

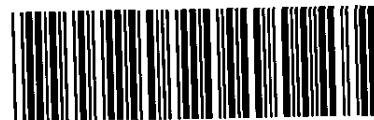
AM03

Notice of administrator's proposals



Companies House

WEDNESDAY



A06 *A71726VT*
07/11/2018 #356
COMPANIES HOUSE

please
house

1 Company details

Company number 0 7 8 3 4 4 8 2
Company name in full Inspiral Visionary Products Ltd

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

2 Administrator's name

Full forename(s) James
Surname Sleight

3 Administrator's address

Building name/number 4 Carlton Court
Street Brown Lane West
Post town Leeds
County/Region
Postcode L S 1 2 6 L T
Country

4 Administrator's name ①

Full forename(s) Oliver
Surname Collinge

① Other administrator
Use this section to tell us about
another administrator.

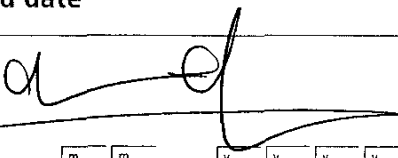
5 Administrator's address ②

Building name/number 4 Carlton Court
Street Brown Lane West
Post town Leeds
County/Region
Postcode L S 1 2 6 L T
Country

② Other administrator
Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7	Sign and date	
Administrator's Signature	<div>Signature</div> <div>✕  ✕</div>	
Signature date	<div><div><div>d</div><div>2</div><div>d</div><div>8</div></div><div><div>m</div><div>0</div><div>m</div><div>9</div></div><div><div>y</div><div>2</div><div>y</div><div>0</div><div>y</div><div>1</div><div>y</div><div>8</div></div></div>	

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Peter

Surname

Hart

3 Insolvency practitioner's address

Building name/number

4 Carlton Court

Street

Brown Lane West

Post town

Leeds

County/Region

Postcode

L S 1 2 6 L T

Country

AM03

Notice of Administrator's Proposals

Presenter information

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

Contact name **Oliver Collinge**

Company name **Geoffrey Martin & Co**

Address **4 Carlton Court**
Brown Lane West

Post town **Leeds**

County/Region

Postcode **L S 1 2 6 L T**

Country

DX

Telephone **0113 2445141**

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

**High Court of Justice, Business and Property Courts of England and Wales
Court No. 6283 of 2018**

**Inspiral Visionary Products Ltd
In Administration**

THE JOINT ADMINISTRATORS' PROPOSAL

**James Sleight, Oliver Collinge and Peter Hart
Joint Administrators**

**Geoffrey Martin & Co
4 Carlton Court, Brown Lane West, Leeds, LS12 6LT
0113 244 5141
info@geoffreymartin.co.uk**

Contents

1. Executive Summary
2. Statement of Pre-Administration Costs
3. The Joint Administrators' Fees
4. The Joint Administrators' Expenses
5. Proposed Work to be Undertaken
6. Other Information to Support the Proposed Fees
7. The Joint Administrators' Discharge
8. Invitation to Form a Creditors' Committee
9. Approval Process

Appendices

- I. The Statement of Proposals
- II. Breakdown of Pre-Administration Time Costs for Geoffrey Martin & Co
- III. Charge-out Rates and Bases of Disbursements ("Geoffrey Martin & Co's Summary")
- IV. Breakdown of the Joint Administrators' Time Costs from 6 August 2018 to 07 September 2018
- V. Information to Support the Joint Administrators' Fee Proposal
- VI. Notice of Invitation to Form a Creditors' Committee

1. Executive Summary

- 1.1** This Proposal incorporates the Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act attached at Appendix I.
- 1.2** The business was established in 2011. The principal activity of the Company was the manufacture of vegan food products and it traded from leasehold premises at Unit 4B, Triumph Trading Estate, Tariff Road, London, N17 0EB, United Kingdom. On 06 August 2018, James Sleight, Oliver Collinge and Peter Hart of Geoffrey Martin & Co were appointed Joint Administrators of the Company by the Directors of the Company.
- 1.3** As explained in more detail in the Statement of Proposals, the Joint Administrators are currently pursuing the third statutory objective of realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.4** A summary of the current and anticipated future positions are detailed below.

Assets

Asset	Realisations to date	Anticipated future realisations	Total anticipated realisations
Plant, machinery & motor vehicle	27,500	-	27,500
Book Debts	50,678	39,993	90,671
Intellectual Property Rights	-	27,750	27,750
Director's Loan Account	-	Uncertain	Uncertain

Expenses

Expense	Expense incurred	Anticipated further expense	Total anticipated expense
Joint Administrators' pre-appointment costs + disbursements	12,765	-	12,765
Joint Administrators' fees post appointment costs (to 7 September 2018)	20,712	21,349	42,060
Legal fees + disbursements: pre-appointment	4,057	-	4,057
Legal fees + disbursements: post appointment	2,074	5,426	7,500
Agents' fees + disbursements: pre-appointment	7,636	-	7,636
Agents' fees + disbursements: post-appointment	7,500	-	7,500
All other expenses	0	3,000	3,000

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend
Secured creditor (fixed charge)	Nil	Uncertain
Secured creditor (floating charge)	Nil	Uncertain
Preferential creditors	Nil	Uncertain
Unsecured creditors	Nil	Nil

- 1.5** The Statement of Proposals at Appendix I provides explanations of the events leading to the Administration and the progress of the Administration to date, as well as other statutory information.
- 1.6** This Proposal provides more detailed information on the work that the Joint Administrators anticipate they will undertake to complete the Administration together with their proposed basis of fees. To put this request into context, this Proposal provides further information on the Joint Administrators' costs to date, including the costs incurred prior to Administration. It also explains other matters for creditors' consideration, such as the proposed timing of the Joint Administrators' discharge on conclusion of the Administration.
- 1.7** Definitions of the terms used in this Proposal are provided in Appendix I together with all statutory information pertaining to the Company.

2. Statement of Pre-Administration Costs

- 2.1** On 25 June 2018 the directors agreed with the proposed Joint Administrators that Geoffrey Martin & Co be paid fees for work done prior to the Administration on the basis of time costs incurred by the insolvency practitioners and their staff at a discounted charge-out rate, plus VAT and related expenses for the following tasks and matters that were considered to be necessary to placing Inspiral Visionary Products Ltd into Administration.
- 2.2** Prior to Administration, the proposed Joint Administrators gathered information on the Company to ensure that they were in a position to consent to act as Joint Administrators and to formulate an initial strategy for pursuing achievement of an Administration objective.
- 2.3** In addition, it was considered advantageous to take steps to market the business and assets of the Company and to negotiate with interested parties with a view to agreeing a sale in principle that could be completed shortly after the Joint Administrators' appointment. Thus, agents were engaged to value and advise on marketing the business and assets by the most beneficial means in view of the time available.
- 2.4** It was felt that this strategy would further the second objective of achieving a better result for creditors as a whole than would be likely if the Company were wound up. Further information regarding the work done prior to Administration is given in Attachment B to the Statement of Proposals.

