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

AM03
Notice of administrator's proposals

Companies House

FRIDAY

A7ALAV2Ø
A17 20/07/2018 #88
COMPANIES HOUSE

1 Company details

Company number	0 8 8 7 9 4 6 5
Company name in full	Gas4Heat Limited

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

2 Administrator's name

Full forename(s)	Richard
Surname	Keley

3 Administrator's address

Building name/number	Arundel House, 1 Amberley Court
Street	Whitworth Road
Post town	Crawley
County/Region	West Sussex
Postcode	R H 1 1 7 X L
Country	

4 Administrator's name ❶

Full forename(s)	Andrew
Surname	Pear

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

5 Administrator's address ❷

Building name/number	Arundel House, 1 Amberley Court
Street	Whitworth Road
Post town	Crawley
County/Region	West Sussex
Postcode	R H 1 1 7 X L
Country	

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

AM03
Notice of Administrator's Proposals

6 Statement of proposals

☑ I attach a copy of the statement of proposals

7 Sign and date

Administrator's Signature	Signature ✕ R Kelly ✕
Signature date	d 1 d 9 m 0 m 7 y 2 y 0 y 1 y 8

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: Richard Keley
Company name: BM Advisory
Address: Arundel House
1 Amberley Court
Post town: Whitworth Road
County/Region: Crawley
Postcode: R H 1 1 7 X L
Country:
DX:
Telephone: 01293 410333 / 01293 428530

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

IN THE HIGH COURT OF JUSTICE
NO. CR - 2018 - 005548

GAS4HEAT LIMITED – IN ADMINISTRATION

ADMINISTRATORS' PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (AS AMENDED) ("the Act")

1. INTRODUCTION

Richard Keley and Andrew Pear of BM Advisory of Arundel House, 1 Amberley Court, Whitworth Road, Crawley, West Sussex, RH11 7XL were appointed Administrators of the Company on 16 July 2018, following an application by the director of the Company. In accordance with paragraph 46(3) of Schedule B1 of the Insolvency Act 1986, I enclose formal notice of our appointment, at ***Appendix I***.

The Administrators' appointment specified that they would have the power to act jointly and severally. They have exercised and will continue to exercise all of their functions jointly and severally as stated in the notice of appointment. The Administrators are bound by the Insolvency Code of Ethics and the regulations of their licensing body when carrying out all professional work relating to this matter.

Statutory information relating to the Company is attached at ***Appendix II***. These proposals are deemed to be delivered to creditors on 23 July 2018.

2. BACKGROUND AND EVENTS LEADING TO THE APPOINTMENT OF ADMINISTRATORS

Company background

The Company was incorporated in February 2014 and traded as plumbing, heating and air-conditioning installation specialists. It was owned equally by Dean Hill and Stefan Chapman who were both initially the directors of the Company. It traded from a small converted garage located at 196 Ifield Drive, Ifield, Crawley, RH11 0DQ. This garage is leased by a relative of one of the initial directors to which there was no lease in place and no rent payable by the Company. The business was principally based in Crawley but expanded throughout the South East and provided services to local domestic heating customers as well as commercial contracts (mainly new builds).

Dean Hill and Stefan Chapman had previously traded as a partnership before transferring the business to the Company, so they had the benefit of a trading history which helped to fund its start-up. The Company was profitable in its first year of trading which enabled the Company to take on two trainees, however it suffered from cash flow issues in subsequent years.

In early 2018 a decision was made to separate the business into two, with Dean Hill ("the Director") focussing on the domestic market in the Crawley area and Stefan Chapman focussing on commercial contract work around the Essex area.

Stefan Chapman formally resigned as a director of the Company in February 2018 and set up a new company called G4H Contractors Limited. Stefan Chapman remained a shareholder of the Company and continued to be involved with its business.

Summary of financial history

A summary of the Company's recent trading performance is shown below:

Profit and loss account	Year ended 28 February 2017	Year ended 28 February 2016
	£	£
Turnover	241,388	224,301
Costs of sales	(123,013)	(138,820)
Gross margin	**118,375**	**85,481**
Gross margin %	*49%*	*38%*
Administrative expenses	(102,505)	(79,328)
Operating profit/(loss)	**15,870**	**6,153**
Profit/(loss) on disposal of assets	0	0
Interest and finance charges	(477)	(199)
Interest receivable	0	1
Tax on profit	(3,995)	0
Profit/(loss)	**11,398**	**5,955**

Source: Statutory accounts

Balance sheet	As at 28 February 2017	As at 28 February 2016
	£	£
Fixed assets	12,359	17,727
Current assets		
Debtors	14,104	29,222
Stock	0	0
Cash at bank	2,162	(3,107)
	16,266	**26,115**
Liabilities		
Creditors: within one year	(99,499)	(43,770)
Creditors: due after one year	0	0
	(99,499)	**(43,770)**
Net assets/(liabilities)	**(70,874)**	**72**
Called up share capital	2	2
Profit and loss account	(70,876)	70
	(70,874)	**72**

Source: Statutory accounts

It should be noted that the accounts have not been verified for accuracy and therefore, may not reflect the Company's true trading position.

Reasons attributable to the appointment of Administrators

After the Company's first year of trading, it started working as a subcontractor to Mills Property Maintenance Limited. The first project went well however after that, Mill Property Maintenance Limited started to delay payments to the Company and it ultimately went into Creditors' Voluntary Liquidation in July 2016. The Company suffered from a significant bad debt of £51,000 and the Liquidators have advised in their latest report that there is unlikely to be a dividend to creditors.

The Company has had cash flow difficulties ever since and to support the Company's continued trading the Company entered into a loan agreement with Funding Circle in June 2017 from which it borrowed £50,000. This loan was utilised in paying creditors and funding new work. However the Company encountered additional problems completing work when two further main contractors suffered from cash flow problems and this had a bearing on the Company as payments were either delayed or not paid. The Company currently owes Funding Circle £45,000, which is personally guaranteed by the two shareholders.

In addition the Company has an outstanding overdraft with Lloyds Bank of approximately £18,377, which is also subject to personal guarantees provided by the two shareholders.

The Company also made one of the two trainees' redundant therefore leaving one trainee and the Director as the remaining employees.

The Company also owes £33,500 to Jewsons Limited in relation to plumbing supplies. A demand letter was issued on 7 June 2018 by solicitors acting for Jewsons Limited, which threatened a winding-up petition if payment was not made. Given the Company's financial position and inability to repay this debt, the shareholders sought professional advice and BM Advisory was introduced to the Company by Marcus Emery of The Finance Clinic, a professional contact of Richard Keley. BM Advisory initially met with the Director on 12 June 2018 to advise the Company on possible options for restructuring the business. The potential options of continuing the business on the basis of securing additional funding, Creditors' Voluntary Liquidation and Administration were all considered together with selling the business as a whole.

Due to the Company's financial position, the lack of further funding, the threat of a winding-up petition and in order to preserve the business as a whole, the Director filed a Notice of Intention to Appoint Administrators at the High Court on 19 June 2018. It was considered appropriate for the Company's business and assets to be sold by way of a pre-packaged sale and the valuation and sale process commenced via independent agents as outlined further below. Therefore a second Notice of Intention to Appoint Administrators was filed on 3 July 2018 as the sale process was not complete but a sale was considered achievable. The Company was placed into Administration when the Notice of Appointment of Administrators was filed at the High Court on 16 July 2018.

Neither the Administrators nor BM Advisory have had any prior relationship with the Company, its director or shareholders, other than the work undertaken in the pre-appointment period (details of which are set out in this report) and to assist with placing the Company into Administration.

