

# AM03

## Notice of administrator's proposals



Companies House

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[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 1 1 5 0 1 6 3 2

Company name in full Underpinned Ltd

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Matthew

Surname Ingram

### 3 Administrator's address

Building name/number 4B Cornerblock

Street 2 Cornwall Street

Post town Birmingham

County/Region

Postcode B 3 2 D X

Country

### 4 Administrator's name ①

Full forename(s) Elizabeth Anne

Surname Welch

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 4B Cornerblock

Street 2 Cornwall Street

Post town Birmingham

County/Region

Postcode B 3 2 D X

Country

#### ② 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**

### Qualifying report and administrator's statement <sup>①</sup>

☐ I attach a copy of the qualifying report☐ I attach a statement of disposal


<sup>①</sup> As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

**8**

### Sign and date

Administrator's  
Signature

Signature

X 

X

Signature date

<sup>d</sup> 1 <sup>d</sup> 2    <sup>m</sup> 1 <sup>m</sup> 0    <sup>y</sup> 2 <sup>y</sup> 0 <sup>y</sup> 2 <sup>y</sup> 3

# 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	Luke.Bancroft							
Company name	Kroll Advisory Ltd.							
Address	4b Cornerblock							
	2 Cornwall Street							
Post town	Birmingham							
County/Region								
Postcode	B	3	2	D	X			
Country								
DX								
Telephone	+44 (0) 20 7089 4700							



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- ☐ 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.**



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



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# Statement of Proposals

12 October 2023

## Underpinned Ltd (In Administration)

*Joint Administrators' Statement of Proposals for the period from 24 August 2023 to 12 October 2023*

**Kroll Advisory Ltd**  
4B Cornerblock  
2 Cornwall Street  
Birmingham  
B3 2DX

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## **1. Introduction**

The Joint Administrators were appointed on 24 August 2023 by an order of the High Court of Justice Business and Property Court in Birmingham Insolvency and Companies List (ChD), CR-2023-BHM-000478. The application to the court was made by Directors.

This report is the Joint Administrators' statutory Statement of Proposals. It sets out the circumstances leading up to their appointment and their strategy for achieving the purpose of the Administration.

You will find other important information in this report such as the proposed basis of the Joint Administrators' remuneration.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 10.

Please also note that an important legal notice about this statement of Proposals is attached at Appendix 11.

These Proposals are deemed delivered to creditors on the date of this report.

## **2. Creditor Summary**

### **Background**

- The Company was incorporated on 6 August 2018 and specialised in providing a business management tool that assists freelancers to build a long-term infrastructure for their business and their client network.
- At the Appointment Date, the Company did not occupy a physical premises and its employees all worked remotely.
- The Company has twenty-five shareholders. A breakdown of the Company's ownership structure is detailed in Section 3.

### **Events leading up to Administration**

- The Company was still in the initial stages of development and has been loss making since its incorporation.
- The Company has wholly been supported by its shareholders.
- The Company required further funds/ investments from its shareholders to continue to trade.
- The shareholders were unable to reach an agreement with regard to the terms of any further investment and therefore, no further funds were injected into the business.
- As a consequence, the Company was unable to meet the wages that were due on 25 August 2023 and various other critical trading expenses.

### **Appointment**

- Matthew Ingram and Elizabeth Welch were appointed as Joint Administrators of the Company by the Directors on 24 August 2023 in the High Court of Justice Business and Property Court in Birmingham Insolvency and Companies List (ChD) reference CR-2023-BHM-000478.

### **Trading**

- Following a review of the Company's financial position, it was considered that the most appropriate strategy to achieve the best outcome for the Company's creditors was to continue trading the business in the short term whilst the Joint Administrators conducted an AMA process to find a purchaser for the business and/or assets.
- The Company is continuing to trade under the control of the Joint Administrators, thereby preserving the goodwill of the business, in order that a sale of the business and assets can be completed.