2.5 This work was expected to have a financial benefit for creditors, as the strategy of pursuing the second Administration objective would improve the prospects of recovery, even avoiding some claims arising, e.g. those of the employees. Regrettably, despite a comprehensive marketing campaign and in initial interest from a number of parties, a purchaser for the business could not be secured.

2.6 Following the failure of the sales process, the proposed Joint Administrators provided extensive advice to the Company on winding down its operations in a manner most likely to optimise realisations, which was thought likely to further the pursuance of the third administration objective.

2.7 In conducting the above work, the following costs were incurred:

	£
Geoffrey Martin & Co's time costs (see Appendix II)	12,509
Geoffrey Martin & Co's disbursements	256
Agents' costs	7,500
Agents' disbursements	136
Solicitors' fees	4,000
Solicitors' disbursements	57

2.8 Attached at Appendix II is an analysis of the time costs of the Joint Administrators and their staff incurred prior to Administration and included within Appendix III are Geoffrey Martin & Co's charge-out rates and bases of disbursements.

2.9 All the above costs remain unpaid.

2.10 The payment of the unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 of the Rules and is not part of the Statement of Proposals subject to approval under Paragraph 53 of Schedule B1 of the Act. Further explanation of the approval process is provided in Section 9.

3. The Joint Administrators' Fees

3.1 The Joint Administrators propose to fix their fees on the following basis:

- (i) the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Geoffrey Martin & Co at the time the work is performed (plus VAT);

3.2 Attached at Appendix IV is an analysis of the time costs incurred in the Administration to 21 September 2018. The Statement of Proposals provides an account of the work undertaken to date and Appendix V provides a detailed list of work undertaken and proposed to be undertaken by the Joint Administrators and their staff.

3.3 The charge-out rates of the Joint Administrators and their staff are detailed in Appendix III. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the

complexity of the relevant work, the financial value of the assets being realised and claims being agreed. The grades of staff instructed to assist in this matter and their key responsibilities include:

- Support Staff: maintenance of the creditors' contacts database, assisting with creditors' queries and routine correspondence
- Administrators: on-site attendance, assisting in the realisation of assets, employee matters, liaising with creditors and debtors, preparing reports to creditors and other statutory matters, and managing the cashiering function
- Managers: on-site attendance, reviewing the Company's position and affairs, handling asset realisations, reviewing draft statutory reports to creditors and overseeing the tax and VAT aspects of the case

3.4 Creditors may access a Guide to Administrators' Fees at https://www.geoffreymartin.co.uk/sites/default/files/guide_to_administrators_fees_april_2017.pdf or a hard copy will be provided on request.

3.5 Further information is set out below and in the appendices to explain the future time costs that the Joint Administrators anticipate incurring in this Administration.

4. The Joint Administrators' Expenses

4.1 Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or creditors. These may include, but are not limited to, legal and agents' fees, trading expenses and tax liabilities.

4.2 Disbursements are expenses initially met by, and later reimbursed to, an office holder in connection with an insolvency appointment and will fall into two categories: Category 1 and Category 2.

- Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment in question. These are charged to the estate at cost with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that administrators may discharge Category 1 disbursements from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 disbursements are also directly referable to the appointment in question but not to a payment to an independent third party. Payments may only be made in relation to Category 2 disbursements after the relevant creditors have approved the bases of their calculation.

4.3 Appendix III provides details of the bases of Category 2 disbursements that the Joint Administrators propose to recover from the insolvent estate and Appendix V provides details of the Category 1 and 2 disbursements as well as the other expenses that the Joint Administrators expect to incur in the Administration.

5. Proposed Work to be Undertaken

5.1 Set out in Appendix V is a detailed list of tasks that the Joint Administrators propose that they and their staff will undertake together with their estimates of the time these tasks will take to carry out in total. The most material tasks are summarised below. The Estimated Outcome Statement attached to the Statement of Proposals provides an overview of the financial benefit that this work is expected to bring to creditors.

Administration (including Statutory Reporting)

5.2 The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

5.3 Primarily, these tasks include:

- meeting all statutory reporting and filing requirements, including 6-monthly reports, seeking an extension where necessary, and issuing a final report and notices;
- consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements; and
- maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

Investigations

5.4 The Joint Administrators examine the conduct of the Company and its directors prior to the Administration with two main objectives:

- to identify what assets are available for the benefit of creditors, including any potential actions against directors or other parties, such as challenging transactions at an undervalue or preferences; and
- to enable the Joint Administrators to report to the Insolvency Service on the conduct of the directors so that the Insolvency Service may consider whether disqualification proceedings are appropriate ("CDDA" work).

5.5 In the early stages of the Administration, this work involves examining the Company's books and records, considering information received from creditors and the Company's accountants and seeking information from the Company's directors and other senior staff by means of questionnaires and/or interviews.

- 5.6 In the event that questionable transactions are identified, it may be necessary to conduct further investigations and instruct solicitors to assist in deciding the Joint Administrators' next steps in pursuing a recovery. If a potential recovery action is identified, it may be necessary to instruct professional agents in gathering evidence and in exploring further the existence and value of assets to target. If the Joint Administrators encounter resistance in making a recovery, formal legal action may be appropriate.
- 5.7 In addition, if the Insolvency Service decides to proceed with a disqualification, the Joint Administrators will be required to assist the Insolvency Service's investigators in their work, which may include providing the investigators with access to the Company's books and records and agreeing statements to be given in evidence of those proceedings.
- 5.8 At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in this work. The Fees and Expenses Estimates presented below reflect the anticipated work in identifying potential causes of action. If any are identified and the Joint Administrators consider that additional work is required, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Realisation of assets

- 5.9 The Statement of Proposals summarises the work carried out by the Joint Administrators to date in realising the Company's assets. The principal matters that require further work are:
- concluding the sale of the Company's Intellectual Property assets
 - liaising with the Advantedge in respect of any surplus on the factored elements of the Company's sales ledger.
 - continuing to pursue the Company's outstanding un-factored book debts;
 - confirming the balance due in respect of the director's loan and pursuing settlement of this;
 - maintaining appropriate insurance cover on the Company's assets until they have been disposed of.