3. OBJECTIVES OF ADMINISTRATION AND STRATEGY FOR ACHIEVEMENT BY THE ADMINISTRATORS

The Administrators are officers of the Court and must perform their duties in the interests of the creditors as a whole. The purpose of the Administration process is to achieve one of the three objectives set out in the Act, namely:-

(a) rescue the Company as a going concern; or
(b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
(c) realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as the financial circumstances of the Company meant that it could not be rescued as a going concern through a share sale and a Company Voluntary Arrangement was not appropriate either.

The purpose of the Administration is therefore objective (b), being to achieve a better result for the creditors as a whole than would be likely if the Company was placed directly into Liquidation. This has been accomplished by the pre-packaged sale of the business and assets of the Company which included the transfer of the Company's two employees (including the Director) to the purchaser and continuity of the Company's business. Further details of the sale are set out later in this report.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the period is extended by the Court or the creditors. If the Administration cannot be completed within 12 months then it will be necessary to either apply to Court, or seek approval from creditors, to extend the Administration.

Further information can also be found at www.creditorinsolvencyguide.co.uk which is designed to provide creditors with a step by step guide to the insolvency process.

4. CONDUCT OF THE ADMINISTRATION

The term 'pre-packaged sale' refers to an arrangement under which the sale of all or part of a company's business and/or assets is negotiated with a purchaser prior to the appointment of an Administrator and the Administrator effects the sale immediately on, or shortly after, his appointment. The following information has been prepared to assist creditors in understanding the circumstances and rationale for the sale.

Whilst every effort has been taken to set out all the relevant facts and explanations, if creditors have any further questions or need any clarification on anything contained herein, please contact this office.

Valuation and marketing of the business and assets

Independent agents, namely Roland Cramp (MRICS) of Lambert Smith Hampton, were instructed by BM Advisory to carry out a valuation of the physical assets and to market the business for sale. The agents confirmed their independence to act in this matter and that they carry adequate professional indemnity insurance.

The valuation was prepared on two bases, a 'market value as a whole in place' basis as part of a business considered as a going concern; and as 'market value for removal from their current location at the expense of the purchaser', subject to an assumption of a sale within a restricted marketing period of 28 days. The bases of the valuation was considered appropriate by the agent as it was prepared in contemplation of a sale, both as forming part of the assets of a continuing basis and a close down and piecemeal disposal under restricted marketing conditions. It was considered that a valuation of goodwill was not necessary, as due to the nature of the business assets, it was unlikely to be of any value to a third party.

The valuation provided by the agents is summarised below by asset category:

Asset valuation	Market value in working place £	Market value for removal £
Assets owned free from finance		
Office furniture and equipment	500	250
Assets subject to finance		
Volkswagon Transporter	13,500	11,500
Less: Estimated outstanding balance	(14,937)	(14,937)
	Nil	Nil
Volkswagon Caddy	4,750	4,000
Less: Estimated outstanding balance	(7,337)	(7,337)
	Nil	Nil
Total	**500**	**250**

As shown above, the Company's tangible assets were limited (with two motor vehicles held subject to asset finance agreements, with no equity) and the agent also advised that the Company had stock (which consisted of small levels of consumables) and was not currently working on any new projects. The Company's only existing project was being terminated at the time of the valuation and it was considered unlikely that it would be completed by the Company. Therefore the agent advised that there is no ongoing trade (as trading had temporarily paused due to cash flow constraints pending the Administration) or work in progress to market for sale and accordingly marketing to external parties was considered unlikely to be a worthwhile exercise. The agent did not consider it to be appropriate to circulate a teaser to their contacts or to market it online due to the nominal business and assets available for sale.

However an offer of £6,000 was submitted by G4H South East Limited (which is solely owned and controlled by the Director) for the business, intangible assets and physical assets, with a view to re-establishing the business including the transfer of the two employees (including the Director). It also offered to undertake any warranty works required to ensure collection of the outstanding book debts of the Company. The agent advised that it was unlikely that any better offers could be secured for the limited assets owned by the Company and due to the fact that it has no confirmed orders or existing work in progress. The agent therefore recommended that the

offer from G4H South East Limited should be accepted as it was considered that this sale would deliver the best available outcome for creditors as a whole.

Rationale for strategy adopted

It was not appropriate to trade the business and offer it for sale as a going concern during the Administration due to the lack of available working capital to fund ongoing trading and it was not worthwhile (considering the low value of the Company's tangible and intangible assets) to seek funders with a financial interest in the Company to provide ongoing working capital. It was not considered appropriate to approach specialist funders with regards to the Company's working capital requirements because of the low value of assets and, from previous experience, lenders would not consider lending to a business of this size, or interest rates proposed would be too high which would make the transaction uncommercial.

Prior to the appointment, alternative courses of actions were also considered such as a Company Voluntary Arrangement or a Creditors' Voluntary Liquidation, however insufficient funding was available to support ongoing trading and it was considered that closure by Liquidation would mean asset realisations achieved would be less than that via an Administration. Given the Company's financial circumstances and with no alternative funding available the only viable options would be Administration or Liquidation and provided at ***Appendix III*** is the estimated outcome each scenario based on current information.

The table shows a better outcome in Administration than in Liquidation due to the sale consideration achieved from the pre-packaged sale to G4H South East Limited which is also considered to enhance debtor realisations, enable payment to hire purchase creditors in respect of the motor vehicles on finance and also avoids the employees' entitlements crystallising (which would have happened if the business ceased and their jobs lost). However, creditors should note that this estimate is for comparison purposes only and does not take into account the pre and post Administration costs.

Although the two largest creditors, Jewsons Limited and Funding Circle Limited, were provided with a copy of the Notice of Intention to Appoint Administrators, consultation in respect of the pre-packaged sale was not considered appropriate due to the low value of assets being sold. There are no charges registered against the Company.

The purpose of the Administration, to achieve a better result for the creditors as a whole than would be likely if the Company was placed directly into Liquidation, was accomplished by completing the pre-packaged sale which has enabled a higher sale price of the assets than if they were sold at market value for removal, it is also anticipated to enhance debtor realisations and enable payment to hire purchase creditors in respect of the motor vehicles on finance in addition to enabling a transfer of the two employees to the Purchaser.

The business and/or assets have not been acquired through an insolvency process within the previous 24 months.

Details of the transaction and purchaser

Following the recommendation of agent, the business and assets were sold to G4H South East Limited ("the Purchaser") for total consideration of £6,000. The Purchaser has also agreed to undertake any warranty works required to ensure the collection of the outstanding book debts. This sale will therefore likely enhance the debtor realisations in the Administration. It also enables continuity of the Company's business, payment to hire purchase creditors and transfer of the employees which therefore avoids redundancy-associated liabilities.

The sale was completed on 16 July 2018, shortly following the appointment of Administrators. Initial consideration of £500 was received on completion and the remainder of the consideration is due to be paid equally over 11 monthly payments. The deferred consideration is secured via a personal guarantee provided by Dean Hill and payments will be monitored by the Administrators over the course of the Administration.

As mentioned, the Purchaser is connected to the Company as Dean Hill is a shareholder and director of both companies. The Purchaser chose not to obtain independent legal advice in respect of the pre-packaged sale.

As mentioned, the shareholders of the Company have provided personal guarantees to Lloyds Bank Plc and Funding Circle Limited. It has been confirmed that neither will be funding the Purchaser.

The sale price achieved was the best reasonably obtainable in the circumstances and is summarised below and compared to the valuation obtained.