## Sale of Business

- Following the Joint Administrators' appointment, they commenced an AMA process in order to find a purchaser for the Company's business and assets.
- A teaser document was circulated to 64 interested parties with 2 parties signing an NDA who received access to a data room.
- Two offers were received for the business and assets and one offer has been accepted, subject to contract.
- Further information regarding the sales process is provided at 5.3.

## Asset Realisations

- The Company's assets mainly consist of intangible assets and computer and office equipment. The offer received includes these assets.
- Please see Section 5.3 for details of the asset realisations to date.

## Fees and Expenses

- The Joint Administrators' fees will be requested on a time cost basis. The Joint Administrators will request approval from the general body of creditors of the Company in due course. The Joint Administrators' fee estimate for the whole of the Administration totals £130,993 plus VAT as shown at Appendix 5.
- The Joint Administrators' expenses estimate for the whole of the Administration totals £45,295 plus VAT as detailed at Appendix 7. This is for information purposes only and not for the approval of creditors.

## Dividends

- **Secured Creditors**

The Company does not have any secured creditors.

- **Preferential Creditors**

The primary Preferential Creditor relates to potential holiday pay outstanding for the employees totals £4,289 and the secondary Preferential Creditors are HMRC in relation to PAYE / NIC outstanding totals £8,109.

It is unlikely that there will be sufficient funds to enable a distribution to any class of Preferential Creditors. However, if a sale of the business is concluded, then the primary Preferential Creditor liability will transfer under TUPE to the purchaser.

- **Unsecured Creditors**

It is anticipated that there will be insufficient funds available to enable a distribution to unsecured creditors.

#### **Anticipated exit from Administration**

- At this stage the Joint Administrators anticipate that the most likely exit from Administration is dissolution following a sale of the Company's business and assets.

#### **Approval of Proposals**

- The Joint Administrators' Proposals will be agreed by the general body of creditors via deemed consent. In this regard, attached at Appendix 12 and 13 is a Notice of Seeking a Decision of Creditors by Deemed Consent and Membership Committee Form.

This document in its entirety is our Statement of Proposals. A summary list of the Proposals is included in Section 9, together with the relevant statutory information by way of appendices. Unless otherwise stated, all amounts in these Proposals are stated net of VAT.

### **3. Background**

Statutory information on the Company is included at Appendix 1.

The Company was incorporated on 6 August 2018. Its aim was to develop new freelancers just starting out in business as well as upskilling established freelancers to help them grow their existing businesses.

The Company offers an operating system which provides a set of tools and resources to allow freelancers to find and connect with new clients, build portfolios and to create proposal documents to pitch to new or existing clients.

Freelancers can also generate invoicing and monitor receipts through the Company's software.

In addition, the Company has a network of universities to whom it provides educational tools for undergraduate university students to help them build freelance businesses.

The Company employs nine members of staff and contracts with a number of freelance IT experts who maintain the Company's software.

A breakdown of the ownership structure is detailed below:

Shareholder Name	Ordinary Shares Held	Ordinary Shares Held (%)	Ordinary A Shares Held	Ordinary A Shares Held (%)
Camelot Financial Capital Management LLC	3,340,570	13.82	8,372,176	47.62
Albert De Symons Azis-Clauson	4,457,228	18.43	1,004,661	5.71
Christopher John Simon Williams	4,457,228	18.43	-	-
Simon James Williams	3,413,653	14.12	-	-
Kenya Matsumoto	2,116,982	8.76	2,790,725	15.87
Sameer Khatri	1,421,790	5.88	2,790,725	15.87
WCS Nominees Limited	1,351,350	5.59	-	-
Imran Osman Khatri	905,282	3.74	-	-
Sean Melnick	489,609	2.02	502,330	2.86
Alan Julius Gross	477,600	1.98	-	-
UK FF Nominees Limited	432,947	1.79	-	-
SFC Nominees Limited	334,057	1.38	-	-
Frontive Holding Limited	210,080	0.87	-	-
Crowdcube Nominees Limited	205,795	0.85	-	-
Craig Francis Donaldson	167,028	0.69	1,395,362	7.94
TMF International Pensions Limited	145,735	0.60	-	-
David Houten	80,645	0.33	55,814	0.32
Lindsay Scarlett	80,645	0.33	55,814	0.32
Zaib Alkatib	32,258	0.13	-	-
Aufi Limited	30,310	0.13	55,814	0.32
Alice Stephenson	15,160	0.06	-	-