Creditors (claims and distributions)

- 5.10 As the Statement of Proposals explains, there a number of different classes of creditor involved in the Administration that require the Joint Administrators' attention. In particular, the Joint Administrators anticipate conducting the following key tasks:

- with the assistance of solicitors, examining the validity of the secured creditors' claims and, where relevant, paying distributions to the secured creditors;
- continuing to assist employees to receive payments from the RPO and liaising with the RPO to agree its claim;
- reviewing claims submitted by the tax departments and, where it is appropriate, examining the Company's records to appeal assessments or adjudicate on the Crown's claims;
- responding to creditors' queries and logging their claims and supporting information;
- maintaining a database of creditors' contact details and claims;
- agreeing employee claims, calculating and paying a distribution to preferential creditors, if there are sufficient funds, and paying the subsequent PAYE/Ni deductions to HMRC;
- if a prescribed part dividend is to be paid in the Administration, adjudicating on all unsecured creditors' claims, including seeking further information where necessary; and
- where relevant, calculating and paying the prescribed part dividend and dealing with unclaimed dividends.

6. Other Information to Support the Proposed Fees

- 6.1** Attached at Appendix V is an estimate of the time that the Joint Administrators envisage the above work will take to complete. Appendix V also provides their estimate of the expenses that have been or are likely to be incurred.
- 6.2** Please note that the estimates have been provided on the assumptions given below. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted Expenses Estimate. In the event that the Joint Administrators incur time costs in excess of the Fees Estimate, they will only revert to the relevant creditors for approval if they propose to draw any fees in addition to those estimated from the insolvent estate.
- 6.3** In summary, the Joint Administrators propose that their fees be fixed on the basis of time costs and they estimate that they and their staff will spend time totalling £42,060 in conducting the tasks described. This estimate includes the time spent to 7 September 2018 of £20,712, as described in Appendix IV.
- 6.4** The Fees and Expenses Estimates have been compiled on the assumptions set out below. Please note that these are assumptions only for the purposes of preparing the Estimates in accordance with the statutory provisions. It has been assumed that:

- investigations to the extent described in section 5 above will be carried out;
- no exceptional work will need to be conducted in order to realise the remaining assets;
- there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by this Proposal; and
- there will be no need to extend the Administration for more than one year, approval for which will be sought from the relevant creditors at an appropriate time.

6.5 On the basis of these assumptions, the Joint Administrators do not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the Fees Estimate. However, in the event that the Administration does not proceed as envisaged, the Joint Administrators will seek approval for any fees in addition to those estimated that they wish to draw from the insolvent estate.

6. The Joint Administrators' Discharge

6.1 The Act requires that in the absence of a Committee the timing of the Joint Administrators' discharge from liability will be decided by the secured and preferential creditors. The Joint Administrators propose that this discharge will take effect when their appointment ceases to have effect, unless the court specifies a time.

7. Invitation to Form a Creditors' Committee

7.1 Attached at Appendix VI is a Notice of Invitation to Form a Creditors' Committee. The purpose of the Committee is to assist the Joint Administrators in discharging their functions. In particular, a Creditors' Committee takes on the responsibility for approving the basis of the Joint Administrators' fees and other costs described above.

7.2 In the absence of a Committee, this responsibility falls to the secured and preferential creditors. The Joint Administrators do not see a need for a Committee to be formed in this case.

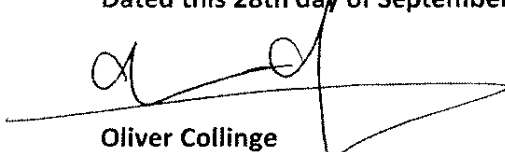
7.3 Notwithstanding this, creditors are entitled to seek the formation of Committee, provided that there are sufficient nominations to form a Committee. At least three nominations would be required and the requisite majority of creditors would also need to object to the proposed decision not to form a Committee. Appendix VI provides further information on these steps.

8. Approval Process

8.1 As explained above, in the absence of a Creditors' Committee, the matters described in this Proposal are to be decided by the secured and preferential creditors. Therefore, this information is provided to other creditors for information purposes only.

If any creditor has any queries in relation to the above, please do not hesitate to contact either of the Joint Administrators or Tom Gibney on 0113 456 7407 or by email to thomas.gibney@geoffreymartin.co.uk.

Dated this 28th day of September 2018



Oliver Collinge
Joint Administrator

James Sleight, Oliver Collinge and Peter Hart were appointed Joint Administrators of Inspiral Visionary Products Limited on 06 August 2018. 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.

Inspiral Visionary Products Ltd (In Administration)

**STATEMENT OF THE JOINT ADMINISTRATORS' PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Appendix I
to the Joint Administrators' Proposal**

**High Court of Justice, Business and Property Courts of England and Wales
Court No. 6283 of 2018**

**Inspiral Visionary Products Ltd
In Administration**

**STATEMENT OF THE JOINT ADMINISTRATORS' PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

James Sleight, Oliver Collinge and Peter Hart

Joint Administrators

Geoffrey Martin & Co

4 Carlton Court, Brown Lane West, Leeds, LS12 6LT

0113 244 5141

info@geoffreymartin.co.uk

Disclaimer Notice

- This Statement of Proposals has been prepared by James Sleight and Oliver Collinge, the Joint Administrators of Inspiral Visionary Products Ltd, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- Any estimated outcomes for creditors included in this Statement of Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this document for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.
- The Joint Administrators act as agent for Inspiral Visionary Products Ltd and contract without personal liability. The appointment of the Joint Administrators is personal to them and, to the fullest extent permitted by law, Geoffrey Martin & Co does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.
- All licensed Insolvency Practitioners of Geoffrey Martin & Co are licensed in the UK to act as Insolvency Practitioners.

Contents

1. Introduction
2. Background to the Company
3. Events Leading to the Administration
4. The Purpose of the Administration
5. Management of the Company's Affairs since the Joint Administrators' Appointment
6. The Statement of Affairs and the Outcome for Creditors
7. The Joint Administrators' Fees
8. Approval of the Statement of Proposals
9. Summary of the Joint Administrators' Statement of Proposals

Attachments

- A** Definitions
- B** Statutory Information
- C** Estimated Outcome Statement
- D** The Joint Administrators' Receipts and Payments Account to 28 September 2018
- E** *Historic Financial Information*

1. Introduction

- 1.1** This Statement of Proposals is prepared pursuant to Schedule B1 of the Act in relation to the Company, the purposes of which are to provide creditors with a full update as to the present position and to set out the Joint Administrators' proposals for achieving an Administration objective.
- 1.2** The Statement of Proposals also includes information required to be provided to creditors pursuant to the Rules. Definitions of the terms used in the Statement of Proposals are provided in Attachment A and statutory information pertaining to the Company is set out in Attachment B.
- 1.3** This Statement of Proposals is being delivered to creditors on 28 September 2018. The Joint Administrators think that there is insufficient property for a distribution to the unsecured creditors. Consequently and in accordance with Paragraph 52(1)(b) of Schedule B1 of the Act, creditors are not being asked to decide on the Joint Administrators' proposals, although they may ask the Joint Administrators to request such a decision. Please see section 8 for further details.