Asset valuation against sale consideration achieved	Market value in working place £	Sale consideration £
Office furniture and equipment	500	2,000
Intellectual property, goodwill and name	-	2,000
Equipment located in vehicles, and stock	-	2,000
Total	**500**	**6,000**

Considering the low value of the Company's assets and the nature of the business (which is inextricably connected to Dean Hill), it was considered that they would only be of value to a connected purchaser and, as the sale to a connected party has been achieved, it has resulted in the amount of sale consideration being significantly higher than the valuations provided by the agent. The consideration was allocated evenly between the asset categories as recommended by the agent due to the sale price being significantly higher than the valuation.

The sale was not part of a wider transaction.

Under the terms of the Sale Agreement, both employees of the Company (including the Director) have transferred to the Purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

Connected party transaction

A connected purchaser is someone who is a director or shadow director of the company in Administration, or an associate of such a director or shadow director, or is an associate of the company. A person is an associate of an individual if that person is their husband, wife or civil partner, together with a relative of those individuals. An employee of the company in Administration is also an associate of the company. Where the purchaser is a company, if the same person (and/or their associates) controls both the purchasing company and the company in Administration, the purchaser will be connected. This should not be treated as a definitive statement of what constitutes a connected purchaser, with definitions being set out in sections 249 and 435 of the Insolvency Act 1986.

A connected party purchaser is encouraged to, but not required to, approach the Pre-Pack Pool ("PPP"), which is an independent group who will provide an opinion on the proposed pre-packaged sale. The purpose of obtaining this opinion is to enhance stakeholder and creditor confidence in the transaction. The cost of obtaining an opinion is £800 plus VAT and is payable by the purchaser. A connected purchaser should also consider preparing a viability statement indicating what will be done differently in the new business and how it will survive over the next 12 months.

As the Purchaser is a connected party they were invited to approach the PPP and prepare a viability statement ahead of completion. In this instance, the Purchaser chose not to approach the PPP but did prepare a viability statement, a copy of which is attached as ***Appendix IV***.

Summary

The Administrators are satisfied that the pre-packaged sale was in the best interests of creditors as a whole as the sale price was the best reasonably achievable in the circumstances and represents a better result than if the assets had been disposed of on a break-up basis which would have been likely if the Company had entered Liquidation. It will also likely enhance debtor realisations in the Administration as the Purchaser has agreed to undertake any warranty works required to ensure the collection of the outstanding book debts. The pre-packaged sale may also enable payment to hire purchase creditors in respect of the motor vehicles on finance and it has preserved the two employees' jobs. Therefore the sale has enabled the statutory purpose of Administration to be achieved.

Actions of the Administrators following appointment

The Administrators completed the pre-packaged sale of the business and assets immediately following their appointment. They have also attended to all statutory notification and filing obligations to date, prepared this report together with the included proposals and dealt with any administrative matters as required.

5. FINANCIAL POSITION OF THE COMPANY

A Statement of Affairs ("SoA") has been requested from the Director. In the meantime, an estimated SoA prepared by the Administrators is attached at ***Appendix V*** which includes details of the Company's assets and liabilities at their estimated book value and realisable value at the date of the Administration, together with details of the names, addresses and the amounts due to the Company's creditors.

The values at which creditor claims are stated in the SoA are those which are reflected in the books and records of the Company and may not be completely accurate. In addition, certain claims may be subject to reduction in respect of mitigation, set-off or retention of title. Creditors' claims will be adjudicated if and when a dividend is available for creditors. In accordance with the standard format of the SoA, no provision has been made for the costs of the Administration (including agents, legal and any other professional fees).

Commentary on the Administrators' estimated SoA is detailed below:

Intellectual property, goodwill and name

As mentioned, these assets were only considered to be of value to a connected party and therefore no valuation was provided by the agent at Lambert Smith Hampton. The intellectual property, goodwill and name were sold to G4H South East Limited for £2,000 as part of the pre-packaged sale.

Office, furniture and equipment (including equipment located in vehicles) and stock

The office, furniture and equipment (including equipment located in the vehicles such as tools) were valued by Lambert Smith Hampton at £500 on a going concern basis and at £250 as individual items for removal from their current location at the expense of the purchaser (assuming a restricted marketing period of 28 days). The stock consisted of small levels of consumables.

The office furniture and equipment was sold to G4H South East Limited for £2,000 as part of the pre-packaged sale. In addition, the equipment located in vehicles and stock were sold for £2,000 as part of the sale.

Motor Vehicles

The Company has two vehicles, a Volkswagen Transporter and a Volkswagen Caddy, which are both subject to hire purchase agreements with total estimated negative equity of £4,024 as detailed in the valuation table earlier in the report. G4H South East Limited has indicated that it wishes to retain these motor vehicles and that it will seek assignments of the agreements from the respective finance companies.

Book Debts

The Company has book debts of £9,862, of which £3,200 is considered unlikely to be realised as it is disputed.

As mentioned, G4H South East Limited has agreed to undertake any warranty works required to ensure the collection of the outstanding book debts. The Administrators may agree an arrangement with the Director to assist with the collection of the debtors on a contingent commission basis.

Cash at bank

A total of £4,351 is currently held on BM Advisory's client account in respect of debtor receipts which were collected by the Director shortly prior to Administration.

Preferential creditors

There are no preferential creditors. Under the terms of the sale agreement, all employees of the Company (including the Director) were transferred to the Purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

- **Unsecured creditors**

The Company's records indicate that trade and expense creditors total £78,494 as at the date of Administration.

Lloyds Bank Plc is owed £18,377 in respect of the Company's overdraft.

The Company's accountants have advised that HM Revenue & Customs is owed a net amount of £7,907 in respect of VAT and PAYE, after accounting for a VAT refund which is due to the Company and before accounting for any returns for the final period ending with the date of Administration.

6. PRESCRIBED PART

The Prescribed Part Fund is created out of the Company's net floating charge property pursuant to Section 176A of the Act, as long as the floating charge was registered later than 15 September 2003. The Administrators have to set aside (up to a maximum of £600,000):

50% of the first £10,000 of the net property; and
20% of the remaining net property.

There is no floating charge registered after 15 September 2003 and therefore, the prescribed part does not apply.

7. ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

The Administrators' receipts and payments account to 19 July 2018 is attached at ***Appendix VI*** and reflects a balance on hand of £4,851. The funds are currently held in BM Advisory's client account. An interest-bearing estate account has been requested to be opened by the Administrators to which the funds will be transferred in due course.

8. PROPOSED FUTURE ACTIONS OF THE ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

Following the pre-packaged sale of the business reported above and in accordance with the objective of the Administration, the remaining tasks will be to collect the deferred sale consideration, oversee the collection of the book debts with the assistance of the Director and deal with our statutory obligations and finalise all administrative matters.

There are several exit routes available to the Administrators and the exit route chosen will largely depend upon the specific circumstances of the Administration. Based on current information, the most likely exit route will be to move the Company to Dissolution.

In the event that there are sufficient funds available to enable a distribution to unsecured creditors, the Company will be placed into Creditors' Voluntary Liquidation ("CVL") and creditors will be invited to prove their debts.

If the Administrators consider it appropriate to exit into a CVL, then pursuant to paragraph 83(7) of Schedule B1 to the Act, the creditors may nominate a different person(s) as the proposed liquidator(s) provided that the nomination is made after the receipt of the proposals but before the proposals are approved. If the Company exits into Compulsory Liquidation, the Administrators propose to accept the appointment as Joint Liquidators, pursuant to section 140(1) of the Act.

9. DIVIDEND PROSPECTS

A dividend payment to unsecured creditors is unlikely in this matter as realisations are likely to be extinguished by the costs of the Administration leaving a shortfall against those costs. However a Proof of Debt form is attached to this report for the purpose of lodging your claim, should a dividend become available. Please also forward any supporting documentation in order to validate your claim.