Joachim Maus	8,064	0.03	-	-
Edward Bell	6,070	0.03	-	-
Jonathan Cole Younger	-	-	279,072	1.59
Jack Williams	-	-	279,072	1.59
<b>Total</b>	<b>24,180,086</b>		<b>17,581,565</b>	

The directors of the Company include Albert De Symons Azis Clauson, Christopher John Simon Williams, Imran Osman Khatri, Craig Francis Donaldson, Simon James Williams and Frontive Holding Limited.

The turnover for the business was £72,207 in FY22 with reported net losses of £1,797,354.

The Company banked with Barclays.

#### 4. Events Leading up to the Administration

##### 4.1 Summary of Key Events

The Company was still in its initial stages of its development at the Appointment Date and has not made a profit since its incorporation in 2018.

The Company relied solely upon funding from its shareholders to maintain the business.

Prior to the Joint Administrators' appointment, the Company requested further shareholder funds to be injected into the business to fund ongoing trading. However, an agreement was not reached and so no further funding was obtained.

The Company was unable to meet the wages and other critical payments required for trading at the end of August 2023 and approached solicitors, Squires, for insolvency advice.

##### 4.2 Actions Prior to Appointment

Due to the tight timescales driven by the Company's large cash requirement at the end of August 2023, Squires referred the Company to Kroll to seek advice as to the options available.

##### 4.3 Pre-Administration Work

Kroll had an initial call with the Albert Azis-Clauson, the Company's lawyers and Squires on 18 August 2023.

Given the impending wages payments and with no prospect of raising immediate additional funding, it was concluded that the Company was unable to pay its debts as and when they fell due and was insolvent.

Kroll discussed the various options available to the Company and recommended that the Directors place the Company into Administration. It was decided that in order to achieve the best outcome for the Company's creditors, the Joint Administrators would continue trading in the short term in order to find a potential purchaser for the business and assets of the Company.

In order for the Joint Administrators to trade the Company in Administration the Company would require funding in advance to cover the costs of trading. If funding could not be obtained the Company would have no option but to cease trade which would not be in the best interests of the creditors of the Company.

It was considered that a marketing process could be conducted within a four-week period. With this in mind, Kroll contacted the shareholders of the Company on 23 August 2023 seeking funding for an initial four-week trading period.

An agreement was reached with one of the shareholders to provide the funding required as a loan which was repayable as an expense of the Administration.

The Joint Administrators are satisfied that the work carried out by Kroll prior to their appointment, including the pre-Administration work detailed above, has not created a conflict of interest or threat to our independence.

#### **4.4 Appointment of Joint Administrators**

A notice of appointment was filed at court by the Directors on 24 August 2023 and Matthew Ingram and Elizabeth Welch were appointed Joint Administrators of the Company.

The Funding Agreement was agreed simultaneously with the appointment of Joint Administrators and an initial drawdown of funds was made to pay employees' wages.

The Joint Administrators considered their position prior to accepting the appointment and having regard to the Insolvency Practitioners ethical guidelines, considered that there were no circumstances preventing them from accepting the appointment.

### **5. Strategy and Progress of the Administration to Date**

#### **5.1 Purpose of the Administration**

The statutory purpose of the Administration is to achieve one of the following hierarchical objectives:

- Rescuing the Company as a going concern, or
- Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without being in Administration), or
- Realising property in order to make a distribution to one or more secured or Preferential Creditors.

