

JOINT ADMINISTRATORS' REPORT FOR THE PERIOD 13 FEBRUARY 2019 TO 12 AUGUST 2019

UTILITYWISE PLC (IN ADMINISTRATION) (COMPANY NUMBER: 05849580) (“UTW”) (“THE COMPANY”)

Issued on 4 September 2019

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Glossary

The Act	Insolvency Act 1986 (as amended)	The Rules	Insolvency (England and Wales) Rules 2016
EIC	Energy Intelligence Centre Limited	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	SIP7	Statement of Insolvency Practice 7
FTI	FTI Consulting LLP	SIP9	Statement of Insolvency Practice 9
ICON	ICON Communication Centres s.r.o	the Group	Utilitywise Plc and subsidiaries
Joint Administrators / Administrators	Andrew Johnson and Chad Griffin	the Period	13 February 2019 to 12 August 2019
RPS	Redundancy Payments Service	T-Mac	T-Mac Technologies Limited

1. Introduction

- 1.1 Andrew Johnson and Chad Griffin were appointed as Joint Administrators of the Company on 13 February 2019. Pursuant to Rule 18.6 of the Rules we are required to send creditors a report setting out what has happened in the administration in the six months since our appointment.
- 1.2 Full details of the statutory formalities relating to our appointment are set out in Appendix A.
- 1.3 This report together with appendices contains a summary of background information in relation to our appointment, information in relation to the activities undertaken in the period since our appointment on 13 February 2019, and the Administrators' time costs in accordance with SIP 9 (Appendices B and C).
- 1.4 A summary of receipts and payments in accordance with SIP7 for the Company is included at Appendix E, which includes a trading statement, dealing with the costs incurred by the Administrators during the winding down of the Company's operations.
- 1.5 The estimated return to creditors is set out in Sections 2 and 4 of this report.

Purpose of the Administration

- 1.6 The purpose of an administration must be to achieve one of the following statutory objectives:
 - a. Rescuing the company as a going concern;
 - b. 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
 - c. Realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.7 The purpose of the Administration is statutory objective c), realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.8 Full details of our rationale for choosing statutory purpose C were set out in our Statement of Proposals dated 5 April 2019 ("the Proposals"). Section 3 of this report covers our actions to date and proposed actions to be undertaken in pursuit of this objective.

Administrators' remuneration

- 1.9 In our Proposals we proposed that we would be remunerated on the basis of time costs incurred by us and our staff properly spent in carrying out the Administration. This fee basis was agreed by preferential creditors and the Secured Lender on 23 April 2019 and 26 April 2019 respectively. Details of the rules in relation to Administrators' remuneration together with details of our time costs to date and our fee estimate are set out in Appendices B and C.
- 1.10 A creditors' guide to administrators' fees setting out creditors' rights to further information and how fees are approved can be found here:
<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017>
- 1.11 Our fees will be met from realisations of assets into the Administration estate, to the extent available. We will seek approval from the Secured Lender and any preferential creditors for the drawing of our fees, as appropriate.
- 1.12 If creditors wish to be supplied with a hard copy of this guidance they should contact us at the details set out at point 1.19 below.
- 1.13 In accordance with Rules 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.

1.14 Additional information in relation to our staffing policies can be found in Appendix D.

Further information

1.15 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 the Administrators of the Companies to provide additional information regarding remuneration or expenses to that already supplied with 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.

1.16 Further information on insolvency processes in general including a step-by-step guide can be found at the following website:

<http://www.creditorinsolvencyguide.co.uk/>

1.17 We are bound by the Insolvency Code of Ethics. We did not identify any ethical threats in considering our appointment, but a copy of our considerations can be provided on request.

1.18 The privacy and security of personal information is very important to us. Information about our collection, use and protection of personal data can be found at <https://www.fticonsulting-emea.com/~media/Files/emea--files/creditors-portal/cip-emea-forms-info/cip-data-privacy.pdf>

1.19 If you have any specific queries in relation to this report or the Administration in general, please contact the administrators at UWadministrators@fticonsulting.com or on 020 3727 1700, or by writing to The Administrators, Utilitywise Plc (in administration), C/O FTI Consulting LLP, 200 Aldersgate Street, London EC1A 4HD. Creditors can also use these contact details to request a hard copy of this report or any other soft copies referenced throughout this report, if required.

2. Summary estimated creditor returns

2.1 Given that the total realisations from the Company's assets are uncertain and final preferential claims are yet to be received, it is not yet possible to determine the exact returns to creditors. Our current estimate is shown below:

Creditor Type	Claim (£m) ¹	Estimated Net Distribution		Estimated Net Distribution	
		Low	High	Low Dividend (p/£)	High Dividend (p/£)
Secured Lender	21.1	3.8	3.9	18	18
Preferential Creditors	1.2	1.2	1.2	98	98
Unsecured Creditors	76.1	0.0	0.2	0	0
Shareholders	17.8	0.0	0.0	0	0
Total	116.1	5.0	5.3		

[1] Based on estimates from Statement of Affairs, and may therefore be subject to change

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

3. Progress of the Administration

Background information

- 3.1 The full background to our appointment was set out in the Proposals, with a high level summary shown below.
- 3.2 Following deterioration in the Company's trading the board of directors sought additional funding for the Company to ensure its continuation as a going concern, however no funding was forthcoming. As an alternative a purchaser for the business was sought but no viable offers were received.
- 3.3 It was therefore decided that the Enterprise business, which was heavily loss-making, would need to cease trading and a sale of the Corporate division only would be sought. In order to achieve these aims it was decided that the Company would need to enter administration and the Joint Administrators were appointed on 13 February 2019.