2. Background to the Company

- 2.1** The business was established in 2011 and the principal activity of the Company was the manufacture of vegan snacks. It traded from leasehold premises at Triumph Trading Estate, Tariff Rd, London N17 0EB.
- 2.2** Extracts from the statutory and management accounts for the last three years are provided as Attachment F. Please note that this information has not been verified by the Joint Administrators or by Geoffrey Martin & Co. Management and Employees
- 2.3** As at 06 August 2018, the Company employed 33 staff.
- 2.4** Statutory information on the Company, including details of the Directors, Company Secretary, and Shareholders is provided at Attachment B.

3. Events leading to the Administration

- 3.1** James Sleight and Peter Hart, two of the subsequent Joint Administrators first met Dominik Schnell, the Company's Managing Director, on 14 June 2018. The Company's financial circumstances were discussed at length and Messrs Sleight and Hart subsequently provided written advice to Mr Schnell setting out the Company's options, given its financial position.
- 3.2** After further meetings and telephone discussions Mr Schnell formally instructed this firm to commence an accelerated marketing of the business and assets with a view to achieving a going concern sale of the company via a pre-pack administration

- 3.3** Marketing materials were prepared and an anonymous teaser document providing high level details of the opportunity was issued to more than 160 recipients on 26 June 2018. These were a mix of competitors, operators in related markets and professionals who were considered to have clients who may be interested in acquiring the business.
- 3.4** Eight parties contacted us to request further details, signed Non-Disclosure Agreements and were provided with access to a Data Room containing more comprehensive Information about the Company's operations.
- 3.5** Of these parties two visited the Company's premises and had meetings with the director and other staff to assess the opportunity. Ultimately, however, no offers for the business were submitted.
- 3.6** Following the failure of these efforts to sell the business, the directors began the process of winding the business down on 30 July 2018 with the intention of appointing administrators following a short period of ongoing trading to convert stock into finished product sales.
- 3.7** On 13 July 2018, during the marketing process, the directors had filed a Notice of Intention to Appoint Administrators, to create a moratorium, protecting the Company from potential creditor enforcement action whilst a sale of the business was pursued. Following the lapse of the first NOI, a second NOI was filed on 27 July 2018.
- 3.8** Both Qualifying Floating Charge holders (QFCHs) provided their consent to the appointment of Administrators and accordingly on 06 August 2018, James Sleight, Peter Hart and Oliver Collinge of Geoffrey Martin & Co were appointed Joint Administrators of the Company following the filing of a Notice of Appointment of Administrators by the Directors.
- 3.9** The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either one or both of them.
- 3.10** For creditors' general information, the EU Regulation on insolvency proceedings applies in this case, and these proceedings are the main proceedings.

4. The Purpose of the Administration

- 4.1** The purpose of an Administration is set out in Schedule B1, Paragraph 3(1) of the Act. In short, this provides that an Administrator of a company must perform his functions with the objective of:
- rescuing the company as a going concern, or
 - achieving a better result for the creditors as a whole than would be likely to be achieved if the company were wound up (without first being in Administration), or

- realising property in order to make a distribution to one or more secured or preferential creditors.

4.2 These objectives form a hierarchy. The rescue of a company is the priority. If this is not possible, the Administrator seeks to achieve a better result for the creditors as a whole. In the event that this cannot be achieved, then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.

4.3 The Joint Administrators would comment that due to a lack of working capital and the cessation of trading prior to appointment, the Joint Administrators did not consider it possible to restructure the existing business or propose a Company Voluntary Arrangement.

4.4 The second objective is normally achieved by means of a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation). The Joint Administrators would comment that, due to the failure of the pre-appointment marketing process a sale of the business as a going concern could not be achieved. Accordingly the Joint Administrators do not believe that ordinary, unsecured creditors will receive a dividend (other than possibly via the prescribed part) and, therefore, have not directly benefited. Accordingly, the Joint Administrators do not consider it likely that the second objective will be achieved and have therefore proceeded to objective three.

4.5 The Joint Administrators would comment that the third objective will be achieved through the sale of the Company's physical assets and intellectual property assets and the collection of its debtors.

4.6 A detailed account of how the Joint Administrators have sought to achieve the objective of the Administration is set out below.

5. Management of the Company's Affairs since the Joint Administrators' Appointment

5.1 Prior to Appointment the Joint Administrators had instructed Hilco Valuation Services ("Hilco"), professional independent agents with adequate professional indemnity insurance, to advise on the optimal approach to disposing of the Company's assets.

5.2 Hilco advised that, in the absence of a sale of the business as a going concern, disposing of the Company's chattel assets at an auction from the company's premises was likely to maximise their value, which they estimated at £31,615 on this basis.

5.3 Hilco estimated nine weeks' continued occupation of the Company's premises would be required to market the assets appropriately and to undertake the necessarily logistical work on site to present the equipment properly.

5.4 A sale from site was considered the only realistic option as the cost and complexity of removing the equipment from site was considered to be prohibitive.

- 5.5 However, a sale from site would also involve significant costs, which would have had to be discharged from the proceeds of the sale. In particular this would have included rent, service charge and business rates for ongoing occupation which would accrue at c.£5,000 per week. Accordingly, the costs of occupying the property for 9 weeks would likely have been at least £45,000. In addition to this marketing costs for an auction were estimated at £5,000, and the costs of insuring and arranging for security of the property over a 9 week period would also have been significant.
- 5.6 It is likely that realisations of at least £60,000 from the auction sale would have been required to generate any surplus for the Administration after these costs. This was almost twice the valuation which Hilco had ascribed to the assets.
- 5.7 We discussed with Hilco the prospect of undertaking a sale from site over a shorter timescale to minimise costs, and it was agreed that, whilst this could be considered, it would likely lead to a commensurate reduction in realisations and was equally unlikely to generate any net benefit for the administration.
- 5.8 Following their appointment the Joint Administrators were approached by BPI Auctions Limited with a view to making an offer for the company's plant and machinery. On 10 August 2018 having undertaken two site visits BPI offered £30,000 + VAT to acquire the Company's chattel assets. The offer provided for BPI to negotiate a licence to occupy directly with the landlord, thereby absolving the Administrators of the costs of any ongoing occupation. Hilco advised that BPI's offer was very likely to represent the best net realisation for the assets and they recommended to the Joint Administrators that the offer be accepted.
- 5.9 It subsequently came to light that certain assets which were encompassed in BPI's offer (per an inventory which had been prepared some weeks prior to the administration) had been disposed of prior to the administration. Accordingly, on Hilco's advice, a sum of £2,500 was deducted from the sale price to reflect the absence of these assets.
- 5.10 Consequently, the Company's plant, equipment and vehicles were sold to BPI Auctions Limited on 21 August 2018 for £27,500 (exclusive of any VAT), which was received in full on 23 August 2018.

