

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

FRIDAY



AACA0CJV

A13

03/09/2021

#322

COMPANIES HOUSE

ation, please
nce at
anieshouse

1 Company details

Company number 0 2 6 0 9 7 7 2

Company name in full UK Window Group Limited

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

2 Court details

Court name High Court of Justice, The Business & Property

Courts of E+W

Court case number 0 0 3 6 8 8 2 0 2 0

3 Administrator's name

Full forename(s) Richard Michael

Surname Hawes

4 Administrator's address

Building name/number 2 Fitzalan Road Brunel

Street Cardiff

Post town CF24 0EB

County/Region

Postcode

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5 Administrator's name ①

Full forename(s) Robert James

Surname Harding

① Other administrator
Use this section to tell us about another administrator.**6 Administrator's address ②**

Building name/number 60 St Martin's Lane

Street London

Post town WC2N 4JS

County/Region

Postcode

Country

② Other administrator
Use this section to tell us about another administrator.**7 Appointor/applicant's name**

Give the name of the person who made the appointment or the administration application.

Full forename(s)

Surname Administrators

8 Proposed liquidator's name

Full forename(s) Richard Michael

Surname Hawes

Insolvency practitioner number 0 0 8 9 5 4

9 Proposed liquidator's address

Building name/number 156 Great Charles Street

Street Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name^①

Full forename(s) Robert James

Surname Harding

Insolvency practitioner number 0 0 9 4 3 0

① Other liquidator
Use this section to tell us about another liquidator.**11 Proposed liquidator's address^②**

Building name/number 156 Great Charles Street

Street Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

② Other liquidator
Use this section to tell us about another liquidator.**12 Period of progress report**From date ^d1 ^d0 ^m0 ^m3 ^y2 ^y0 ^y2 ^y1To date ^d3 ^d1 ^m0 ^m8 ^y2 ^y0 ^y2 ^y1**13 Final progress report**☒ I have attached a copy of the final progress report.**14 Sign and date**

Administrator's signature

Signature

X



X

Signature date ^d0 ^d2 ^m0 ^m9 ^y2 ^y0 ^y2 ^y1

AM22

Notice of move from administration to creditors' voluntary liquidation



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 **Narinder Aheer**

Company name **Teneo Restructuring Ltd**

Address **156 Great Charles Street
Queensway**

Post town **Birmingham**

County/Region

Postcode **B 3 3 H N**

Country

DX

Telephone **+44 121 619 0120**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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



The Global CEO Advisory Firm

Court Case No. CR-2020-003688
High Court of Justice, Business &
Property Courts of E&W
Company Number: 02609772

Registered Office:
c/o Teneo Restructuring
156 Great Charles Street
Queensway
Birmingham
B3 3HN

UK Window Group Limited (in administration) **(formerly Masco UK Window Group Limited)** **(“the Company”)**






Final progress report to creditors pursuant to rules 18.6 and 3.53 of the Insolvency (England & Wales) Rules 2016 (“the Rules”).

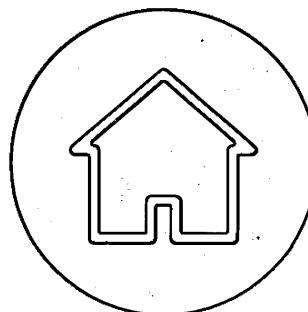
2 September 2021

Richard Michael Hawes and Robert James Harding (“the Joint Administrators”) were appointed Joint Administrators of the Company on 10 September 2020 by the Director of the Company. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Teneo Restructuring Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), (“the Act”), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

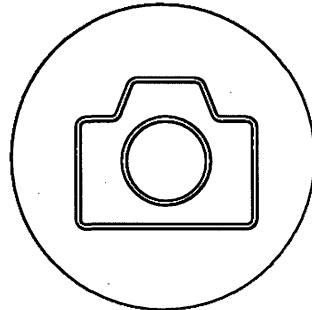
Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

	Contents	1
	Key messages	2
	Summary Proposals	5
	Information for creditors	10
	Remuneration and expenses	12