Initial Actions

- 3.4 Upon appointment the Enterprise business ceased trading immediately and the majority of employees were made redundant. A skeleton staff were retained on a short-term basis, as discussed below.
- 3.5 These employees continued to work from the Company's office at Cobalt Business Park which was occupied until 24 March 2019, when it was handed back to the landlords.
- 3.6 Following appointment, and to support initial costs such as the retained staff payroll, the Administrators had access to an overdraft facility supplied by the Secured Lender.
- 3.7 The trading loss initially incurred was funded by a combination of the overdraft, book debts and other floating charge asset realisations. The decision to incur these losses was taken in order to achieve a net positive outcome for creditors via a successful sale of subsidiaries and other assets, and to facilitate the collation of data to allow continued debtor collections, as discussed below. Fixed charge elements of costs have been recharged as set out below.

Assets Realisations

Sale of the Corporate Division

- 3.8 Full details of the sales process are included in our Proposals.
- 3.9 As the sale was concluded as a business and assets sale by the directors of EIC and T-Mac (rather than share sales) the sales proceeds do not form part of the insolvency estate of the Company, but the proceeds have the effect of reducing the debt due to the Secured Lender (which would have been repayable under the Secured Lender's fixed charge in the event of a share sale).
- 3.10 As such, it was agreed with the Secured Lender that fixed charge costs incurred by the Company in relation to the Corporate business and sales process for the Corporate business would be repaid to the Company out of the sales proceeds for the Corporate business. In total £604k of costs have been repaid by the Corporate business.
- 3.11 We continue to liaise with the purchaser of the business in relation to certain contractual terms that could result in the payment of further conditional consideration that is currently held in escrow.
- 3.12 Any additional proceeds will ultimately be for the benefit of the Secured Lender and will not form part of the administration estate. However, any additional proceeds will ultimately reduce the size of the Secured Lender's floating charge claim against the Company.

Sale of ICON

- 3.13 Details of the sales and marketing process for the ICON business were set out in our Proposals.
- 3.14 On 11 April 2019 we concluded the sale of ICON for £1.4m.

Legal settlement

3.15 Following our appointment, we notified the debtors of the administration that the settlement is still due. To date £750k has been recovered. There remain additional amounts outstanding and we will continue to pursue recovery of these funds if monthly payments are not received.

Book debts and accrued revenue

3.16 We have closed off the Company accounts to ensure that all deals brokered pre-administration are reflected in the Company's books and records. Together with Company staff we have collated these records by energy supplier and prepared appropriate documentation to support claims against these suppliers.

3.17 Due to the nature of the Company's business a number of suppliers had made payments in advance of certain commissions / fees being due. As a result, the likely level of recoverability of these debts remains uncertain given the potential for offset by suppliers.

3.18 Further, the accrued revenue position for the Company relates to contracts far into the future and based on forecast levels of consumption by end-users. It is therefore uncertain whether these targets will be hit and whether such revenue will become payable.

3.19 To date we have invoiced £848k in relation to amounts which have fallen due since our appointment and our collections to date of both books debt and accrued revenue is £1.0m.

Pre-administration VAT

3.20 A pre-administration VAT return will be submitted to HMRC, however if there is a receivable amount it is likely that due to crown set-off it will be set-off by HMRC against amounts due in respect of pre-appointment PAYE, NI & CT, and therefore no net recovery is anticipated.

Company intellectual property

3.21 Following our appointment we worked with Company staff to ascertain and quantify the saleable company intellectual property and data and at the same time we worked closely with our legal advisors to ensure that any sale would be compliant with applicable data protection legislation.

3.22 A number of enquiries were made for the intellectual property of the Company, during the Company's pre-administration sales process.

3.23 We progressed these (as well as a number of post-administration inbound queries) working with Deloitte, the Company's pre-administration M&A advisor, who were retained to assist with the sale of the intellectual property and other assets, including data, of the Company.

3.24 The sale of intellectual property (including data) was completed on in April 2019 for £200k. For reasons of commercial confidentiality we are unable to disclose the identity of the purchaser.

Chattel assets

3.25 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.

3.26 The auction process for chattel assets has now been concluded and gross proceeds from the sale were £103k. The gross cost of the chattel agents in relation to the sale was £11k.

3.27 We have also worked closely with Company staff in order to facilitate the return of leased assets to lease creditors of the Company, minimising creditor claims in the insolvency estate.

Petty Cash

- 3.28 Upon appointment £5,383 of petty cash was realised by the Administrators, £4,903 of which was banked shortly after. An additional £332 was located on site which was being held on behalf of local charities and this was subsequently donated to the designated charities.
- 3.29 £0.5k cash was retained for employee expenses and an additional £200 was drawn for use by employees transporting IT equipment to an EIC office in Redditch.
- 3.30 A final deposit of £124 was made at the end of March 2019.

Receipts and payments during the Period

- 3.31 The Secured Lender provided the Administrators with an overdraft facility to meet the initial expenses of the Administration and this facility has since been repaid.
- 3.32 A full receipts and payments account for the Administration during the period covered by this report is provided at Appendix E. Where appropriate costs incurred that relate to the fixed charge assets of the Company (shares in Corporate and ICON) have been allocated to the fixed charge and will be payable out of fixed charge realisations.