Assets remaining to be realised

- 5.11 The Company factored some of its book debts, and as a result these were held as security by Advantedge Commercial Finance Limited ("Advantedge"). At the commencement of our appointment Advantedge were owed c.£21,000 (excluding termination charges) and the factored book debt ledger totalled c.£116,000.

5.12 Advantagedge have been collecting the book debts since the commencement of the Administration. To date they have collected c.£42,000. Following repayment of their lending to the Company and the application of termination charges they now hold a surplus of c.£5,000. This amount will be paid across to the Administration in due course and the remaining factored debts will be re-assigned to the Company to collect. We estimate that these remaining factored debts will generate c.£20,000 of realisations.

5.13 In addition to the factored book debts the Company had non-factored book debts of c.£56,000 at the commencement of the Administration. We are collecting these amounts. To date we have collected c.£8,000 and we estimate a further c.£20,000 will be generated from this source.

5.14 The only other asset to be realised is an overdrawn director's loan account of £32,114. We are in negotiations with Mr Schnell to obtain repayment proposals from him. At this stage we are uncertain as to the level of realisations which this asset will generate.

Post appointment strategy

5.15 Immediately following the appointment of the Joint Administrators on 6 August 2018, members of the Joint Administrators' staff attended the Company's site to advise employees of the Joint Administrators' appointment. All staff had been made redundant by the Company's directors on Friday 3 August 2018, however we had requested their presence on site that we could explain their rights under the insolvency process to them and assist them in commencing their claims to the Redundancy Payments Office.

5.16 The Joint Administrators' staff are in the process of collating creditors' claims and have handled creditors' queries as they have arisen which include telephone calls and correspondence.

5.17 The Joint Administrators' legal advisors advised in respect of effecting the Administration appointment and have been assisting the Joint Administrators with post appointment matters.

5.18 To advise on appropriate legal matters and to prepare required legal documentation, the Joint Administrators instructed DWF, a firm of lawyers with the appropriate expertise and experience in dealing with these types of Administrations.

5.19 All professional fees are based upon the parties' recorded time costs incurred at their standard charge out rates and will be reviewed by the Joint Administrators' staff before being approved for payment.

Investigation into the Company's Affairs Prior to the Administration

5.20 The Joint Administrators are undertaking a review of the Company's trading activities in order to establish whether or not there are actions that may be taken

for the benefit of the Administration and consequently to enable a conduct report to be submitted in respect of Company directors in office at the commencement of the Administration and any who resigned in the three years prior to the Administration.

- 5.21 Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Joint Administrators as soon as they are able.

6. The Statement of Affairs and the Outcome for Creditors

- 6.1 The Directors have not, to date, submitted a signed Statement of Affairs, albeit we understand they are currently in the process of drafting this. An Estimated Financial Statement of the Company, together with a list of the creditors, is attached at Attachment C for creditors' information. These details have been extracted from the Company's records and therefore no warranty can be given for their accuracy.
- 6.2 In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration (including agents, legal and other professional fees).
- 6.3 The Joint Administrators have not carried out any work of the nature of an audit on the information.

Secured creditors

- 6.4 Two creditors have security registered against the Company as follows:

Creditor	Type of Security	Date of Creation	Date of Registration	Amount owed at 6 August 2018
Advantagedge	Mortgage Debenture	31 Jan 2017	1 February 2017	£20,490
Christoph and Helga Schnell	Mortgage Debenture	21 June 2017	27 June 2017	£190,237

- 6.5 Mr & Mrs Schnell are Dominik Schnell's (the former Managing Director) parents and accordingly they are a connected party. Under S245 of the Insolvency Act 1986, a floating charge granted to a connected party in the period of two years prior to the onset of insolvency is void other than to the extent that consideration was paid for the granting of the charge. As the charge appears to have been given to secure monies previously advanced to the Company, our initial view is that the floating charge is not valid and we have adopted this view in preparing the Estimated Outcome Statement ("EOS") at Appendix C. This is not a definitive position and the facts of the transaction are still being investigated.

6.6 The anticipated recovery to the secured creditors is shown in the EOS.

Preferential claims

6.7 Preferential claims relating to employee deductions are expected to be paid largely by the RPO who will have a corresponding preferential claim against the Company. Total preferential claims are estimated at £58,000.

6.8 Section 176A of the Act requires Administrators to make a prescribed part of the company's net property, which is the balance remaining after discharging the preferential claims but before paying the floating charge-holder, available for the satisfaction of unsecured debts.

6.9 It is unlikely that there will be sufficient realisations to discharge preferential claims in full and therefore the Joint Administrators envisage that there will be no resulting net property from which to deduct a prescribed part.

6.10 The Joint Administrators do not propose to make an application to court under Section 176A(5) of the Act to disapply the prescribed part provisions, because in any event it is anticipated that there will be no prescribed part.

6.11 As demonstrated in the Estimated Outcome Statement attached at Attachment D, on the basis of the costs incurred to date and the estimated further costs to be incurred in bringing the Administration to a conclusion, it is anticipated that there may be sufficient funds to pay a dividend to preferential creditors.

6.12 Attached at Attachment D is the Joint Administrators' receipts and payments account for the period from 6 August to 28 September 2018.

7. The Joint Administrators' Fees

7.1 The Joint Administrators propose to be remunerated on the basis of the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Geoffrey Martin & Co at the time the work is performed (plus VAT).

7.2 The Joint Administrators will seek approval for the basis of their fees from the secured and preferential creditors, unless a Creditors' Committee is established.

7.3 Information to support the proposed basis of the Joint Administrators' fees, together with the Statement of pre-Administration costs, is provided in the Joint Administrators' Proposal, to which this Statement of Proposals forms an appendix.

8. Approval of the Statement of Proposals

8.1 As explained in Section 6 above, the Joint Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors (other than by virtue of Section 176A(2)(a) of the Act). Therefore,

pursuant to Paragraph 52(1)(b) of Schedule B1 of the Act, the Joint Administrators are not required to seek creditors' approval of the Statement of Proposals.

8.2 Notwithstanding this, the Joint Administrators shall be required to seek a creditors' decision on whether to approve the Statement of Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debts. Such request must be delivered to the Joint Administrators within 8 business days from the date on which the Statement of Proposals was delivered. Security must be given for the expenses of seeking such a decision.

8.3 If no decision is requested, the Statement of Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules.

9. Summary of the Joint Administrators' Proposals

9.1 The Statement of Proposals is summarised below.

9.2 In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:

- the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they realise the Company's remaining assets at such time and on such terms as they consider appropriate
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - (iii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
- the Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
- the Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:

- (i) in the event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
- (ii) however, in the unlikely event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, James Sleight and Oliver Collinge will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 8; or
- (iii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, James Sleight and Oliver Collinge may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator.

Dated this 28th day of September 2018



Oliver Collinge
Joint Administrator

James Sleight, Oliver Collinge and Peter Hart were appointed Joint Administrators of Inspiral Visionary Products Ltd on 06 August 2018. 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.