10. ADMINISTRATORS' INVESTIGATIONS

Under the insolvency legislation, the Administrators have a duty to consider the conduct of those persons who have been directors of the Company at any time within three years preceding the Administration. The Administrators are also required to consider whether any civil proceedings should be taken. Please provide information, using the attached form at ***Appendix VII***, if there is any matter of which you believe the Administrators should be aware when considering the current and former directors' conduct. This request for information forms part of the normal investigation procedure.

11. ADMINISTRATORS' REMUNERATION

The Administrators are proposing that they should be remunerated by a fixed fee of £10,000 plus VAT and it is believed that this is an appropriate and reasonable basis for the nature and complexity of work required in this matter, based on previous experience of similar matters. Fees will only be drawn up to this fixed fee should there be sufficient asset realisations to do so. Attached, at ***Appendix VIII***, is a summary of the work that will be undertaken in respect of this fee, together with details of this firm's charge out and disbursement rates.

Based on current information, it is anticipated that there will only be a partial recovery against this fee (if any) after our pre-appointment fees are drawn (and agents and legal expenses are paid) due to the low level of anticipated asset realisations. I have also considered the complexity of the case and I currently anticipate that the Administration will be closed once the deferred sale consideration has been paid in full, which is likely to be in approximately 12 months' time and due to anticipated asset realisations, it is unlikely that I would be required to adjudicate on creditor claims or pay any dividends. For these reasons I believe that a fixed fee of £10,000 is an appropriate and reasonable basis for the nature and complexity of the work required in this matter.

Please note that the list of work to be undertaken includes tasks that typically arise in an Administration and are expected to be necessary in this matter. However, if any one task is not required it will not make a material difference to the estimated cost. If the Administrators' investigations lead to potential further asset recoveries (or legal proceedings), in addition to those reported, it may be necessary to seek additional fee approval in excess of this original estimate.

The approval of the basis of the Administrators' remuneration and Category 2 expenses forms part of these proposals. A guide to fees can be found at www.bm-advisory.com/resources/ and provides information relating to Administrators' remuneration. A hard copy is available on request.

Detailed below are the expenses I expect to incur during the Administration and what I have incurred to date. The estimated figures are based on BM Advisory's policy on fees.

		Estimated total cost £	**Incurred to date £**
Statutory advertising	Category 1	71	-
Printing	Category 2	20	-
Postage	Category 1	25	-
Storage	Category 1	59	-
Bond	Category 1	48	-
TOTAL		**£223**	**-**

Please note that in calculating the above estimated costs, it has been assumed that the duration of the Administration will be 12 months.

In addition to the above, further expenses may be incurred if the Administrators agree an arrangement with the Director to assist with the collection of the debtors on a contingent commission basis in due course.

Category 1 expenses do not have to be approved, but actual expenses incurred will be compared to the original estimate when reporting to creditors.

12. PRE-ADMINISTRATION COSTS

Pre-Administration costs are the remuneration, charges and expenses incurred by the Administrators before the Company entered into Administration but with a view to it doing so. Pursuant to an engagement letter dated 18 June 2018, the Director agreed that this firm's pre-Administration costs and expenses would be based upon time

properly spent at the firm's standard charge out rates and the total costs. It was also agreed that expenses would be incurred for agents' and legal fees.

The total costs for the pre-Administration period principally relate to:

- Advice and assistance to the Company and its Director in relation to the Company's affairs and business prior to the appointment of Administrators.
- Liaising with the solicitors of Jewsons Limited in respect of correspondence received by the Company in relation to a possible winding-up petition being issued and providing a copy of the Notice of Intention to Appoint Administrators.
- Contacting Funding Circle Limited in respect of their correspondence to the Company and providing a copy of the Notice of Intention to Appoint Administrators.
- Instructing agents to compile an inventory of assets and valuation report for the Company.
- Working with the agents to determine the best and/or appropriate strategy in respect of marketing the business and realising the business and assets to achieve the purpose of the Administration.
- Supporting the agents through the negotiations with potential interested parties.
- Liaising with the interested party in respect of the sale.
- Liaising with the agent in respect of allocation of the sale consideration.
- Overseeing the production of the contract for the sale of the business and assets by solicitors so that completion could occur as soon as possible after Administration.
- Ensuring the initial consideration was received from the Purchaser in time for completion.
- Advising the Director of the pre-pack pool and viability statement in relation to the connected party sale.
- Instructing solicitors to prepare documents to place the Company into Administration and assisting the Director with the formalities of appointment.
- Statutory planning work in relation to the appointment of the Administrators.
- Obtaining information about the Company and its creditors from the Director.
- Liaising with the Company's accountants in respect of the VAT position and the likelihood of realisation of any tax refunds.
- Reviewing book debts, considering likelihood of realisations, liaising with the Director in respect of debtor receipts and arranging receipts into client account.

This work had to be undertaken prior to the appointment as it facilitated the sale process in order to maximise the value of the business and assets which resulted in the pre-packaged sale. This was in the best interests of the creditors as a whole and enabled the purpose of the Administration to be achieved. The statutory and preparation work undertaken to assist the Director to place the Company into Administration was required by statute and regulatory guidance but does not produce any direct benefit for creditors.

BM Advisory's pre-Administration costs amounted to £20,256 plus VAT, being 89.5 hours at an average hourly rate of £226. In addition, pre-Administration expenses were incurred for agents' fees to Lambert Smith Hampton of £1,100 plus VAT, to value the assets for sale, consider any appropriate marketing and provide recommendations in respect of the pre-packaged sale. Together with, legal costs of £4,682 plus VAT and disbursements of £100 plus VAT, for Pitmans Law LLP to draft appropriate sale agreement documentation and prepare the papers to place the Company into Administration.

The following statement sets out those pre-Administration costs where approval is being sought from the creditors by a separate resolution. Payment of the unpaid pre-Administration costs, as an expense of the Administration, is subject to approval under rule 3.52 and not part of the proposals subject to approval under paragraph 53 of schedule B1 of the Act.

Pre-Administration Fees and Costs	**Paid prior to the Administration**	**Seeking approval to be paid as an expense**
	£	**£**
BM Advisory LLP	-	10,000
Lambert Smith Hampton – time costs	-	1,100
Pitmans Law LLP – time costs	-	4,682
Pitmans Law LLP – disbursements	-	100

It is proposed that the balance of BM Advisory's pre-Administration time costs of £10,256 will be written off and not recovered.

13. ADMINISTRATORS' PROPOSALS

Pursuant to Paragraph 49 of Schedule B1 of the Act, in order to achieve the objective of the Administration as set out in section 3 above, it is proposed to creditors that:

(a) The Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration such that:

(i) they collect the deferred sale consideration and oversee the collection of outstanding book debts.
(ii) they dispose of the Company's ownership of such assets at such time(s) on such terms as they consider expedient;
(iii) 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 which supplies or has supplied goods or services to the Company;
(iv) in addition, they do all such things and generally exercise all their powers as Administrators as they in their discretion consider desirable or expedient 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 proposals.

(b) The Administration will continue (subject to the statutory provisions relating to automatic termination) until the realisable assets of the Company have been realised and all liabilities incurred during the Administration have been discharged or until such a time as deemed appropriate by the Administrators. Based on current information, it is anticipated that the Administration will end by:

(i) filing notice of dissolution with the Registrar of Companies. The Company will then be automatically dissolved three months after the notice is registered
(ii) or if the above route is not possible, the presentation of a winding up petition to the Court for the compulsory liquidation of the Company.
(iii) or if the above route is not possible, making an application to Court for an order that the Administration ceases.
(iv) or if the above route is not possible, giving notice to the Court, creditors and Registrar of Companies that the objective of the Administration has been achieved.