In the absence of a buyer for the Company as a going concern there are insufficient funds and assets available to enable the Company to be rescued as a going concern.

The Joint Administrators are continuing to trade the business to enable a sale of the Company's business and assets which will result in a better result for creditors as the employees will transfer to the purchaser under TUPE, therefore reducing the level of creditors in the Administration estate, in accordance with Paragraph 3(1)(b).

The Joint Administrators' Proposals for achieving the purpose of the Administration are set out in the remainder of this report.

## **5.2 Progress of the Administration**

The manner in which the affairs and business of the Company have been managed since the appointment of Joint Administrators, and will continue to be managed and financed, are set out below.

### **5.2.1 Initial Actions**

A decision was taken to continue to trade the business in the short term with a view to achieving a sale of the Company's business and/or assets.

### **5.2.2 Trading**

On the Appointment Date, all the employees were informed that they were to be retained to assist the Joint Administrators in trading of the business. As at the date of this report, one employee has left the business, having already resigned prior to the Appointment Date.

A total of £102,806 has been drawn down under the Funding Agreement to discharge trading expenses incurred to date. A breakdown of the total expected trading expenses is detailed at Appendix 7.

£113 has been realised in trading sales. It is not expected that any further sales will be generated during the trading period. A breakdown of the trading expenses paid to date are detailed below:

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Trading Expenditure to Date	£
Solicitors' Fees	9,500.00
Accountants Fees	123.50
Payroll	37,811.61
PAYE, National Insurance and Student Loans	8,169.14
Marketing Services	10,500.00
Software Services	27,667.28
Telephone Costs	29.26
Miscellaneous Trading Expenses	160.16
<b>Total</b>	<b>93,837.45</b>

Certain payments made during the trading period relate to pre-appointment liabilities which were deemed critical for the continuation of trade.

The Joint Administrators are continuing to trade the business and are in the process of extending the Funding Agreement to the end of October 2023 when a sale of the Company is expected to complete and trading is expected to cease.

The Joint Administrators estimate that the expenses in relation to the trading period to total £165,685. A detailed breakdown of these estimations can be viewed in Appendix 7.

### 5.3 Asset Realisations

Realisations following the Appointment Date are set out in the Receipts and Payments Account at Appendix 2, with a separate account for trading.

Summaries of the most significant realisations to date are set out below:

#### 5.3.1 Sale of Business

The Joint Administrators are conducting an AMA process in order to find a potential purchaser for the Company's business and assets.

On 1 September 2023 a teaser document was circulated to sixty-one interested parties, including forty three parties in the private equity and distressed asset marketplace and trade creditors known by Kroll, or had declared their interest to us, as well as sixteen interested parties provided by the CEO.

The teaser was later issued to a further 3 interested parties who had expressed an interest, two of which were connected parties to the Company.

Further information was provided to interested parties on return of a signed NDA.

Given the specialist nature of the Company's business and our experience of similar businesses in the technology sector, it was considered that a targeted marketing campaign should be directed at parties who could transact on an accelerated timescale.

The Joint Administrators approached parties who had indicated an interest in acquiring a business of this nature, so as not to damage the goodwill of the Company during the trading period.

It was decided that the marketing would be completed on an accelerated basis with a view to completing a transaction by the end of the Funding Agreement, 21 September 2023. We considered that this would give sufficient time to conduct a full sale process and to generate the best value for the Company's business and assets.

A deadline for initial offers of interest and indicative offers was set for 15 September 2023 with final offers being received the week commencing 24 September 2023.

We received a signed NDA from two parties. These parties undertook discussions with the Joint Administrators and members of their team and subsequently submitted offers for the Company's business and assets.

One of the offers received has now been accepted (subject to contract).

The sales process is currently being finalised, with the potential purchaser being a connected party of the Company. We are unable to provide further details in respect of the offer received or the identity of the potential purchaser at this stage so as not to prejudice completion of a sale transaction.