DEFINITIONS

The Act	The Insolvency Act 1986
The Rules	The Insolvency Rules 1986 or the Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event described)
The Statement of Proposals	The Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Joint Administrators	James Sleight, Oliver Collinge and Peter Hart
The Company	Inspiral Visionary Products Ltd (in Administration)
The Court	High Court of Justice, Business and Property Courts of England and Wales
RPO	The Redundancy Payments Office
HMRC	HM Revenue & Customs
ROT	Retention of Title
EOS	Estimated Outcome Statement
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice (England & Wales)

Inspiral Visionary Products Ltd (In Administration)**STATUTORY INFORMATION**

Company Name	Inspiral Visionary Products Ltd
Previous Name(s)	N/a
Trading Name(s)	Inspiral
Proceedings	In Administration
Court	High Court of Justice, Business and Property Courts of England and Wales
Court Reference	6283 of 2018
Date of Appointment	6 August 2018
Joint Administrators	James Sleigh, Oliver Collinge and Peter Hart Geoffrey Martin & Co 4 Carlton Court Brown Lane West Leeds LS12 6LT
Registered Office	c/o Geoffrey Martin & Co 4 Carlton Court Brown Lane West Leeds LS12 6LT
Former Registered Office	4b Triumph Trading Estate Tariff Road London N17 0EB
Company Number	07834482
Incorporation Date	3 November 2011
Appointment by	The directors of the Company
Directors at date of Appointment	Dominik Schnell Annabella Willink
Directors' Shareholdings	
Dominik Schnell	56,733 Ordinary A Shares
Annabella Willink	75,085 Ordinary A Shares

Inspiral Visionary Products Ltd (In Administration)

ESTIMATED OUTCOME STATEMENT

Inspiral Visionary Products Limited - In Administration
Joint Administrators' Estimated Outcome Statement as at 28 September 2018

	Book Value	Note	Realisations / Costs		Total
			To Date	Future (est.)	
			£	£	£
Assets subject to a fixed charge					
Factored Book Debts	116,481		42,664	20,000	62,664
Less: Advantaged			(37,220)	-	(37,220)
Surplus (carried to floating charge)			5,444	20,000	25,444
Intellectual Property Rights			-	27,750	27,750
Less: Administrators Costs			-	(5,000)	(5,000)
Agents Costs			-	(7,500)	(7,500)
Fixed Charge Holder (Mr & Mrs Schnell)			-	(190,237)	(190,237)
Deficit to Fixed Charge Holder (carried to floating charge)			-	(174,987)	(174,987)
Assets subject to a floating charge					
Plant, machinery and motor vehicle			27,500	-	27,500
Cash at Bank	3,891		3,891	-	3,891
Unfactored Book Debts	56,014		8,014	19,993	28,007
Surplus from Factored Book Debts	n/a		-	25,444	25,444
Directors Loan	32,114		-	Uncertain	Uncertain
			39,405	45,437	84,842
Less: Pre-Appointment Costs (+ disbursements)					
Administrator				(12,500)	(12,500)
Legal				(4,000)	(4,000)
Agent				(7,500)	(7,500)
Post-Appointment Costs (+ disbursements)					
Administrator				(37,500)	(37,500)
Legal				(7,500)	(7,500)
Agent				(7,500)	(7,500)
Provision for sundry costs				(3,000)	(3,000)
			-	(79,500)	(79,500)
Estimated funds available to preferential creditors			39,405	(34,063)	5,342
Preferential Creditors					(57,844)
Net Assets					-
Prescribed Part					-
Estimated funds available to floating charge creditors					-
Floating Charge Holders					-
Estimated funds available to unsecured creditors					-
Unsecured Creditors					
Trade Creditors					285,789
HMRC					14,152
Investors					570,965
Employee claims (unsecured element)					109,388
Shortfall to Fixed Charge Holder					174,987
					1,155,281
Estimated deficit to creditors					(1,155,281)

Inspiral Visionary Products Ltd (In Administration)

**THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT TO 28 SEPTEMBER
2018**

**Inspiral Visionary Products Ltd
(In Administration)**

**Joint Administrators' Summary of Receipts and Payments
From 06 August 2018 To 28 September 2018**

RECEIPTS	Total (£)
Plant & Machinery	27,500.00
Book Debts	8,161.17
Cash at Bank	3,890.62
VAT Payable	5,500.00
	<hr/>
	45,051.79
PAYMENTS	<hr/>
Specific Bond	202.50
	<hr/>
	202.50
	<hr/>
Balance	44,849.29
	<hr/>
MADE UP AS FOLLOWS	
Floating Current A/c	44,849.29
	<hr/>
	44,849.29
	<hr/>

Inspiral Visionary Products Ltd (In Administration)

HISTORIC FINANCIAL INFORMATION

Inspiral Visionary Products Limited - In Administration ("the Company")

Summary of Financial Information

Balance Sheets

	Management accounts for the year ending 31 March 2018	Filed accounts for the year ending 31 March 2017	Filed accounts for the year ending 31 March 2016
	£	£	£
Fixed assets			
Intangible assets	233,005	44,453	35,191
Tangible assets	7,011	314,114	285,615
	<u>240,016</u>	<u>358,567</u>	<u>320,806</u>
Current assets			
Stocks	292,017	355,454	288,973
Debtors: amounts falling due within one year	309,888	378,803	320,875
Cash at bank and in hand	(89,676)	10,529	4,912
Factor 21 Bank Accounts	(125,054)	-	-
	<u>387,175</u>	<u>744,786</u>	<u>614,760</u>
Creditors amounts falling due within one year	(266,458)	(593,252)	(438,673)
Tax and Social Securities	(61,329)	-	-
	<u>59,388</u>	<u>151,534</u>	<u>176,087</u>
Net current assets/(liabilities)			
	59,388	151,534	176,087
Total assets less current liabilities	299,404	510,101	496,893
Creditors amounts falling due after one year	(713,724)	(499,716)	(261,750)
	<u>(414,320)</u>	<u>10,385</u>	<u>235,143</u>
Net assets / (liabilities)			
	(414,320)	10,385	235,143
Capital and reserves			
Called up share capital	(935,808)	1,374	1,374
Share premium account	-	934,434	934,434
Profit and loss account	1,350,128	(925,423)	(700,665)
Shareholder's funds	<u>414,320</u>	<u>10,385</u>	<u>235,143</u>

Inspiral Visionary Products Limited - In Administration ("the Company")