Employees

- 3.33 On the date of administration, 573 staff associated with the Enterprise business were made redundant with immediate effect.
- 3.34 Those staff whose usual work was for the Corporate business were retained by the Corporate business, in order for the Corporate business to trade on a "business as usual" basis. Due to historic reasons a number of Corporate staff incorrectly had employment contracts with the Company, so consequently 94 staff transferred their employment from the Company to EIC.
- 3.35 We retained a skeleton staff of 38 Company employees in order to:
- assist us in complying with our statutory duties;
 - facilitate an orderly closure of the business and closure of Utilitywise House; and
 - assist with the orderly separation of the Corporate business from central support functions.
- 3.36 Retained staff primarily assisted with the following workstreams:
- Collection and collation of financial data including information relating to accrued revenues and debtors;
 - IT support for the closure period and separation of the Corporate business, and collation and secure destruction of non-required data;
 - HR support for the redundancy process and closure of Enterprise payroll, and separation of the Corporate business; and
 - Assisting with inbound customer queries regarding "in life" contracts for a short period.
- 3.37 All retained staff have now been made redundant following the finalisation of the post-administration payroll and completion of the Corporate sale.
- 3.38 We have worked with ERA Solutions, Company staff and the RPS to agree employees' claims under the Employment Rights Act. The majority of employees have now submitted their claims, but any staff who have not yet submitted their claims via the Redundancy Payments website are still able to do so via <https://www.gov.uk/claim-redundancy>.
- 3.39 We have also dealt with a large volume of employee queries primarily relating to matters such as reference requests, past payments and other remuneration queries.

3.40 A number of employees have made claims to an employment tribunal. We continue to assist the tribunal by providing information in relation to the background to the redundancies that took place during the administration.

Taxation

3.41 We have notified HM Revenue and Customs of our appointment and in due course appropriate filings will be made to support the Company's corporation tax and VAT positions at the date of the Administration.

3.42 We have submitted our first VAT return covering the post-appointment period and intend to submit additional VAT returns as necessary.

Statutory investigations

3.43 We have undertaken initial investigation work in accordance with SIP2 including a review of the accounts of the Company in order to understand the realisable assets of the Company and comparing these to the values 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.

3.44 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 3-year period prior to the date of the Administration. We have concluded our review and have submitted a final return to the Department for Business, Energy and Industrial Strategy. The content of our reports in relation to this are confidential.

3.45 Should any creditors have any further relevant information in relation to directors' conduct, they should provide details in writing to the 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.

Remaining Steps

3.46 The major steps remaining to be completed before the Administration can be completed are set out below:

- Collection of commissions from energy suppliers and collection of the legal settlement – many suppliers have made it clear these cannot be collected in advance and thus we will have to continue to invoice in arrears, until the contracts to which the commissions relate, have elapsed;
- Continued support to the purchaser of the Corporate Division, where necessary, to ensure conditional consideration is received;
- Distribution of proceeds of liquidation of subsidiaries to the Fixed Charge Lender;
- Engagement with an Employee Tribunal;
- Continued compliance with tax legislation and seeking clearance from HMRC for closure;
- Collation of unsecured and preferential creditor details;
- Distribution of net realisations to creditors; and
- Ongoing statutory duties.

3.47 Further details are set out in Appendix B.

3.48 We will be seeking an extension to extend the Administration for a period of 12 months in order to continue with collection of commissions and to pass resolutions required to wind up subsidiaries in due course. Further details in respect of this are contained within this report.

4. Estimated 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 and registered to NatWest and RBS respectively. The Secured Lender was also entitled to set-off any amounts held in the Company's bank account at appointment. At appointment, the account was overdrawn.
- 4.2. The return to the Secured Lenders is currently uncertain and is dependent on the conditional sales proceeds arising from the sale of EIC and T-Mac set out above, as well as floating charge proceeds arising from the other commission/debtor realisations set out above (to the extent that total net floating charge realisations exceed preferential claims).
- 4.3. However, based on our current expectations of total realisations, the current estimate of returns to the Secured Lender is between £3.8m and £3.9m.

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. The administrators have paid retained staff their wages and accrued holiday to the date of their redundancy.
- 4.6. We are currently awaiting confirmation from the RPS of the level of preferential claims against the Company, which are expected to exceed £1.2m. Based on current estimated floating charge realisations and costs of realisations, we anticipate a dividend of 98 pence for every pound owed to preferential creditors.

Unsecured creditors

- 4.7. Unsecured creditors rank behind both secured and preferential creditors.
- 4.8. There are unlikely to be sufficient funds to repay the Secured Lender in full, therefore a distribution to unsecured creditors would only arise by virtue of section 176A(2)(a) of the Act, a Prescribed Part dividend up to a maximum of £600k.
- 4.9. Under Section 176A of the Act where after 15 September 2003 the Company has granted a creditor a floating charge, a proportion of the net property of the 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. We currently have insufficient information to estimate the likely size of the Prescribed Part and the return to unsecured creditors, given that the calculation is subject to the total level of floating charge realisations, the costs of realisations and the cost of paying preferential creditors, all of which remain uncertain. However, any return is likely to be minimal (i.e. less than 1p per £ owed).

- 4.12. Creditors wishing to submit a claim should use the creditors statement of claim form provided at Appendix F, with any claims made being supported by copy invoices or other relevant documentation sufficient to allow your claim to be adjudicated.
- 4.13. Under section 176A(5) of the Act the administrator is able to apply to court to disapply the net property provisions relating to the Prescribed Part on the grounds that the costs of distributing the Prescribed Part are disproportionate to the benefits. We do not currently intend to make such an application.

