)	1,058	(928)
Loan to Fixed Charge Account		(166)	-	(166)
Bank Charges		(868)	(440)	(1,308)
Repayment of VAT Refund 3		(1,596,478)	-	(1,596,478)
Floating Charge Trading Deficit		(173,047)	-	(173,047)
Floating Charge Irrecoverable VAT		(94,439)	86,958	(7,481)
Subtotal		(2,760,913)	(186,750)	(2,947,663)
Floating Charge Surplus/(Deficit)		2,749,541	292,026	2,804,564
Net realisations		3,737,096	291,936	3,792,028
Distributions				
Fixed Charge Distribution		(981,853)		(981,853)
Floating Charge Distribution		(750,000)	(587,668)	(1,337,668)
Preferential Distribution		-	(1,131,807)	(1,131,807)
Prescribed Part Distribution			(340,700)	(340,700)
Subtotal		(1,731,853)		(3,792,028)
Total Balance Held		2,005,242		-
VAT 426 Recoveries Payable Directly to Secured Creditor				-
Total Available Funds				-

1 See the Joint Administrators' Report and Statement of Proposals (April 19), section four for details of the business and assets sale.

2 Advisor fees includes the cost of agent/valuers used during both business and assets sales, bonus payments upon completion of these sales and continued debt collector costs.

3 Confirmation has been received that the Pre-appointment VAT refund is subject to crown set-off. Payment was made to HMRC in the week commencing 14 December 2020.

4 The petty cash collected was lower than the SoA amount due to outdated information used to prepare the SoA.

5 As per the advice from the legal advisors, unclaimed dividends not held on trust form part of the normal insolvency waterfall.

6 These include insolvency bonding, statutory advertising and re-direction of mail charges.

While trading ceased immediately upon the appointment of Administrators, the costs set out in the 'Trading R&P' below were incurred while the Enterprise business was being wound down and the Corporate business was separated (including movement of IT equipment and transfer of employees).

Administrators' Trading Receipts And Payments							
		Total	13 Feb 19 - 12 Aug 21		12 Aug 21 - 10 Feb 22		Total
£			Fixed	Floating	Fixed	Floating	
Trading Payments							
Insurance Costs		(4,572)	(4,572)	-	-	-	(4,572)
Property Expenses	1	(13,156)	-	(13,156)	-	-	(13,156)
Utilities and Rates		(15,051)	-	(15,051)	-	-	(15,051)
Retained Staff		(135,084)	(54,042)	(81,042)	-	-	(135,084)
Pension Contributions		(18,897)	(7,188)	(11,708)	-	-	(18,897)
Payroll Expenses	2	(1,488)	(693)	(795)	-	-	(1,488)
PAYE/NIC		(74,153)	(29,581)	(44,572)	-	-	(74,153)
Leased IT Assets / Software		(43,387)	(43,186)	(201)	-	-	(43,387)
Ransom Payment	3	(701)	-	(701)	-	-	(701)
VAT		(12,256)	(6,435)	(5,822)	-	-	(12,256)
Total Payments		(318,745)	(145,697)	(173,047)	-	-	(318,745)
Trading Surplus/(Deficit)		(318,745)	(145,697)	(173,047)	-	-	(318,745)

SIP7 disclosures

- As the Company is a service-based business there is no WIP or stock utilised in trading
- Unpaid trading costs incurred to date are likely to be minimal, and include vehicle and other property expenses billed in arrears.
- Administrators time costs in relation to trading to date are £144,440
- £2.0m was held in the interest bearing Administration bank accounts as at 12 August 2019
- There have been no trading receipts to date
- Funding of the trading loss is discussed in the Initial Actions section of the report

Additional notes

¹ Includes waste disposal, on-site security and cleaning

² Employee expenses that were categorised as 'Misc expenses' in the Statement of Proposals have been included in Payroll Expenses. These include transport and subsistence for retained staff

³ Payment to lessor of printers which were required on-site for a limited period following appointment

Appendix F – Creditors' statement of claim form

Rule 14.4 The Insolvency (England and Wales) Rules 2016

Proof of Debt – General Form

IN THE	HIGH COURT OF JUSTICE BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES INSOLVENCY AND COMPANIES LIST
Number:	CR-2019-001097
Name of Company in Administration:	Utilitywise Plc
Company Registration Number:	05849580
Date of Administration:	13 February 2019
1 Name of creditor (If a company, please also provide the company registration number).	
2 Correspondence address of creditor (including any email address)	
3 Total amount of claim (£) (include any Value Added Tax)	
4 If amount in 3 above includes (£) outstanding uncapitalised interest, state amount.	
5 Details of how and when the debt was incurred. (If you need more space, attach a continuation sheet to this form)	
6 Details of any security held, the value of the security and the date it was given.	
7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.	
8 Details of any document by reference to which the	

debt can be substantiated

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Andrew Johnson
JOINT ADMINISTRATOR

Andrew Johnson
JOINT ADMINISTRATOR

Notes:

1. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.



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About FTI Consulting

FTI Consulting, LLP, is a global business advisory firm dedicated to helping organisations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. FTI Consulting professionals, who are located in all major business centres throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management and restructuring.

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