Summary of Financial Information

Profit & Loss Accounts

	Management accounts for the year ending 31 March 2018 £	Management accounts for the year ending 31 March 2017 £	Management accounts for the year ending 31 March 2016 £
Turnover	2,376,855	2,630,000	2,041,202
Cost of sales	<u>(1,395,752)</u>	<u>(1,625,766)</u>	<u>(1,169,931)</u>
Gross profit / (loss)	981,103	1,004,234	871,271
Distribution costs	(134,711)	(178,321)	(21,547)
Administrative expenses	<u>(1,144,867)</u>	<u>(1,042,456)</u>	<u>(1,239,382)</u>
	(298,475)	(216,543)	(389,658)
Operating profit / (loss)	(298,475)	(216,543)	(389,658)
Foreign exchange	401	46,743	-
Depreciation	(135,524)	(122,627)	-
Disposal of fixed assets	-	(820)	-
Other interest / (payable)	<u>(3,222)</u>	<u>(747)</u>	<u>(1,569)</u>
Profit on ordinary activities before taxation	(436,820)	(293,994)	(391,227)
Exceptional items	-	-	-
Tax on profit / (loss) on ordinary activities	<u>-</u>	<u>-</u>	<u>-</u>
Profit / (Loss) on ordinary activities	<u>(436,820)</u>	<u>(293,994)</u>	<u>(391,227)</u>

Inspiral Visionary Products Ltd (In Administration)

BREAKDOWN OF PRE-ADMINISTRATION TIME COSTS FOR Geoffrey Martin & Co

APPENDIX II**Inspiral Visionary Products Limited (In Administration)****ANALYSIS OF PRE-ADMINISTRATION TIME COSTS FOR Geoffrey Martin & Co**

General Description	No. of hours	Average hourly rate (£)	Total (£)
Formalities	10.60	240.09	2,545.00
Strategy (incl Sales)	49.00	290.39	14,229.00
Administration Order Procedure	3.60	308.34	1,110.00
Employees	16.30	160.00	2,608.00
Secretarial/Filing	0.20	100.00	20.00
Travelling	6.30	148.89	938.00
Planning the Administration	1.90	325.00	617.50
Advisory to Directors/Company	8.00	368.75	2,950.00
Total before discount	95.90	260.87	25,017.50
Discount (50% as agreed pre-appointment with the Company)			(12,508.75)
Total claimed as pre-appointment cost			12,508.75

ANALYSIS OF PRE-ADMINISTRATION DISBURSEMENTS FOR Geoffrey Martin & Co

General Description	Amount Incurred (£)
Mileage	180.68
Travel Expenses	56.25
Subsistence	19.00
Total	255.93

ANALYSIS OF PRE-ADMINISTRATION PROFESSIONAL COSTS

General Description	Amount Incurred (£)
DWF LLP, time costs	4,257.00
DWF LLP, disbursements	57.00
Hilco Appraisal Limited, time costs	7,500.00
Hilco Appraisal Limited, disbursements	136.00
Total	11,950.00

Inspiral Visionary Products Ltd (In Administration)

**CHARGE-OUT RATES AND BASES OF DISBURSEMENTS ("Geoffrey Martin & Co'S
SUMMARY")**

Inspiral Visionary Products Limited (In Administration)**CHARGE-OUT RATES AND BASES OF DISBURSEMENTS ("Geoffrey Martin & Co's SUMMARY")**

The firm's hourly charge out rates are revised annually from 1 July. The rates currently in use are within the following bands:

	£
Appointment Taker	325 - 450
Associate	285
Manager	265 - 325
Senior Administrator	160 - 225
Junior Administrator and Support Staff	100 - 175

Secretarial and cashiers time is charged to the case and their rates are included within the above hourly rates identified above as appropriate. Time is charged in units of 6 minutes.

Disbursements

A disbursement charge relating to the recovery of overhead costs is levied at the rate of £8.04 per creditor and member. This sum is drawn at the outset of the case and covers printing, postage, stationery, photocopying, telephone and fax usage.

A further disbursement charge of £4.02 per creditor will be levied on those cases where a dividend(s) to unsecured creditors is declared.

Company Searches and Identity Verifications are charged at cost.

Outsourced printing and/or photocopying will be charged at cost in addition to the above.

Travelling expenses are charged at the rate of 45p per mile.

Inspiral Visionary Products Limited (In Administration)

**BREAKDOWN OF THE JOINT ADMINISTRATORS' TIME COSTS FROM 6 AUGUST 2018 TO 7
SEPTEMBER 2018**

INSP001

Inspiral Visionary Products Ltd

SIP 9 - Time & Cost Summary

Period: 06/08/18..07/09/18

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Appointment Taker	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	0.00	7.50	10.50	9.90	27.90	5,737.50	205.65
Appointment, Notification / Filing	0.00	0.50	0.00	3.10	3.60	497.50	138.19
Case Monitoring	3.40	0.00	0.00	0.00	3.40	1,105.00	325.00
Secretarial / Filing	0.00	0.00	0.00	0.10	0.10	12.50	125.00
Cashier for Non Trading	0.00	0.00	0.00	0.10	0.10	12.50	125.00
Travelling	0.00	0.00	3.80	14.00	17.80	2,358.00	132.47
Other Statutory matters	0.20	0.00	0.00	1.60	1.80	265.00	147.22
Administration & planning	3.60	8.00	14.30	28.80	54.70	9,988.00	182.60
Investigations	0.20	0.00	0.00	0.00	0.20	65.00	325.00
Investigations	0.20	0.00	0.00	0.00	0.20	65.00	325.00
Ident / Securing & Insuring	0.00	0.50	0.00	0.30	0.80	180.00	225.00
ROT	0.10	0.00	0.00	0.00	0.10	32.50	325.00
Property	0.00	3.20	0.00	0.20	3.40	937.00	275.59
Book Debts	0.50	2.90	0.00	0.00	3.40	989.00	290.88
Plant & Machinery / Motor Vehicle	0.00	7.00	0.00	0.00	7.00	1,995.00	285.00
Other Assets	2.10	0.90	0.00	0.20	3.20	964.00	301.25
Strategy	0.00	0.50	0.00	0.00	0.50	142.50	285.00
Realisations of assets	2.70	15.00	0.00	0.70	18.40	5,240.00	284.78
Management of Operations	0.00	0.00	0.00	4.90	4.90	612.50	125.00
Trading	0.00	0.00	0.00	4.90	4.90	612.50	125.00
Preferential Creditors	0.00	0.00	0.20	0.00	0.20	32.00	160.00
Unsecured Creditors	0.10	1.20	0.00	7.40	8.70	1,299.50	149.37
Employee Matters (Claims)	0.00	0.00	17.30	0.30	17.60	2,805.50	159.40
Statutory Reporting to Creditors	0.00	0.80	0.00	0.00	0.80	176.00	220.00
Report / Secured Creditor	0.90	0.30	0.00	0.00	1.20	378.00	315.00
Statutory Reporting to Members	0.20	0.00	0.00	0.00	0.20	65.00	325.00
Creditors	1.20	2.30	17.50	7.70	28.70	4,756.00	165.71
Case Specific	0.00	0.00	0.00	0.40	0.40	50.00	125.00
Case specific matters	0.00	0.00	0.00	0.40	0.40	50.00	125.00
Total Hours	7.70	25.30	31.80	42.50	107.30	20,711.50	193.02
Total Fees Claimed						0.00	