Shareholders

- 4.14. As it is highly unlikely that there will be sufficient assets to repay the Company's creditors in full there will not be any return or distribution to shareholders. All trading in shares has been suspended and the shares have been de-listed.
- 4.15. As at the date of the administration the share register is frozen. Shares can only be transferred with the express consent of the administrators. Shareholders wishing to transfer shares should contact UWadministrators@fticonsulting.com for further information.

5. Request to Preferential Creditors for Extension of Administration

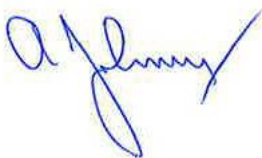
- 5.1. Pursuant to Rule 3.54 of the Rules and Paragraph 78 of Schedule B1 of the Act the Administrators can seek the consent of creditors to extend the administration by up to twelve months. In view of the current financial situation of the Company it falls to the secured and preferential creditors to consent to the extension.
- 5.2. Further details and relevant notices for preferential creditors can be found at Appendix G.
- 5.3. Pursuant to Rule 3.39(4) of the Rules creditors are also invited to form a creditors committee. A notice of invitation to form a committee can be found at Appendix H.

6. Next report and further questions

- 6.1. We are required to provide a further progress report to all creditors within one month of the end of the first 6 months from the end of the Period, or when the administrations come to an end, whichever is sooner.

Should you have any queries in the meantime please do not hesitate to contact a member of the Administrators team on 020 3727 1700 or by email at UWadministrators@fticonsulting.com.

For and on behalf of the Company



Andrew Johnson

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 Chad Griffin 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.

Appendix A – Statutory information

Company and Appointment Information

Utilitywise PLC

Trading names	Utilitywise Plc
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 St, London, EC1A 4HD
Director(s)	Kathleen Child-Villiers, Debra Jane Davies, 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 Lenders.
Appointers 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	Chad Griffin
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 Richard Laker (a director 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 securing specific liabilities was granted in favour of Natwest Markets Plc (The Royal Bank of Scotland Plc acted as Security Agent) on 20 April 2015.

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.

The centre of main interest of the Company is United Kingdom. Therefore, the EC Regulations on Insolvency Proceedings 2000 apply to the Administration. The proceedings are main proceedings as defined by Article 3 of those regulations.

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 letter of engagement and was responsible for making payments under this engagement letter 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 including money laundering checks, ethics checks, GDPR checks, drafting of appointment documents, preparation for day 1, analysis of the Company's assets, drafting of correspondence, understanding the operational connections between the Enterprise and Corporate business, drafting day 1 communications cascades, 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 amongst others. It was necessary to complete these workstreams ahead of administration in order to have an implementable strategy at administration.

Prior to the appointment of 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 however payment of these costs has not been made to date.

There are no other fees that have been charged by any other insolvency practitioner for preparation for an insolvency appointment.

Administrators' fee basis and fee approval

Pursuant to Rule 18.16 of the Rules the remuneration of the administrators can be fixed on the basis of one of the following

- as a percentage of the value of property with which he has to deal;

- by reference to time properly given by the Administrator and his staff attending to matters arising in the Administration; or
- a set amount.

The basis of the Administrators' fees will be determined by a creditors committee (if one is established by the creditors of the Company) or by a meeting of creditors of the Company (if one is convened). If no committee is established and no meeting is convened, it is proposed that the remuneration of the Administrators will be fixed in accordance with option b above and that proposed fees will be approved in accordance with Rule 18.18 of the Rules. These rules are outlined below:

Where the Administrators have made a statement under Paragraph 52(1)(b) of Schedule B1 of the Act, the basis of the Administrators' remuneration may be fixed by approval of:

- Each secured creditor; or
- If the Administrators 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 sought approval from creditors as described below:

- Preferential creditors: a decision was sought to fix the basis of our fees at the same time as issuing the Proposals. Approval was provided by voting preferential creditors in advance of the decision date (23 April 2019), therefore the decision to fix our fees was approved by preferential creditors on this date.
- Secured creditors: a decision was sought to fix the basis of our fees at the same time as issuing the Proposals. Approval was provided by the Secured Lender on 26 April 2019.
- Further to the approvals from both preferential and secured creditors our fee basis has been fixed by reference to time properly given by the Administrator and his staff attending to matters arising in the Administration.

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 SIP9, which provides details of the activity costs incurred by staff grade to the above date is enclosed overleaf

The main areas of our work to date and expected future work streams have been set out in the body of the report but can be summarised as follows:

Category	Description (O – Ongoing, C – Completed, F – Future)	Rationale
Administration & Planning	<ul style="list-style-type: none"> • Day 1 of appointment including communications cascades and statutory notifications • Cashiering and establishment and reconciliation of bank accounts - O • Complying with statutory formalities include relevant filings and statutory communications – O • Maintaining the Administration record – O 	Statutory / compliance requirement; to ensure efficient project management

	<ul style="list-style-type: none"> • Requesting creditor extension and complying with statutory formalities – C 	
Investigations	<ul style="list-style-type: none"> • Review of relevant accounting and statutory records in accordance with SIP2 – C • Gathering books and records of the business and ensuring appropriate storage facilities 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
Realisation of Assets	<ul style="list-style-type: none"> • Performing background checks, collating information and reviewing legal documentation to facilitate sale process – C • Oversight of due diligence for sales processes – C • Liaising with advisers regarding 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 - O • Sale of chattel assets – C • Continued correspondence with suppliers regarding collection of book debts - O 	Identify, assess and seek to realise potential value
Trading	<ul style="list-style-type: none"> • Management of ongoing retained staff and payroll - C • 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 – O 	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 – O • Responding to employee queries and complaints - O • Responding to shareholder queries – O 	Statutory requirements; required for orderly case management