Key messages



Key messages

Joint Administrators of the Company

Richard Michael Hawes

Robert James Harding

Teneo Restructuring Limited

156 Great Charles Street

Queensway

Birmingham

B3 3HN

Contact details

Email: Narinder.Aheer@teneo.com

www.ips-docs.com

Tel: 0121 619 0141



Commentary	
Purpose of administration	<ul style="list-style-type: none">The purpose of the administration was to achieve a better result for the Company's creditors as a whole than a liquidation.
Important Notice re Administrators' Contact Details	<ul style="list-style-type: none">On 29 May 2021, the UK Restructuring Practice of Deloitte LLP was sold to Teneo Restructuring Limited. The majority of live insolvency appointments, including this administration appointment, were transferred to Teneo Restructuring Limited ("Teneo") with their respective officeholders and case teams. Please also note that our new Teneo contact details are provided on the left hand column of this page.
Achievement of the Joint Administrators' Proposals	<ul style="list-style-type: none">The Company ceased trading on 10 September 2020 following the pre packaged sale ("the Transaction") of the business and assets to UK Windows and Doors Group Limited, a company owned by Boxwood Capital Limited ("the Purchaser") ("Boxwood"). This is detailed in our SIP 16 Statement dated 17 September 2020, a copy of which can be viewed using the case website at www.ips-docs.com.The Transaction comprised a roll over of the existing secured lending of £19.9m in addition to a cash contribution totalling c.£2.1m, which has been received during the period of the administration.The Purchaser was granted a license to occupy ("LTO") agreement for 24 leasehold premises, which remains ongoing. To date, leases in respect of 18 sites have been assigned to the Purchaser (or new leases have been agreed), as well as three sites vacated. £518k (excluding VAT) has been received from the Purchaser during the administration, of which £424k (excluding VAT) has been paid against invoices received - a final reconciliation of the LTO will be completed once final invoices are received.The remaining leases will be dealt (or disclaimed) within the Creditors' Voluntary Liquidation statutory closing procedures.Cash held in the Company's pre-appointment bank account totalling £13.5k was transferred to the administration bank account.£37.1k of funds received were received in error, £23.6k has been returned to the relevant party.Refunds, in respect of business rates that had been overpaid as at the date of administration totalling £14.8k, have been received during the administration.
Costs	<ul style="list-style-type: none">Our fee basis was fixed as a set amount of £215k, which has been drawn in full. Please see page 13 for further details.Disbursements of £1 have been incurred in the report period bringing total disbursements to £3.2k. Please refer to page 14 for further details.No third party costs have been incurred in the report period, during the administration total costs incurred total £30.5k of which £5.5k has been paid. Please refer to page 8 for further details.

Key messages

Joint Administrators of the Company

Richard Michael Hawes

Robert James Harding

Teneo Restructuring Limited

156 Great Charles Street

Queensway

Birmingham

B3 3HN

Contact details

Email: Narinder.Aheer@teneo.com

www.ips-docs.com

Tel: 0121 619 0141



Commentary	
Outcome for Creditors	<ul style="list-style-type: none">Secured creditors – The secured creditors did not require a cash repayment, and were rolled over as part of the Transaction. No payments were therefore required.Preferential creditors – There were no preferential creditors, as all employees transferred to the Purchaser via the Transfer of Undertakings (protection of Employment) regulations ("TUPE") upon completion of the Transaction.Unsecured creditors - The unsecured creditors were not paid a dividend. We anticipate that there will be a distribution for unsecured creditors (estimated within six months) as part of the Creditors' Voluntary Liquidation ("CVL") process. The exact quantum and timing are uncertain. Please see page 11 for more details.
Extension of the administration period	<ul style="list-style-type: none">The period of the administration was not extended. The Company will move from administration to liquidation within the next couple of weeks once the necessary forms and this report have been lodged with Companies House.



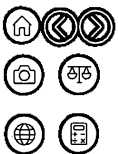
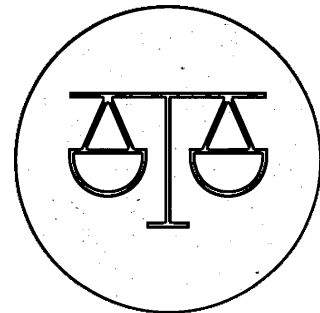
Summary Proposals

Steps taken

6

Costs

8



Summary of the Joint Administrators' Proposals

The Joint Administrators' Proposals

Our Proposals for the administration include:

- continuing to manage the affairs and any remaining assets of the Company and the settlement of all administration expenses;
- assessing the affairs of the Company and reviewing and reporting on the conduct of its director and, where required, providing assistance to any regulatory authorities with any investigation into the affairs of the Company or its management;
- agreement of the claims of any secured, preferential and unsecured creditors against the Company unless we conclude, in our reasonable opinion, that the Company will have no assets available for distribution;
- distributing funds to any secured and preferential creditors and, where applicable, to unsecured creditors under the Prescribed Part as and when their claims are agreed and funds permit, and to make distributions to unsecured creditors, other than out of the Prescribed Part if the court gives permission following an appropriate application;
- that, following the realisation of assets and resolution of all matters in the administration, and as quickly and efficiently as is reasonably practicable, we will implement the most appropriate exit route to formally conclude the administration; and
- that, if the Company is to be placed into Creditors' Voluntary Liquidation ("CVL"), we (or any person appointed as a replacement office holder) propose to be appointed Joint Liquidators and for the purposes of section 231 of the Act the Joint Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

Specific approval from the creditors was sought to fix the basis of and the ability to draw our remuneration and expenses, including pre administration costs and expenses, and to agree the time of our discharge on conclusion of the administration. Please refer to page 13 for details.



Summary Proposals Steps Taken

The Joint Administrators' Proposals

Our Proposals were approved by the creditors of the Company on 20 October 2020.

Extensions to the administration

It was not necessary to extend the period of the administration.

Steps taken during the administration

Statutory tasks

During the period of our appointment, we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- case set-up and management actions, including updating the creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- statutory reporting, including the preparation of the Proposals and the necessary progress reports;
- appointment notifications, including notifying the relevant stakeholders of the appointment;
- confidential report to the Insolvency Service on the directors' conduct;
- cashing functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- interaction with HM Revenue & Customs in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Sale of business

As detailed in our SIP 16 Letter, which is also available on the case website at www.ips-docs.com, the business and assets of the Company were sold to the Purchaser on 10 September 2020.

The Transaction was for the business and assets, and included:

- Freehold property (four locations);
- Chattel assets (including HP or finance leases);
- Stock;
- Trade debtors (excluding £2.4m of specific debts which are already fully provided against);
- Other debtors; and
- A licence to occupy all required leasehold premises for periods of four months (expiring 31 December 2020), payable in advance.

All Company employees were transferred to the Purchaser under TUPE on completion, including the Management team.

The purchase consideration comprised a roll over of Boxwood's existing debt facilities of £19.9m into Boxwood, with the residual consideration of £2.1m payable in cash following completion. Further detail regarding the Transaction is available in the SIP 16 letter available on the case website.

Following the Transaction, there are no further assets of the Company to realise. We have completed our obligations under the sale agreement with the Purchaser. The creditors' claims will be worked through in the CVL.



Summary Proposals

Steps Taken and Costs

Steps taken during the administration (continued)

Leasehold property

The Company operated from 25 leasehold properties, of which one was already vacant upon appointment.

The vacant property was handed back to the landlord. We instructed Angleside Security to secure the property and S&S Cleaning & Maintenance Services Ltd to clean the property, the costs for which (£26.2k and £0.9k) has been reimbursed by the Purchaser.

A licence to occupy ("LTO") agreement was initially granted to the Purchaser until 31 December 2020 for the remaining 24 properties. The amounts charged were in line with the previous contractual rates, and were payable by the Purchaser in advance for the entire period to 31 December 2020. The LTO was extended on a monthly basis for the properties which had either not been assigned to the Purchaser or surrendered since 31 December 2020. The LTO for the remaining properties is currently due to expire on 30 September 2021. The outstanding leases will be dealt (or disclaimed) within the Creditors' Voluntary Liquidation statutory closing procedures.

£168k (plus VAT) was received in the period of this report in respect of the LTO which means that £518k (plus VAT) was received in total in relation to the period of the administration.

The Administrators have settled the property liabilities in accordance with the relevant lease terms during the remaining LTO period. These costs have been recharged to the Purchaser as appropriate. During the administration, we have made payments to landlords totalling £424k.

During the period of the administration, 18 of the sites have been assigned to the Purchaser. A further three sites have been surrendered and handed back to the landlord. We are currently working with our legal team to assign the remaining three leases and will provide an update in our next report.

Refunds

During the administration, refunds have been received in relation to Business Rates totalling £14.8k.

Distributions to creditors

No distribution was made to any class of creditor in the administration. A dividend to unsecured creditors will be made once the Company moves to liquidation.