(c) In the event that the Administration cannot be completed within twelve months and the Administrators are of the view that it is in the creditors' interest, they may propose to seek an extension of their appointment from the creditors and/or the Court pursuant to paragraph 76 of Schedule B1 to the Act.

(d) In the event that the Administrators are of the view that it is appropriate for the Company to move from Administration into Liquidation, whether compulsory or voluntary, the Administrators be authorised to take steps to place the Company into whichever Liquidation process they, at their discretion, deem appropriate. In either circumstance, it is proposed that the Administrators would take the appointment as Joint Liquidators of the Company and that they will act jointly and severally in their duties. In relation to moving into Creditors' Voluntary Liquidation, and in accordance with paragraph 83(7), creditors may nominate a different person as the proposed Liquidator(s), provided that the nomination is made after the receipt of these proposals but before these proposals are approved.

(e) The Administrators be at liberty to incur and pay such costs and expenses, including professional fees, as are considered to be incidental to the achievement of the purpose of the Administration or for the purposes set out herein or to the Administrators' statutory duties.

(f) The Administrators propose to be remunerated by a fixed fee of £10,000 plus VAT. The Administrators' remuneration will be agreed by the Creditors' Committee or by creditors, in the event that no Committee is formed.

(g) The Administrators be at liberty to recharge category 2 disbursements as detailed in the circulated Creditors' guide to Administrators' fees.

(h) The Administrators be at liberty to pay costs and remuneration in relation to proposals (e) and (f) above when funds become available.

(i) The Administrators will consult with the creditors' committee, if formed, at appropriate intervals concerning the conduct of the Administration and the implementation of these proposals and where they consider it expedient, obtain the sanction of that committee on behalf of the creditors of the Company (and without further reference to the general body of creditors) to any proposed action on the part of the Administrators.

(j) The Administrators be discharged from liability in respect of any act of theirs immediately after they cease to be Administrators of the Company.

14. APPROVAL OF PROPOSALS

The Administrators propose to hold a creditors' decision procedure, under Paragraph 51(1) of Schedule B1 of the Act, to consider the proposals by correspondence. The decision procedure will also give creditors the opportunity to appoint a creditors' committee. A notice of the decision procedure, a voting form and a proof of debt form are attached at ***Appendix IX.*** A creditor's completed voting form must be received by no later than 11.59pm on 7 August 2018 (the decision date).

A vote can only be accepted if the voting form is accompanied by a proof of debt form (if not already provided) and received on or before the decision date. A creditor is not required to vote and if they do not then their rights against the Company will not be affected. A creditor whose claim is wholly secured is not entitled to vote.

Should a creditors' committee not be appointed, a separate resolution is included on the voting form to approve BM Advisory's pre-Administration costs and expenses as set out in this report. The approval of the Administrators' remuneration, as well as Category 2 expenses, will also be considered as part of these proposals.

Creditors may request that a physical creditors' meeting is summoned if at least 10% of the creditors in value or number, measured against the Company's total debts, or at least ten creditors request a meeting and the request is made within five business days from the delivery of this notice.

15. FURTHER INFORMATION

It is considered that the EC Regulation on Insolvency Proceedings 2000 ("the EC Regulation") will apply as the Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom. If the EC Regulation does apply, these proceedings will be the main proceedings as defined in article 3(1).

Creditors have the right to opt out of receiving further communications about this matter, except where a document must expressly be delivered to all creditors without exclusion, it relates to a change in the office holder or their contact details, or if it relates to a court ordered notice or notice of a dividend/intended dividend. If a creditor chooses to opt out, their right to receive dividends (if available) will not be affected, nor will their right to participate in any voting or deemed consent procedure, although they will not receive notice of it. Furthermore, if a creditor opts out, they will be treated as having opted out in respect of any consecutive insolvency proceedings in respect of the Company. Should a creditor wish to opt out of receiving further communications about this matter (or opt back in at a later stage), please email the request to Sue Markham at sue.markham@bm-advisory.com, making sure to include the creditor's full name and the case name/reference.

During the course of the Administration, I will be required to hold certain personal data about creditors in order to process any creditor claims. This data will only be processed and held to comply with my obligations as Administrator. BM Advisory's Data Compliance Manager is responsible for how personal data information is handled and in this matter they have nominated Richard Keley to control the data received. Information about BM Advisory's privacy policy, complaints procedure, Professional Indemnity insurance and the Provision of Services Regulations, can be found at www.bm-advisory.com/about/legals-compliance/.

R Keley

Richard Keley
Joint Administrator

In accordance with Rule 3.27 of the Insolvency (England & Wales) Rules 2016 & paragraph 46(4) of Schedule B1 to the Insolvency Act 1986.

AM01

Notice of administrator's appointment

Companies House

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

1 Company details

Company number	0 8 8 7 9 4 6 5
Company name in full	Gas4Heat Limited

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

2 Court details

Court name	High Court of Justice
Court number	0 0 5 5 4 8 2 0 1 8

3 Administrator's name

Full forename(s)	Richard
Surname	Keley

4 Administrator's address

Building name/number	Arundel House, 1 Amberley Court
Street	Whitworth Road
Post town	Crawley
County/Region	West Sussex
Postcode	R H 1 1 7 X L
Country	

5 Administrator's email address or telephone number ❶

Email address	
Telephone number	01293 410333 / 01293 428530

❶ You must give an email address or telephone number. All information on this form will appear on the public record.

6 Insolvency practitioner number

Insolvency practitioner number	1 8 0 7 2

AM01
Notice of administrator's appointment

7 Administrator's name ❶

Full forename(s)	Andrew
Surname	Pear

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

8 Administrator's address ❷

Building name/number	Arundel House, 1 Amberley Court
Street	Whitworth Road
Post town	Crawley
County/Region	West Sussex
Postcode	RH11 7XL
Country	

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

9 Administrator's email address or telephone number ❸

Email address	
Telephone number	01293 410333 / 01293 428530

❸ You must give an email address or telephone number. All information on this form will appear on the public record.

10 Insolvency practitioner number

Insolvency practitioner number	9016

11 Statement of appointment

I confirm the appointment of the administrator(s) on

Date	16 07 2018

12 Name of person, body or court appointing administrator

Person, body or court name	by the director

13 Sign and date

Administrator's signature	Signature X R Kelly X
Signature date	19 07 2018

AM01
Notice of administrator's appointment

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: Richard Keley
Company name: BM Advisory

Address: Arundel House
1 Amberley Court
Post town: Whitworth Road
County/Region: Crawley
Postcode: RH11 7XL
Country:
DX:
Telephone: 01293 410333 / 01293 428530

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 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

GAS4HEAT LIMITED – IN ADMINISTRATION

STATUTORY INFORMATION

Company information

Company Number	08879465
Previous name(s)	N/a
Date of Incorporation	6 February 2014
Principal trading activity	Plumbing, heating and air-conditioning installation
Trading name(s)	Gas4Heat
Trading Address	196 Ifield Drive, Crawley, West Sussex, RH11 0DQ
Registered Office	Lintot House, 20 Fairbank Road, Southwater, West Sussex, RH13 9LA
Former Registered Office	22 Excalibur Close, Ifield, Crawley, West Sussex, RH11 0PA
Directors	The directors of the Company over the last 3 years are detailed below:
	Dean Alan Hill — 6 February 2014 to present
	Stefan James Chapman — 6 February 2014 to 9 February 2018
Company Secretary	N/a
Related entities	G4H Contractors Limited (Owned and directed by Stefan Chapman) G4H South East Limited (Owned and directed by Dean Hill)

Share Capital

The Company's authorised share capital consists of 2 ordinary shares with a nominal value of £1 each.