	<ul style="list-style-type: none"> • Correspondence with Secured Lender – O • Dealing with unsecured creditor queries – O • Maintaining up to date creditor information on the case management system - O • 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 - F 	
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 – O • Completion of quarterly VAT returns – O • Preparing and filing Corporation Tax returns – F • Seeking closure clearance from HMRC – F • Paying tax deducted from any potential dividends paid to employees - F 	Statutory requirements; ensure tax attributes assessed and utilized; recovery of taxes.
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 6-month progress reports to creditors, members and Companies House - O • Preparing, reviewing and issuing final reports to creditors and members and Companies House – F • Reporting to the Secured Lender – O • Miscellaneous and ad-hoc tasks not falling within the categories above – F 	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 SIP9 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	733,531	(32,322)	(200,000)	21,380	0	534	0	523,124
	733,531	(32,322)	(200,000)	21,380	0	534	0	523,124

Utilitywise Plc (13 Feb 19 to 12 Aug 19)						
	Senior Managing Director	Managing Director/ Director	Senior Consultant/ Consultant	Associate	Total Hours	Total Cost
Administration and Planning	93.0	132.1	8.2	270.2	503.5	156,881
Investigations	0.0	32.3	10.1	27.5	69.9	20,803
Realisation of assets	204.5	365.4	215.6	37.3	822.8	281,494
Trading	14.5	161.1	49.4	209.6	434.6	126,684
Creditors	0.5	106.4	11.9	184.4	303.2	86,828
Tax	1.4	4.2	5.3	0.0	10.9	3,456
Reporting	30.3	46.9	35.0	24.3	136.5	44,425
Other	10.3	9.5	17.5	0.0	37.3	12,959
Total	354.5	857.9	353.0	753.3	2,318.7	733,531
Adjustment	(0.2)	(71.1)	(10.5)	(19.0)	(100.8)	(32,322)
Adjusted Total	354.3	786.8	342.5	734.3	2,217.9	701,209
Adjusted Total (Inc VAT)						841,451

The £200k of 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. £200k of reimbursements (plus VAT) were received during the Period from funds which would otherwise have been repaid to the Secured Lender.

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 our fee estimate is provided below.

Administrators' fee estimate represents the likely time costs that will be incurred in undertaking their duties in respect to the Company during the Administration and, should the administrator become liquidator, their duties in the liquidation. It is important to note that the quantum 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.

At present the Administrators do not anticipate exceeding the fee estimate.

Fee estimate for Utilitywise Plc									
	Incurred to date			To be incurred			Total estimate		Rationale
	Hr	£	£/Hr	Hr	£	£/Hr	Hr	£	
Administration and Planning	504	156,881	312	9	5,423	603	513	162,305	317 Includes statutory requirements, cashing, file maintenance etc
Investigations	70	20,803	298	5	4,564	878	75	25,368	338 Finalisation of D return and collation of books and records
Realisation of assets	823	281,494	342	8	1,807	238	830	283,301	341 Sale of EIC, ICON and Enterprise assets
Trading	435	126,684	291	5	2,691	572	439	129,375	295 Finalisation of administration trading
Creditors	303	86,828	286	7	4,146	560	311	90,974	293 Creditor correspondence including potential dividend payments
Tax	11	3,456	317	13	8,896	669	24	12,352	510 Finalisation of post-administration tax position
Reporting	137	44,425	325	8	6,677	814	145	51,102	353 Statutory and other stakeholder reporting
Other	37	12,959	347	3	1,857	714	40	14,817	371 Other administration matters
<i>Adjustment for daily fee cap *</i>		(32,322)							
Administrators' fee estimate	2,319	701,209	302	58	36,061	622	2,377	769,592	324

* 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.

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	145,632	-	50,000	293,132
Deloitte LLP	M&A Advisor	288,000	-	-	-	288,000
Herax Partners	M&A Advisor	142,500	-	-	-	142,500
ERA Solutions	Employee Advisor	-	35,412	-	-	35,412
Sanderson Weatherall	PPE Sales Agent	10,693	-	-	-	10,693
Lovetts	Debtor Realisations	-	234	-	400	634
Rent (inc Insurance and Service Charge) ¹	Trading Costs	-	4,318	-	-	4,318
Property Expenses	Trading Costs	-	12,972	-	2,000	14,972
Utilities and Rates	Trading Costs	-	15,051	-	1,000	16,051
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	-	-	1,900	100	2,000
Leased IT Assets / Software	Trading Costs	49,621	241	-	-	49,862
Administration Costs	Insolvency Costs	-	1,105	-	500	1,605
Total Cost Estimate ²		679,818	353,082	1,900	54,000	1,088,800

¹ Rent was due to 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 expected and due to the payment of a success fee.