An explanation and further details of the transaction will be provided to creditors in accordance with SIP 13, within the next progress report.

### **5.3.2 Business Rates Refund**

The Company was due a business rates refund in relation to a leased office space it historically occupied.

The Joint Administrators have received a business rates refund of £15,773 to date and will engage rates refund agents to determine if there are any further realisations in this regard, on a contingent fee basis.

### **5.3.3 Book Debts**

According to the Company's books and records the Company had one outstanding debt due at the Appointment Date totalling £7,215. This amount relates to an annual fee payable under a university contract. This book debt has been paid in full. However, this is a payment in advance and relates to servicing a contract for the current academic year and therefore is likely to be apportioned with a purchaser following the sale of the business and assets.

The Joint Administrators are not aware of any further book debts that are outstanding at the Appointment



Date.

#### **5.3.4 Cash at Bank**

As at the Appointment Date, the Company held cash at bank of £6,399. These funds have now been transferred to the Administration bank account. No further realisations are expected in this regard.

#### **5.3.5 Computer Equipment and Office Furniture**

According to the Company's books and records, the Company owned computer equipment and office furniture. The Joint Administrators engaged Hilco to value these assets on a desktop basis, to which they provided the following valuations: in-situ totalling £8,750 and ex-situ totalling £2,000.

These assets are held by the employees of the Company who work remotely.

Given the minimal value of the assets, Hilco have advised that there is no charge due for the work they have completed.

#### **5.4 Investigations**

The Joint Administrators have a statutory obligation to file a report with the Insolvency Service regarding the conduct of all Directors that held office in the three years prior to the Administration. This report must be filed within three months of the date of appointment and the content of this report is confidential.

We are reviewing the affairs of the Company to identify any action which can be taken against third parties in respect of antecedent transactions or other litigation that would increase recoveries for creditors.

Investigations into the Company's affairs are currently ongoing. The Joint Administrators also have a duty to investigate antecedent transactions which include transactions to defraud creditors, preference payments and transactions at an undervalue.

Given the commercially sensitive nature of these investigations, it is not appropriate to elaborate on any potential claims at this time. An update will be provided in the next progress report.

If any creditor has any information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please do so by writing to [Luke.Bancroft@kroll.com](mailto:Luke.Bancroft@kroll.com) or Kroll Advisory Ltd, 4B Cornerblock, 2 Cornwall Street, Birmingham, B3 2DX.

#### **5.5 Cost of Realisations**

Payments made from the Appointment Date are set out in the Receipts and Payments Account provided at Appendix 2 which is self-explanatory.

A separate Receipts and Payments Account has been prepared for the Administration trading period to date. This is also attached at Appendix 2.

Summaries of the most significant costs to date are provided below:

### **5.5.1 Statutory Advertising**

Since the Appointment Date, the Joint Administrators have paid £109 to Courts Advertising Ltd, advertising the Joint Administrators' appointment in the London Gazette.

### **5.5.2 Stationery and Postage**

The Joint Administrators' have paid £36 for stationery and postage since the Appointment Date to Accurate Mailing Services Limited. This has been incurred notifying the Company's creditors regarding the Joint Administrators' appointment.

### **5.5.3 Bank Charges**

Barclays have withdrawn £30 in relation to bank charges from the pre-appointment bank account following the appointment.

## **6. Joint Administrators' Fees and Expenses and Pre-Administration Costs**

### **6.1 Estimated Fees and Expenses**

#### **6.1.1 Fees**

It is proposed that the Joint Administrators' fee basis is based on time costs. The time costs already charged since the date of appointment are analysed at Appendix 4. Time is charged in six-minute units.

The Joint Administrators propose to seek approval of their fees from the general body of creditors via a decision procedure. Further details of this decision procedure will be provided at a later date.

Time costs incurred in the post appointment period up to 29 September 2023 total £79,193 which represents 180 hours at an average hourly rate of £439.