Cost of the work done

We have summarised below details of costs and expenses incurred during the period of our appointment.

• Legal Costs

- Shoosmiths LLP were instructed to assist with the validity of appointment review, preparation of the licence to occupy, other property related legal matters, and other key legal agreements, general appointment matters and assistance with the licence to occupy (and subsequent lease assignments / surrenders).
- To date they have been paid £5.5k plus VAT in respect of their fees and expenses. These costs were paid during the period. They have incurred a further £25k plus VAT in respect of their fees and expenses during the period of this report. These costs exceeded their initial estimate due to complex matters in relation to the licence to occupy. These costs will be invoiced and paid within the Creditors' Voluntary Liquidation.

• Our remuneration and expenses.

- Further information on these costs are provided on page 13.

All costs have been paid, as shown in the receipts and payments account on page 9.

All professional costs were reviewed and analysed in detail before payment was approved.



Summary Proposals

Receipts and Payments account

UK Window Group Limited					
Joint Administrators' final receipts and payments account					
10 September 2020 to 31 August 2021					
£	SoA values	Notes	Period	To date	
Receipts					
Sales Consideration (comprised of):					
Goodwill	3,398,000	A	-	2,093,000	
Freehold Property	13,000,000		-		
Fixed Charge Chattel Assets	3,600,000		-		
Floating Charge Chattel Ass	400,000		-		
Stock	500,000		-		
Trade Debtors	1,093,000				
Licence to Occupy - Receipts	-	B	168,143	518,223	
Cash at Bank	-		-	13,509	
Funds received in Error	-	C	24,057	37,057	
Contribution to Security Expense:	-		-	26,194	
Rates Refund	-		-	14,779	
Sundry Refund	-		-	879	
Bank Interest Gross	-	D	203	234	
Total receipts	<u>21,991,000</u>		<u>192,402</u>	<u>2,703,874</u>	
Payments					
Security Costs	-		-	26,194	
Insurance Costs	-		-	3,601	
Cleaning & Maintenance	-		-	940	
Licence to Occupy - Payments	-	B	253,274	423,984	
Storage Costs	-		296	733	
Statutory Advertising	-		-	95	
Bank Charges	-		23	25	
Payment of fund received in Error	-	C	10,554	23,554	
Post Appointment Legal Fees	-		-	5,453	
Pre-Appointment Legal Fees	-		-	65,089	
Pre-Appointment Agent Fees	-		-	5,000	
Post-Appointment Administrators' Fees	-		75,000	75,000	
Pre-Appointment Administrators' Fees	-		215,000	215,000	
Total payments			<u>554,147</u>	<u>844,668</u>	
Balance				<u><u>1,859,207</u></u>	
Made up of:					
Balance held in interest bearing account		D		1,784,792	
VAT Receivable		E		74,415	
Balance in hand				<u>1,859,207</u>	

A receipts and payments account is provided, detailing the transactions in the final period of the administration since our last report on 9 March 2021, and also summarising the transactions for the entire period of the administration.

Notes to receipts and payments account

A –The Transaction comprised a rollover of the Company's existing debt facilities of £19.9m in addition to a cash injection into the administration of c.£2.1m.

B - Funds totalling £518k plus VAT were received from the Purchaser in accordance with the licence to occupy agreements. Any funds not used will be repaid to the Purchaser. During the period, we have made payments of £424k in relation to the licence to occupy. Please refer to page 8 for further details.

C - Funds of £37.1k were received from the Company's pre-appointment bank account in error. As these funds do not form part of the Company's estate, the balance of funds due to the Purchaser will be refunded in the liquidation.

D - All funds were held in an interest bearing account. The associated corporation tax on interest received has been/will be accounted for to HM Revenue & Customs.

E - All sums shown opposite are shown net of VAT, which is payable and will be accounted for to HM Revenue & Customs in due course.

F – Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

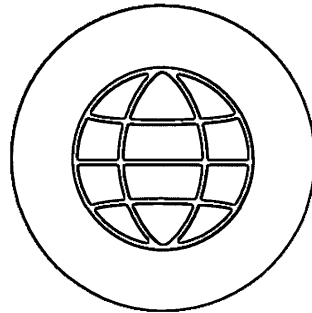




Information for creditors

Outcome for creditors

11



Information for creditors

Outcome for creditors

Secured creditors

The Company's records showed that there were two secured creditors at the date of our appointment. The first charge holder, Secured Trust PLC ("Secure Trust"), held a fixed and floating charge dated 20 November 2019. Secure Trust provided a £12m asset-based lending facility which was undrawn at the time of appointment.