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	467	2,369
Category 2	534	466	1,000
Total	22,216	932	23,148

* Misc includes office supplies and document couriers

Appendix C – Time cost analysis

Utilitywise Plc - Analysis of Time Costs In Accordance with SIP9 for the period 13 February 2019 to 12 August 2019

Task		Senior Managing Director	Managing Director / Director	Senior Consultant / Consultant	Associate	Total Time	Total Cost	Average Cost
Administration and Planning								
Strategy and planning	A1	82.0	55.8	-	-	137.8	56,100.0	407.1
Initial actions	A2	11.0	22.0	-	105.8	138.8	38,825.0	279.7
Appointment and related formalities	A3	-	1.2	-	13.8	15.0	3,862.5	257.5
Receipts and payments accounts	A4	-	-	-	15.7	15.7	3,925.0	250.0
Checklist and reviews	A5	-	3.3	1.2	29.3	33.8	8,862.5	262.2
Cashiering and reconciliations	A6	-	5.0	5.0	98.5	108.5	27,631.3	254.7
Bonding and IPS maintenance	A7	-	1.5	2.0	7.1	10.6	2,790.6	263.3
Subtotal		93.0	88.8	8.2	270.2	460.2	141,996.9	
Investigations								
Correspondence with directors	B1	-	7.0	-	-	7.0	2,406.3	343.8
Directors questionnaire/checklists	B2	-	0.4	-	4.1	4.5	1,175.0	261.1
Statement of affairs	B3	-	4.4	-	8.2	12.6	3,562.5	282.7
Reports of Directors' conduct	B4	-	1.0	6.0	-	7.0	1,875.0	267.9
Books and records	B5	-	7.0	1.1	10.0	18.1	5,343.8	295.2
Electronic records	B6	-	11.9	3.0	0.4	15.3	5,015.6	327.8
Other investigations	B7	-	0.6	-	4.8	5.4	1,425.0	263.9
Subtotal		-	32.3	10.1	27.5	69.9	20,803.1	
Realisation of assets								
Sale of business	C2	201.9	203.4	207.0	3.5	615.8	211,650.0	343.7
Post-completion obligations	C3	-	9.8	-	-	9.8	3,675.0	375.0
Book debts	C4	2.6	39.5	5.9	3.1	51.1	17,934.4	351.0
Property, plant and vehicles	C6	-	47.4	0.3	30.7	78.4	24,075.0	307.1
Other assets	C7	-	39.0	1.9	-	40.9	14,446.9	353.2
Health & Safety/Insurance	C8	-	4.0	-	-	4.0	1,409.4	352.3
Legal issues/litigation	C9	-	2.1	0.5	-	2.6	846.9	325.7
Fixed Charge Property	C10	-	20.2	-	-	20.2	7,456.3	369.1
Subtotal		204.5	365.4	215.6	37.3	822.8	281,493.8	
Trading								
Initial control of operations	D1	-	-	2.0	38.8	40.8	10,200.0	250.0
Ongoing trading / monitoring	D2	14.5	155.0	28.3	135.3	333.1	100,653.1	302.2
Closure of trading	D3	-	4.3	14.6	35.5	54.4	14,031.3	257.9
Employees - Payroll	D4	-	1.8	4.5	-	6.3	1,800.0	285.7
Subtotal		14.5	161.1	49.4	209.6	434.6	126,684.4	
Creditors (correspondence and claims)								
Unsecured creditors	E1	-	16.0	1.7	105.7	123.4	32,396.9	262.5
Secured creditors	E2	-	10.7	-	-	10.7	3,981.3	372.1
Pensions	E3	-	1.3	-	-	1.3	487.5	375.0
Employees	E4	0.5	70.9	10.2	74.3	155.9	46,284.4	296.9
ROT creditors	E5	-	3.0	-	-	3.0	1,031.3	343.8
Shareholders	E6	-	-	-	2.0	2.0	500.0	250.0
Lease creditors	E7	-	4.5	-	2.4	6.9	2,146.9	311.1
Subtotal		0.5	106.4	11.9	184.4	303.2	86,828.1	
Tax								
Pre-appointment CT	F2	-	0.6	0.3	-	0.9	281.3	312.5
Post appointment CT	F4	1.4	-	-	-	1.4	612.5	437.5
Post appointment VAT	F5	-	0.5	4.0	-	4.5	1,171.9	260.4
Tax advice on transactions	F6	-	2.4	1.0	-	3.4	1,150.0	338.2
Other post appointment tax	F7	-	0.7	-	-	0.7	240.6	343.8
Subtotal		1.4	4.2	5.3	0.0	10.9	3,456.3	
Reporting								
Proposals	G2	-	20.8	31.5	13.5	65.8	18,612.5	282.9
Other statutory reports/meetings	G3	-	0.3	-	-	0.3	112.5	375.0
Secured creditor reports	G4	30.3	25.8	3.5	10.8	70.4	25,700.0	365.1
Subtotal		30.3	46.9	35.0	24.3	136.5	44,425.0	
Other								
Other	H1	10.3	52.8	17.5	-	80.6	27,843.8	345.5
Subtotal		10.3	52.8	17.5	-	80.6	27,843.8	
Total Time by Grade		354.5	857.9	353.0	753.3	2,318.7		
Total Cost by Grade		155,093.8	301,300.0	88,812.5	188,325.0	733,531.3		
Adjustment		(87.5)	(24,859.4)	(2,625.0)	(4,750.0)	(32,321.9)		
Adjusted Cost		155,006.3	276,440.6	86,187.5	183,575.0	701,209.4		
Average by Grade		437.3	322.2	244.2	243.7	302.4		
		Time Costs	Category 1	Category 2	Total			
Total Costs to Date		701,209.4	21,661.6	534.4	723,405.4			
Amount Billed		(200,000.0)	-	-	(200,000.0)			
Total WIP		501,209.4	21,661.6	534.4	523,405.4			

Appendix D – Additional Information in relation to Administrators' fees pursuant to SIP9

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 and Consultant. 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.