Inspiral Visionary Products Ltd (In Administration)

INFORMATION TO SUPPORT THE JOINT ADMINISTRATORS' FEE PROPOSAL

Inspiral Visionary Products Limited (In Administration)

INFORMATION TO SUPPORT THE JOINT ADMINISTRATORS' FEE PROPOSAL

FEES ESTIMATE SUMMARY

Inspiral Visionary Products Limited ("the Company")

The office holders are seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. This document provides an estimate as to how much time the office holders and their staff will spend undertaking specific tasks within broad categories of work, and the time costs of undertaking such work, which will depend upon the grade, or grades, of staff undertaking the work and the number of hours spent undertaking the work by each grade of staff. The estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at what is known as a blended hourly charge out rate for that category of work. The sum of all the estimates for the different categories of work is the total estimated time costs to undertake all the necessary work on the case. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for the case as a whole.

The hourly charge out rates that will be used on this case are:	(£)
Appointment Taker(s)	325 - 450
Manager	265 - 325
Supervisor/Senior Administrator	160 - 225
Junior Case Administrator	125 - 175
Cashier	125
Support staff	100 - 175

ADMINISTRATION AND PLANNING (Note 1)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
Administration & Planning	36.50	7,652.50	
Administrative Setup	3.20	556.00	
Appointment, Notification / Filing	9.00	1,605.00	
Case Monitoring	12.00	3,340.00	
Secretarial / Filing	3.00	375.00	
Cashier for Non Trading	4.00	500.00	
Travelling	17.80	2,605.00	
Other Statutory matters	8.00	1,540.00	
Total:	93.50	£18,173.50	£194.37

INVESTIGATIONS (Note 2)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
Investigations	8.20	1,765.00	
CDDA Reports	4.80	1,040.00	
Total:	13.00	£2,805.00	£215.77

Note 2: Investigations The insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The office holders is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary.

Note 3: Realisation of Assets - This is the work that needs to be undertaken to realise the known assets in the case. The above is based on assets shown on the Director's Statement of Affairs. If further assets come to light following our appointment it may be necessary to incur additional time costs in recovering these assets for the benefit of creditors. If any such assets come to light the office holders will provide further information to creditors and request approval for the additional time costs to be incurred and recovered from the Liquidation. This category also includes time spent in liaising with associated companies and a tax adviser with regards to the Company's outstanding pre-appointment Corporation Tax returns and the sale of group loss surrender(s).

Note 4: Creditors - The office holders need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holders will also have to deal with correspondence and queries (both verbal and written) received from creditors regarding their claims and dividend prospects as they are received. The office holders are required to undertake this work as part of their statutory functions. Dividends - it is not anticipated that a dividend will be paid to unsecured creditors however if circumstances change we will update creditors in our progress report and seek approval to our fees relating to the adjudication of claims and declaration of a dividend to creditors (where funds permit).

Note 5: Shareholder - The office holders need to maintain an up to date record of the name and address of the shareholder, to ensure that statutory notices and reports (where applicable) can be issued to the shareholder. The office holders will also have to deal with correspondence and queries (both verbal and written) received from the shareholder.

Note 6: Case specific matters - Each insolvency matter is unique, some cases may require the office holders to undertake a variety of work and / or communications with other parties.

APPENDIX V

REALISATION OF ASSETS (Note 3)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
Ident / Securing & Insuring	2.20	387.00	
ROT	0.10	32.50	
Property	4.70	1,259.50	
Book Debts	26.40	5,660.00	
Plant & Machinery / Motor Vehicles	7.00	1,995.00	
Other Assets	3.70	1,058.50	
Strategy	3.50	977.50	
Total:	47.60	11,370.00	£238.87

CREDITORS (Note 4)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
Preferential Creditors	0.50	80.00	
Unsecured Creditors	14.20	2,495.00	
Employee Matters (Claims)	24.30	3,877.50	
Statutory Reporting to Creditors	9.50	1,869.50	
Report / Secured Creditor	3.00	835.00	
Total:	51.50	£9,167.00	£177.81

SHAREHOLDERS (Note 5)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
Statutory Reporting to Members	3.00	£555.00	
Total:	3.00	£555.00	185

CASE SPECIFIC MATTERS (Note 6)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work (Hours)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£)
Case Specific 1	5.30	£662.50	
Total:	5.30	£662.50	125

GRAND TOTAL FOR ALL CATEGORIES OF WORK	213.90	£42,060.50	£207.63
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Explanatory Note: Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holders' current knowledge of the case and their knowledge and experience of acting as office holders in respect of cases of a similar size and apparent complexity. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case by the office holders exceed the estimate, or is likely to exceed the estimate, the office holders will provide an explanation as to why that is the case in the next progress report sent to creditors. Since the office holders cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where the office holders considers it appropriate in the context of the case, they will seek a resolution to increase the fee estimate so that they will then be able to draw additional remuneration over and above this estimate.

Note 1: Administration and planning - This represents the work that is involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the lead office holder. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Inspiral Visionary Products Ltd (In Administration)

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

Company Name: Inspiral Visionary Products Ltd (In Administration) ("the Company")

Company Number: 07834482

In the High Court of Justice, Business and Property Courts of England and Wales
Court No. 6283 of 2018

This Notice is given under Rule 3.39 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrator of the Company, Oliver Collinge, of Geoffrey Martin & Co, 4 Carlton Court, Brown Lane West, Leeds, LS12 6LT (telephone number 0113 244 5141), who was appointed by the directors of the Company.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to the Joint Administrator by one of the following methods:

By post to: Geoffrey Martin & Co, 4 Carlton Court, Brown Lane West, Leeds, LS12 6LT

By fax to: 0113 242 3851

By email to: thomas.gibney@geoffreymartin.co.uk

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9:00am on the next business day after it was sent.

All nominations must be delivered by: 23:59 on 15 October 2018

Nominations can only be accepted if the Joint Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Creditors' Committees, go to:
<https://www.r3.org.uk/liquidation-creditors-committees-and-commissioners-a-guide-for-creditors>.

Signed:


Oliver Collinge
Joint Administrator

Dated:

28 / 9 / 18

NOMINATIONS FOR MEMBERS OF A CREDITORS' COMMITTEE

Inspiral Visionary Products Ltd (In Administration)

On behalf of (name of Creditor): _____ ,

at (address of Creditor): _____ ,

I nominate the following creditor(s) to be member(s) of a Creditors' Committee (provide name(s) and address(es)):

1. _____

2. _____

3. _____

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you the sole member/shareholder of the Creditor (where it is a company)?

☐ Yes / ☐ No