Dean Alan Hill	1 Ordinary Share
Stefan James Chapman	1 Ordinary Share

Registered charges N/a

Appointment details

Date of appointment	16 July 2018
Appointment made by	the director
Court name	High Court of Justice, Chancery Division, Companies Court
Court reference	CR - 2018 - 005548
Joint Administrators	Richard Keley and Andrew Pear

GAS4HEAT LIMITED - IN ADMINISTRATION

Estimated outcome statement	Notes	Administration (going concern) £	Liquidation (forced sale) £
Uncharged Assets			
Office, furniture and equipment	1	2,000	250
Intellectual property, goodwill and name	2	2,000	-
Equipment located in vehicles, and stock	3	2,000	-
Cash at bank	4	4,351	4,351
Book debts	5	6,662	3,331
Available for Preferential creditors		**17,013**	**7,932**
Preferential creditors			
Preferential employee claims	6	-	(1,600)
Estimated surplus/(shortfall) available to unsecured creditors		**17,013**	**6,332**
ESTIMATED TOTAL SURPLUS/(SHORTFALL) AVAILABLE TO UNSECURED CREDITORS		**17,013**	**6,332**
Unsecured creditors			
Trade and expense creditors	7	78,494	100,769
Lloyds Bank (overdraft)		18,377	18,377
HM Revenue & Customs		7,907	7,907
Unsecured employee claims	6	-	7,782
		104,778	**134,835**
ESTIMATED DIVIDEND TO UNSECURED CREDITORS p/£		**0.16**	**0.05**

NB: The above estimated outcome statement does not take into account the cost of realisations at this time and any actual dividend to creditors is likely to differ from this estimate.

1 In Administration, the office furniture and equipment have been included in the pre-packaged sale. In Liquidation, it is estimated that the amount of the valuation on a removal basis provided by Lambert Smith Hampton would likely be achieved.

2 In Administration, the intellectural property, goodwill and name have been included in the pre-packaged sale. In Liquidation, it is estimated that there would be no realisations in respect of these assets.

3 In Administration, the equipment located in vehicles, and stock have been included in the pre-packaged sale. In Liquidation, it is estimated that these assets would not have been realised due to their nominal value.

4 Cash at bank represents debtor receipts received from customers prior to the Administration and would have been realised in both scenarios.

5 In Administration, the current book debts of £9,862 less disputed amounts of £3,200 is considered likely to be realised as the pre-packaged sale has meant that the purchaser will undertake any warranty works to ensure collection of outstanding book debts. In Liquidation, the book debts have been written down by 50%, as a formal closure of the business would likely mean that debtors would seek to avoid payment and there would have been no one to chase and collect the debts with knowledge of them.

6 It is estimated that preferential and unsecured creditors in respect of employee claims will be higher in the event of Liquidation, as two employees would be made redundant, whereas in Administration they were transferred to G4H South East Limited as part of the pre-packaged sale.

7 It is estimated that trade and expense creditors will be higher in Liquidation as the hire purchase creditors will likely be paid in Administration as a result of the pre-packaged sale.

G4H
South East Limited

ONE YEAR BUSINESS PLAN

'2018 to 2019'

Contents

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▪ Business Proposal	5
▪ Business Structure	5
▪ Target Market and Client Base	5
▪ Short to Mid-Term Business Objectives	6
▪ Risk and Assumptions	7

INTRODUCTION

G4H South East Ltd are a plumbing, heating and mechanical services company specialising in Domestic Commercial Properties..

Dean Hall (Director) started his career as a plumbing and heating apprentice for a small family run business in Horsham Sussex at the age of 16.

Dean completed his 3-year course in plumbing and heating and went on to train as a gas engineer gaining many other trade related qualifications along the way.

Dean then moved on to a large construction company heading up the mechanical department on multi-million-pound student accommodation projects.

This is where Dean decided to start his own company and teamed up with a Stefan Chapman and go on to complete his first project of 8 high end new build houses.

The company were successful and established themselves as a reputable domestic plumbing and heating company in Crawley, Sussex.

Due to contractors non-payment.. Dean decided to leave the company and start G4H South East LTD.

Forming in June 2018, G4H South East are looking forward to a successful first year and plan for many more to come.

Company Profile

G4H South East LTD based in Crawley, West Sussex provide gas central heating Services in Sussex and surrey. Our services include new boiler installations, boiler repairs, boiler servicing, boiler maintenance, boiler replacements, plumbing services, underfloor heating and renewables.

G4H South East LTD supply everything from heating, plumbing, renewable energy, and underfloor heating to name just a few. What's more, we also offer free quotations – so there won't be any unexpected costs once your work is complete.

All our engineers are highly trained in the industry standards, providing the highest level of work and conducting ourselves in a safe and professional manner at all times.

Business Proposal

Vision – To be the number one Plumbing, Heating & Company in Sussex, Surrey specialising in planned and reactive maintenance.

Mission – We will offer an unrivalled service Domestic Clients and social housing in Sussex and Surrey. We will lead the way within our industry by offering an affordable, reliable and flawless service delivered with high quality workmanship and materials.
To achieve this, we will develop our people and establish lasting relationships with our suppliers.

The Business Structure

Limited company.

Target Market and Client Base

G4H South East LTD will target the Domestic Commercial Clients I need of imminent services market via -

SEO – keyword search
Social media – Local Areas
Local Advertisement

In Sussex and Surrey

Short to Mid-Term Business Objectives

- Increase directly employed staff
- Increase sub contracted temporary staff
- Appoint contracts managers
- Appoint Sales manager
- Appoint office manager
- Build relationships with Social Housing officers
- Build relationships with suppliers

Management Structure

Director - Dean Van Hill
Accounts - Nicola Swaine - CarLax accounting
Admin - BPM Business plan management
Web Marketing - Boonwag

Ongoing positions in 2 years -
Contracts manager- TBC
Area Manager- TBC
Sales manager-TBC
PR Manager - TBC
Office manager -TBC

Financial

Estimated financial forecast to increase by 50% turnover per annum with target 30% Profit margin

YR1 - £190,000.00
YR2 - £285,000.00
YR3 - £427,000.00

Balance Sheet

G4H South East LTD will purchase Gas4Heat LTD and its assets or a fee of £6,000 -

1. [illegible]
2. [illegible]
3. [illegible]
4. [illegible]
5. [illegible]

Risk and Assumptions

G4H South East LTD's [illegible] Management [illegible] provide the [illegible]

[illegible]

[illegible]
[illegible]

[illegible] as follows -

1. Planned Installation Multi [illegible] 50% upfront final 50% on completion
2. Reactive - first [illegible] upfront to book slot and final [illegible] on completion.

A Range of payment [illegible] will be in position.

1. BACS - Bank transfer
2. Online - Paypal
3. Card Payment - Sage Portable

Failure to pay will come at a cost to the client of a rate to current bank rate.

G4H South East LTD Terms of Sale can be provided on Request.

G4H
South East Limited

Director – Dean Alan Hill

Address – 444 Bramble Way, Crawley Down, RH10 4AJ

Company Number -11413159

Incorporation date – 13th June 2018

Narrative

G4H South East LTD will monitor its sales with quarterly Managers meetings to analyse any dip in sales and how we will provide a better service.

Meeting attendees–

Directors
Accountant

To minimise any late/non-payers invoices will be promptly sent digitally and our payments terms will be as follows –

1, Planned Installation/Maintenance - 50% upfront/ final 50% on completion
2. Reactive – first hour paid upfront to book slot and final taken on completion.

A Range of payment methods will be in position –

1. BACS – Bank transfer
2. Online – Paypal
3. Card Payment – Sage Potable

Failure to pay will come at a cost to the client of a rate to current bank rate.

G4H South East LTD Terms of Sale can be provided on Request.