Name of professional advisor	Service	Basis of fee arrangement	Fees to Date (incl VAT)
Pinsent Masons LLP	Legal Advice	Hourly rate and disbursements	£243,132
Deloitte LLP	M&A Advisor	Weekly retainer fee (plus success fee)	£288,000
Herax Partners	M&A Advisor	Monthly retainer fee (plus success fee)	£142,500
ERA Solutions	Employee Advisor	Hourly rate and disbursements	£35,412
Sanderson Weatherall	Auctioneer	Percentage of realisations	£10,693
Lovetts	Debtor Realisations	Fixed cost per realisation	£234

Our choice was based on our view of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

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 SIP9 analysis provided to creditors of the Company and allocated to the work streams and entities 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 work streams 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 8 hours per day.

Appendix E – Receipts and payments

Utilitywise Plc				
Administrators' Account of Receipts And Payments				
		Statement of Affairs	13 Feb 19 - 12 Aug 19	Total
		£	£	£
Fixed Charge Receipts				
Sale of Subsidiary	1	4,000,000	1,408,103	1,408,103
Recharge of Fixed Charge Costs			604,362	604,362
Fixed Charge VAT Payable			102,192	102,192
Subtotal		4,000,000	2,114,657	2,114,657
Fixed Charge Payments				
Fixed Charge Advisor Fees	2		(559,300)	(559,300)
Fixed Charge Legal Fees			(84,250)	(84,250)
Fixed Charge Insurance Costs			(30,728)	(30,728)
Fixed Charge Trading Deficit			(145,443)	(145,443)
Fixed Charge VAT Receivable			(69,850)	(69,850)
Subtotal			(889,571)	(889,571)
Fixed Charge Surplus/Deficit			1,225,086	1,225,086
Floating Charge Receipts				
Sales			351,607	351,607
Property, Plant and Equipment		30,000	103,278	103,278
Intellectual Property			200,000	200,000
Book Debts		448,000	595,262	595,262
Legal Settlement			750,996	750,996
Other Debtors and Prepayments			30,691	30,691
Petty Cash	3	6,431	5,583	5,583
Misc Income			60	60
Floating Charge VAT Payable			125,764	125,764
Subtotal		484,431	2,163,242	2,163,242
Floating Charge Payments				
Floating Charge Advisor Fees	2		(48,722)	(48,722)
Floating Charge Legal Fees			(115,942)	(115,942)
Pre-Appointment Legal Fees			(3,851)	(3,851)
Insolvency Expenses	4		(1,105)	(1,105)
Bank Charges			(335)	(335)
Floating Charge Trading Deficit			(172,827)	(172,827)
Floating Charge VAT Receivable			(26,499)	(26,499)
Subtotal			(369,281)	(369,281)
Floating Charge Surplus/(Deficit)			1,793,960	1,793,960
Net realisations			3,019,046	3,019,046
Distributions				
Fixed Charge Distribution			(981,853)	(981,853)
Subtotal			(981,853)	(981,853)
Total Balance Held			2,037,192	2,037,192
Made Up As Follows				
Floating Charge Account	5		1,905,007	1,905,007
Fixed Charge Account	5		132,185	132,185
Total			2,037,192	2,037,192

¹ See section 3 for details of the business and assets sale which was completed during the Period

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

⁴ These include insolvency bonding, statutory advertising and re-direction of mail charges

⁵ Non-interest bearing accounts

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 wound down and the Corporate business was separated (including movement of IT equipment and transfer of employees).

Utilitywise Plc			
Administrators' Trading Receipts And Payments			
£	13 Feb 19 - 12 Aug 19		Total
	<i>Fixed</i>	<i>Floating</i>	
Trading Payments			
Insurance Costs	(4,318)	-	(4,318)
Property Expenses	1	-	(12,972)
Utilities and Rates		-	(15,051)
Retained Staff		(54,042)	(81,042)
Pension Contributions		(7,188)	(11,708)
Payroll Expenses	2	(693)	(795)
PAYE/NIC		(29,581)	(44,572)
Leased IT Assets / Software		(43,186)	(201)
Ransom Payment	3	-	(701)
VAT		(6,435)	(5,785)
Total Payments		(145,443)	(172,827)
Trading Surplus/(Deficit)		(145,443)	(172,827)

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. There are a limited number of suppliers who have yet to provide us with invoices for expenses incurred in February and March 2019.
- Administrators time costs in relation to trading to date are £126,684
- £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.

Appendix G – Extension Notices

Notice seeking extension of Administration

Utilitywise Plc – In Administration

In the High Court of Justice Business and Property Courts of England and Wales Number CR-2019-001097

(Company Number 05849580)


NOTICE IS GIVEN by Andrew Johnson and Chad Griffin of FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD, the Joint Administrators, under rule 3.54 of The Insolvency (England and Wales) Rules 2016 that the preferential and secured creditors of the Company are requested to consent to the extension of the Administration by 12 months. The Joint Administrators need to extend the duration of the Administration for the following reasons:

- To continue collecting commissions due to the Company. The commissions are paid over the life of the energy contracts to which they relate, and a number of the Company's suppliers are unwilling to agree an up-front settlement.
- Once collections are complete, to provide the Administrators with sufficient time to collate the required creditor information and make the required distributions to the various classes of creditors, as dictated by the level of realisations.
- To pass resolutions winding up subsidiary companies in order to enable distributions to be made to the Secured Lender.