The second secured creditor, Boxwood, held a fixed charge dated 6 September 2019, (limited to goodwill, freehold properties and fixed chattel assets), with no valid floating charge security.

At the date of our appointment, Boxwood were owed £19.9m. As the purchase consideration comprised a roll over of Boxwood's existing debt facilities of £19.9m (including an additional c.£2.1m cash consideration), no repayments to Boxwood were made from the administration.

Preferential creditors

All employees have transferred to the Purchaser on our appointment, as a result no preferential claims were received.

Prescribed Part

As detailed in the Proposals, there were no outstanding debts secured by a floating charge. The provisions of the Prescribed Part therefore do not apply to the administration.

Unsecured creditors

The director's statement of affairs stated c.442 unsecured creditors with estimated non-preferential claims totalling c.£23.9m. 49 claims have been received during the administration, totalling c.£14.5m. Based on present information, sufficient funds will be realised to enable a dividend to be paid to unsecured creditors, the quantum and timing of which will depend on the value of remaining costs and adjudicated claims. This process, and the distribution of any dividend, will be dealt once the administration moves to creditors voluntary liquidation.

End of the administration

The administration will end when the appropriate Notice has been registered at Companies House, following which the Company will move into Creditors' Voluntary Liquidation to enable payment of a dividend to unsecured creditors.

Transactions with connected parties

As previously advised all of the Company's assets were sold to UK Windows and Doors Group Limited as a pre pack transaction and financed mainly by Boxwood who is a connected party, as Boxwood is the Secured Creditor and shareholder of the Company.

Prior to undertaking the sale, as previously reported, valuations were performed by qualified valuers and from which we are satisfied that the value achieved was appropriate. Having regard to the costs of a sale by tender we are satisfied that the sale represented the best outcome for the estate.

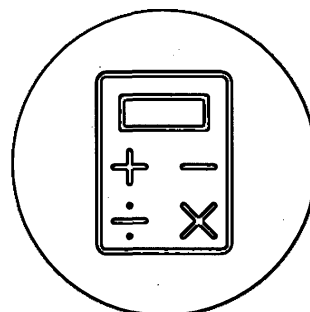
For further details please refer to the SIP16 statement available at www.ips-docs.com.



Remuneration and expenses

Joint Administrators' remuneration

13



Remuneration and expenses

Joint Administrators' remuneration

Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.ips-docs.com.

Should you require a paper copy, please send your request in writing to us at the address on the front page of this report and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed on 20 October 2020 by the creditors as a set amount of £215k, plus VAT thereon.

Set amount

We have drawn remuneration of £215k against the agreed set fee of £215k, as shown in the receipts and payments account on page 9.



Remuneration and expenses

Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Disbursements

Our disbursements are in excess of estimates provided in the Proposals, due to additional postage and subsistence incurred and not previously provided for. These are summarised below:

Category 1 disbursements

£ (net)	Estimated per Proposals	Incurred in report period	Incurred during Appointment	Unpaid
Travel	250	-	12	12
Postage/Couriers	700	1	2,934	2,934
Specific Penalty Bond	230	-	230	230
Subsistence	-	-	56	56
Total disbursements	1,180	1	3,232	3,232

Category 2 disbursements

£ (net)	Estimated per Proposals	Incurred in report period	Incurred during Appointment	Unpaid
Mileage	250	-	-	-
Total disbursements	250	-	-	-

Mileage is calculated at the prevailing standard mileage rate of up to 45p at the time when the mileage is incurred.

No disbursements have been recovered during the period of the administration. These will be recovered from the Company once it has converted to a liquidation.

Creditors' right to request information

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 us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or 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 (in accordance with rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we 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 progress report detailing the remuneration and/or expenses being complained of, in accordance with rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.





This document is confidential and prepared solely for your information. Therefore you should not, without our prior written consent, refer to or use our name or this document for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party. No other party is entitled to rely on our document for any purpose whatsoever and thus we accept no liability to any other party who is shown or gains access to this document.

Teneo Restructuring Limited is registered in England & Wales with registered number 13192958 and its registered office at 5th Floor, 6 More London Place London, SE1 2DA, United Kingdom