With the above methods this will allow G4H South East LTD to pay any creditors with in their agreed periods and maintain a positive cashflow for growth.

Any Request for information please feel free to get in contact.

info@gas4heat.co.uk FAO - Dean Hill – Managing Director

Insolvency Act 1986

Gas4Heat Limited
Estimated Statement Of Affairs as at 16 July 2018

	Book Value £	Estimated to Realise £	£
ASSETS			
Office furniture & equipment	500.00		2,000.00
Equipment located in vehicles and stock	NIL		2,000.00
Intellectural property, goodwill & name	NIL		2,000.00
Book debts	9,862.00		6,662.00
Cash at bank	4,351.00		4,351.00
			17,013.00
LIABILITIES			
PREFERENTIAL CREDITORS:-			
			NIL
			17,013.00
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003			
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
			NIL
			17,013.00
Estimated prescribed part of net property where applicable (to carry forward)			NIL
			17,013.00
DEBTS SECURED BY FLOATING CHARGES POST 14 SEPTEMBER 2003			
			NIL
			17,013.00
Estimated prescribed part of net property where applicable (brought down)			NIL
			17,013.00
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & expense creditors		78,494.00	
Lloyds Bank (Overdraft)		18,377.00	
HMRC		7,907.00	
			104,778.00
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			(87,765.00)
			(87,765.00)
Issued and called up capital			
Ordinary shareholders		2.00	
			2.00
TOTAL SURPLUS/(DEFICIENCY)			(87,767.00)

BM Advisory
Gas4Heat Limited
B - Company Creditors

Key	Name	Address	£
CT00	123 Telecom Limited	25 BSC Centre, Innovation Quarter, Hood Road, Barry, CF62 5QN	44.00
CF00	Funding Circle Limited	71 Queen Victoria Street, London, EC4V 4AY	45,000.00
CH00	HM Revenue & Customs	Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	7,907.00
CJ00	Jewson Limited trading as Graham	Graham Credit Services, Old Fieldhouse Lane, Off Leeds Road, Huddersfield, HD2 1AG	33,450.14
CL00	Lloyds Bank Plc	PO Box 1000, Andover, BX1 1LT	18,377.00
5 Entries Totalling			**104,778.14**

Gas4Heat Limited
(In Administration)
Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 16/07/2018 To 19/07/2018 £	From 16/07/2018 To 19/07/2018 £
	ASSET REALISATIONS		
2,000.00	Office furniture & equipment	500.00	500.00
2,000.00	Equipment located in vehicles and sto	NIL	NIL
2,000.00	Intellectural property, goodwill & nam	NIL	NIL
6,662.00	Book debts	NIL	NIL
4,351.00	Cash at bank	4,351.00	4,351.00
		4,851.00	4,851.00
	UNSECURED CREDITORS		
(78,494.00)	Trade & expense creditors	NIL	NIL
(18,377.00)	Lloyds Bank (Overdraft)	NIL	NIL
(7,907.00)	HMRC	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(87,767.00)		**4,851.00**	**4,851.00**
	REPRESENTED BY		
	Estate bank account - interest bearing		4,851.00
			4,851.00

CREDITORS QUESTIONNAIRE

INVESTIGATION INTO THE AFFAIRS OF

GAS4HEAT LIMITED

IN ADMINISTRATION

Creditor's name and address	
1	Estimated Claim
2	If the estimated claim exceeds the credit limit, on what basis or terms was the additional credit allowed?
3	Please provide details of any comfort, security or assurance given to you to allow continuance of credit.
4	When were you first aware that there were difficulties in getting payment and what was the evidence of this? e.g. extended credit, lump sum payments, dishonoured cheques.
5	Please provide details of any cheques which were dishonoured, including dates and amounts.

6	Please provide details, including dates, of any writs, summons, decrees or other legal action you took to recover your debt.
7	Are there any particular matters you feel should be reviewed? If so, please provide brief details.
Print name	
Signature	
Position	
Date	

**Should there be insufficient space on this form, please use a separate piece of paper clearly indicating which question the continuation sheet refers to.*

GAS4HEAT LIMITED - IN ADMINISTRATION

Estimate of work to be undertaken during the Administration

BM Advisory.

The Administrators are seeking to be remunerated by a fixed fee. Detailed below is a summary of the work we expect to undertake in respect of the fee. It is the policy of BM Advisory to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum. Time is recorded in 6 minute units. BM Advisory's statement of policy on fees details our full policy on fees and our hourly rates by grade. Remuneration will only be drawn against the agreed fixed fee to the extent asset realisations allow.

Task

ADMINISTRATION AND PLANNING

Strategy & planning - devising an appropriate strategy for dealing with the case and giving instructions to staff.
Opening, maintaining and managing the officeholders' estate bank account.
Creating, maintaining and managing the officeholders' cashbook.
Undertaking regular reconciliations of the officeholders' estate bank account.

STATUTORY COMPLIANCE

Setting up physical/electronic case files.
Setting up the case on insolvency practice management software and inputting necessary data.
Dealing with all correspondence and emails relating to the case.
officeholders' appointment in the Gazette.
Conduct statutory searches to identify company pension schemes.
Deal with statutory obligations in relation to identified company pension schemes
Obtaining a specific penalty bond.
Convening and enacting decision procedures of creditors (as applicable).
Reviewing the adequacy of the specific penalty bond on a quarterly basis.
Undertaking periodic reviews of the progress of the case.
Overseeing and controlling the work done.
Preparing, reviewing and issuing progress reports to creditors and members.
Filing returns at Companies House and/or Court (as applicable).
Preparing and filing VAT returns.
Preparing and filing Corporation Tax returns.
Seeking closure clearance from HMRC and other relevant parties.
Preparing, reviewing and issuing final accounts/reports to creditors and members.
Filing final accounts/reports at Companies House and/or Court (as applicable).
Completing appropriate documentation to extend the Administration if appropriate.

INVESTIGATIONS

Recovering the Company's books and records.
Scheduling the Company's books and records.
Preparing a report on the conduct of the directors as required by the Company Directors Disqualification Act.
information from relevant third parties, such as the bank, accountants, solicitors, etc.
third party in order to recover funds for the benefit of creditors.

ASSET REALISATIONS

Arranging suitable insurance over assets.
Regularly monitoring the suitability and appropriateness of the insurance cover in place.
Monitoring the collection of debtors by the director and/or attempting to collect outstanding book debts.
Liaising with the bank to recover any post-Administration credits and close the account.
agreement.

CREDITORS

Dealing with all creditor correspondence, emails and telephone conversations regarding their claims.
Maintaining up to date creditor information on the insolvency practice management system.

Notes:

- 'Administration and planning' represents the work involved in the routine administrative functions of the case. It does not give direct financial benefit to the creditors, but has to be undertaken to meet requirements and obligations under the insolvency legislation and the Statements of Insolvency Practice.

- 'Statutory Compliance' represents the work involved in the statutory functions of the case, together with the necessary control and supervision by senior staff. It does not give direct financial benefit to the creditors, but has to be undertaken to meet requirements and obligations under the insolvency legislation and the Statements of Insolvency Practice.

- 'Investigations' represents the work required to undertake an initial investigation to determine whether there are potential recovery actions for the benefit of creditors. If potential recoveries or matters are identified that require further investigation, additional time costs will be incurred to investigate them in detail and to bring recovery actions where necessary. If further fee approval is required, creditors will be provided with additional information as necessary and asked to approve the fee request. The office holder is also required by legislation to report to the Insolvency Service on the conduct of the directors and the work to enable them to comply with this statutory

- 'Asset realisations' represents the work required to be undertaken to realise the known assets in the case, for the estimated realisable values provided to creditors.