The Joint Administrators give notice that should the creditors consent to the extension of the Administration, a notice to that effect will be made available for viewing and downloading from <https://www.fticonsulting-emea.com/cip/utilitywise-plc> and that no other notice will be delivered to the creditors. A hard copy of any notice or report placed on the website can be requested by using the contact details below.

For further information regarding the above, either contact me at FTI Consulting LLP, 200 Aldersgate Street, London, EC1A 4HD, or contact UWCreditors@fticonsulting.com or 020 3727 1700.

DATED THIS 4TH DAY OF SEPTEMBER 2019



Andrew Johnson
Joint Administrator

Notice of decision by deemed consent

Utilitywise Plc – In Administration

In the High Court of Justice Business and Property Courts of England and Wales Number CR-2019-001097

(Company Number 05849580)

NOTICE IS GIVEN by Andrew Johnson and Chad Griffin of FTI Consulting LLP, 200 Aldersgate, Aldersgate Street , London, EC1A 4HD, the Joint Administrators, to the preferential and secured creditors of Utilitywise Plc that the following decision under paragraph 76 of Schedule B1 of the Insolvency Act 1986 is sought from them by way of a Deemed Consent Procedure.

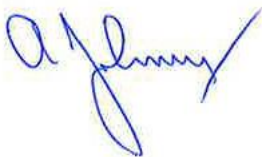
1. That the Administration be extended by 12 months.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 20 September 2019, the Decision Date.

1. To object to this decision, creditors must send to me at my offices at 200 Aldersgate, Aldersgate Street , London, EC1A 4HD a duly completed notice of objection by no later than 23.59 hours on 20 September 2019, the Decision Date, together with proof of their debt, (if not already been lodged) without which objections will be invalid.
2. Creditors must lodge proof of their debt (if not already lodged), by no later than 23.59 hours on 20 September 2019, without which, objections will be invalid.
3. Creditors should note that it is my responsibility to determine whether any objections received are sufficient for this Deemed Consent Procedure to end without a decision being made. If sufficient objections are received, then I will write to creditors to seek approval for this decision using a qualifying decision process.
4. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
5. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the resolution provided they have lodged proof of their debt.
6. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision(s) above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
7. Creditors have the right to appeal the decision made by deemed consent by applying to Court under Rule 15.35 within 21 days of 20 September 2019, the decision date.

Creditors requiring further information regarding the above, should either contact me at 200 Aldersgate, Aldersgate Street , London, EC1A 4HD, by telephone on 020 3727 1700, or by email at UWCreditors@fticonsulting.com.

DATED THIS 4TH DAY OF SEPTEMBER 2019



Andrew Johnson
Joint Administrator

Notice of objection to deemed consent

Utilitywise Plc – In Administration

In the High Court of Justice Business and Property Courts of England and Wales Number CR-2019-001097

(Company Number 05849580)

If you agree with the proposed decisions, then you do not need to do anything, and can disregard this form.

The following decision is sought from the preferential creditors of Utilitywise Plc by way of a Deemed Consent Procedure;

1. That the Administration be extended by 12 months.

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

THIS DECISION IS OBJECTED TO BY

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing document: _____

Date: _____

This form must be received at FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD by 23.59 hours on 20 September 2019 in order to be counted as an objection. It must be accompanied by proof of the debt, unless one has already been submitted. Failure to do so will lead to this objection being invalid.

Please note that unless 10% of the creditors who would be entitled to vote at a qualifying decision procedure object to this decision, then it will be automatically approved on 20 September 2019, the Decision Date.

Appendix H – Notice of invitation to form a Creditors' Committee

Utilitywise Plc – In Administration

In the High Court of Justice Business and Property Courts of England and Wales Number CR-2019-001097 of

(Company Number 05849580)

NOTICE IS GIVEN by Andrew Johnson and Chad Griffin to the creditors of Utilitywise Plc of an invitation to form a Creditors' Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016.

1. In addition to seeking a decision on the matters set out in the accompanying notice, creditors are also invited to determine, at the same time, whether a Creditors' Committee should be established.
2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. The specified date for receipts of nominations for creditors to act as a member of the Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016 is 20 September 2019, the Decision Date.
5. Please complete the form sent with this notice and include the name and address of any person you wish to nominate to act as a member of the Committee. The completed document should be returned to Utilitywise Plc (in Administration), C/O FTI Consulting LLP, 200 Aldersgate Street, London, EC1A 4HD so that it is received by no later than 23.59 hours on the decision date.

Note: Further information on the rights, duties and the functions of a Committee is available in a booklet published by the Association of Business Recovery Professionals (R3). This booklet can be accessed at www.fticonsulting-emea.com/cip/forms-information. If you require a hard copy of the booklet please contact FTI Consulting LLP by email at UWCreditors@fticonsulting.com, or by phone on 020 3727 1700.

DATED THIS 4TH DAY OF SEPTEMBER 2019



Andrew Johnson
Joint Administrator

Utilitywise Plc – In Administration

**In the High Court of Justice Business and Property Courts of England and Wales Number CR-2019-001097 of
(Company Number 05849580)**

I wish to nominate the following creditor to act as a member of the committee:

Name of nominated creditor _____

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

Dated: _____

Note: The completed form should be delivered to Utilitywise Plc (in Administration), C/O FTI Consulting LLP, 200 Aldersgate Street, London, EC1A 4HD.



UWadministrators@fticonsulting.com
020 3727 1700

EXPERTS WITH IMPACT™

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 centers 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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