- 'Creditors' represents the work required to deal with the various creditors of the Company. The claims of trade and expense creditors need to be maintained and recorded, together with the amounts of the claims to ensure notices and reports can be issued. All queries and correspondence will be dealt with as part of our statutory obligations.

BM ADVISORY

STATEMENT OF POLICY ON FEES IN INSOLVENCY PROCEEDINGS

Introduction
This statement has been prepared in accordance with guidelines set out in Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals (R3).

The following information applies to all appointments of partners, directors, consultants or staff of BM Advisory, to act as any of the following:-

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company or Limited Liability Partnership
Trustee in Bankruptcy
Supervisor of an Individual, Company or Partnership Voluntary Arrangement
Administrator under the Insolvent Estates Order

When acting as Nominee, the provisions of the Insolvency Act 1986 ("the Act") require that the amount of the fees payable to the Office Holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office Holder's expected time costs arising as referred to below.

Policy on fees
In accordance with the Act, the Office Holder may seek approval of their remuneration either on a fixed fee basis, on a percentage basis or on a time costs basis. When an Office Holder's fees are charged by reference to time costs, they will be charged at the firm's usual rates applicable at the time the work is carried out. Rates may be varied from time to time, at the sole discretion of BM Advisory, and such changes will be notified in retrospect with each report to Creditors. It is the policy of BM Advisory to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

As at 1st March 2014 the rates applicable are:

Grade	**£**
Partner 1	430
Partner 2	380
Associate Director	360
Senior Manager	340
Manager	310
Assistant Manager	285
Senior Administrator	240
Administrator 1	185
Administrator 2	155
Junior Administrator	125
Cashier	115
Support staff	85

Rates vary between individuals, reflecting experience and qualification. For certain more complex tasks, BM Advisory may seek to apply a higher rate in respect of work undertaken, but subject to prior authorisation in accordance with the Act.

Further information on the manner in which an Office Holder's fees may be fixed, can be found in the guidance notes on our website: www.bm-advisory.com/resources/.

Disbursements
Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the case or BM Advisory; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the case. These disbursements are recoverable in full from the case without the prior approval of creditors either by a direct payment from the case or, where BM Advisory has made payment on behalf of the case, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage and specific bond insurance.

Category 2 expenses are incurred by BM Advisory and recharged to the case; they are not attributed to the case by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the case, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, internal room hire and internal storage.

It is proposed that the following Category 2 disbursements are recovered:

Meeting room hire	Up to £200
Postage	£0.51 - £2.25
Mileage (per mile)	£0.45
Photocopies (per sheet)	£0.15
Storage (per box per month)	£0.35

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

IN THE MATTER OF THE INSOLVENCY ACT 1986 (AS AMENDED)

GAS4HEAT LTD – IN ADMINISTRATION
COMPANY NUMBER: 08879465
FORMER COMPANY NAMES(S): N/A
TRADING NAME: GAS4HEAT

NOTICE OF A CREDITORS' DECISION - TO APPROVE THE ADMINISTRATORS' PROPOSALS AND PRE-APPOINTMENT COSTS AND EXPENSES

NOTICE IS GIVEN that a creditors' decision for the above named will be held by correspondence, to approve the Administrators' proposals and approve their pre-appointment costs and expenses. The decision will be made at 11.59pm on 7 August 2018 (the decision date) and the resolutions to consider are set out below:

"For the approval of the Joint Administrators' proposals."

"For the approval of the Joint Administrators' pre-Administration costs and expenses as detailed in the Joint Administrators' report to creditors and for them to be drawn, plus VAT."

"For the appointment of a Liquidator of the Company in the event that the Company proceeds into Liquidation. Where no other nominations are received it is determined that Richard Keley and Andrew Pear of BM Advisory will be Liquidators."

"For the appointment of a creditors' committee."

HOW TO VOTE
Creditors are asked to vote on the resolutions by correspondence and in order to do so they must have completed and returned the attached voting form by 11.59pm on 7 August 2018 to BM Advisory, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, West Sussex, RH11 7XL and it is accompanied by a proof of debt form (if not already provided). A vote received without a proof of debt form will be disregarded. Creditors are not required to vote and if they do not then their rights against the Company will not be affected.

FURTHER INFORMATION
A guide to fees can be found at www.bm-advisory.com/resources/ and provides information relating to Administrators' remuneration. A hard copy is available on request.

Where a creditor is owed £1,000 or less they must still deliver a proof if they wish to vote on the resolution. If a creditor has voted to opt out of receiving notices they may still vote if they provide proof of their claim as set out above. Creditors have the right to appeal the decision made by applying to Court under Rule 15.35 within 21 days of the decision date.

Creditors may request that a physical creditors' meeting is summoned if at least 10% of the creditors in value or number, measured against the Company's total debts, or at least ten creditors request a meeting and the request is made within five business days from the delivery of this notice.

Creditors are invited to determine whether a committee should be established. A committee may be formed if between three and five creditors are willing to be members. Nominations for membership must be received at the offices of BM Advisory before the decision date and nominations can only be accepted from creditors who have lodged a proof of debt and the convener is satisfied as to the creditor's eligibility under Rule 17.4. A guide for creditors to Liquidation/Creditors' Committees is available at http://www.bm-advisory.com/resources/. A hard copy is available free of charge on request.

Authenticated by

R Keley

Richard Keley
Joint Administrator
Dated: 19 July 2018

GAS4HEAT LTD (IN ADMINISTRATION)

Voting by correspondence form

Name of Creditor _____

Address _____

Please indicate below whether you are for or against each resolution as described in the accompanying report.

I vote as below: (*Please tick box as appropriate)

1. For the approval of the Joint Administrators' proposals.

   * FOR ☐ AGAINST ☐

2. For the approval of the Joint Administrators' pre-Administration costs and expenses as detailed in the Joint Administrators' report to creditors and for them to be drawn, plus VAT.

   * FOR ☐ AGAINST ☐

3. For the appointment _____(name)

   of _____(firm) as Liquidator of the

   Company in the event the Company is placed into Liquidation.

4. For the appointment of a creditors' committee.

   * FOR ☐ AGAINST ☐

   Nomination for committee member _____

Information for creditors

1. In order for your vote to be counted, the Joint Administrators must receive the completed voting form and a proof of debt by no later than 11.59pm on 7 August 2018. The voting form must be accompanied by a proof of debt form (unless one has already been provided) otherwise your vote will be disregarded.
2. Creditors may request a physical creditors' meeting if at least 10% of the creditors in value or number, measured against the Company's total debts, or at least 10 creditors request a meeting and the request is made within five business days of the date of this notice.

This form must be signed

Signature _____

Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signature

_____

_____

Rule 14.4

PROOF OF DEBT - GENERAL FORM

Gas4Heat Limited - In Administration
Company Number: 08879465

This proof must be made out by, or under the direction of, the creditor and authorised by the creditor or a person with relevant authorisation as at the date of Administration.

Date of Administration: 16 July 2018

1.	Name of Creditor (If a company please also give company name and registration number)	
2.	Address of Creditor for correspondence (principal place of business)	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into Administration	£
4.	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
5.	Particulars of how and when debt incurred. If you need more space append a continuation sheet to this form.	
6.	Particulars of any security held, the value of the security, and the date it was given	
7.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
8.	Details of any documents by reference to which the debt can be substantiated. Note: there is no need to attach them now but the Administrator may call for any document or evidence to substantiate the claim at their discretion as may the chair or convenor of any meeting.	
9.	Signature of creditor or person authorised to act on their behalf	
	Name in BLOCK LETTERS	
	Date	
	Position with or in relation to creditor Address of person signing (if different from 2 above)	

FOR OFFICE USE ONLY

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