The amount proposed to be drawn in fees over the life of the case by the Administrators is shown in the 'Fee Estimate' at Appendix 5. The total amount indicated effectively acts as a cap on the level of fees to be drawn by the Joint Administrators. If circumstances change and the Joint Administrators propose to draw further fees in the future, they will seek the appropriate approval from creditors at a later date.

Also attached at Appendix 6 is the Fees Narrative, a summary of key issues, to assist creditors in understanding the strategy of the Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report.

#### **6.1.2 Expenses Estimate**

The Joint Administrators' estimate the expenses of the Administration to total approximately £45,295 as detailed in the 'Expenses Estimate' at Appendix 7. This illustrates the estimated expenses for the whole of the Administration and is for information purposes only. No approval is required by creditors. This

estimate may change over the course of the Administration, but creditors will be informed of any variations with associated reasons in future progress reports.

### **6.1.3 Expenses**

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1) and those that do (Category 2).

Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 expense are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

The Joint Administrators' expenses are detailed at Appendix 4.

### **6.1.4 Additional Information**

Also attached at Appendix 6 is the "Fees Narrative", a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out in Appendix 8.

## **6.2 Statement of Pre-Administration Costs**

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so.

### **6.2.1 Fees**

There was no engagement letter signed by the directors. The reason why the fees have been incurred are set out below:

- Filing a 'Notice of Intention' at the court;
- Completing statutory duties;
- Inviting shareholders to fund the initial period of trade;
- Negotiating the terms of the Funding Agreement; and
- Discussions with the Directors of the Company regarding their director's duties.

The pre-Administration time costs incurred by Kroll for the period leading up to the Appointment Date total £5,565 representing 12 hours at an average charge out rate of £482 per hour.

A detailed breakdown of the time costs incurred pre-Administration is detailed at Appendix 4.

## 6.2.2 Expenses

The Joint Administrators have also incurred pre-appointment expenses of £12,263. A detailed breakdown of all pre-Administration costs is provided below.

Pre-Administration Costs	Paid (£)	Unpaid (£)	Total (£)
Kroll – Fees	0.00	5,565.00	5,565.00
Squires – Fees	0.00	12,208.50	12,208.50
Squires – Expenses	0.00	54.00	54.00
<b>Total</b>	<b>0.00</b>	<b>17,827.50</b>	<b>17,827.50</b>

Legal costs were incurred specifically in relation to the appointment formalities, including preparing and filing the appointment documentation at Court, preparing the negotiating the Funding Agreement and providing general advice in relation to the appointment.

The time costs and expenses incurred by Kroll and Squires remain unpaid and the Joint Administrators will seek approval from the general body of creditors via a decision procedure to discharge these costs as an expense of the Administration.

The Joint Administrators confirm that payment of the unpaid pre-Administration costs, as an expense of the Administration, is subject to separate approval and does not form part of these Proposals.

## 7. Dividend Prospects

### 7.1 Secured Creditors

The Joint Administrators are not aware of any registered security in the Company's name.

### 7.2 Preferential Creditors

#### Primary Preferential Creditors

It is understood that there is potential outstanding holiday pay as at the Appointment Date which will rank as a primary Preferential Creditor claim in the Administration. The quantum of this claim is estimated to be £4,289.

There are currently no other known primary preferential claims under the Administration.

### Secondary Preferential Creditors

It is understood that there was outstanding PAYE / NIC owed to HMRC totalling £8,109 at the Appointment Date which will rank as a secondary Preferential Creditor claim against the Company. We await a proof of debt form from HMRC in respect of their pre-appointment liabilities.

It is anticipated that there will not be sufficient funds to enable a distribution to all classes of Preferential Creditors. However, the primary Preferential Creditor will transfer to the purchaser under TUPE once the sale of the business and assets has been concluded.

### **7.3 Unsecured Creditors**

According to the Company's books and records, unsecured creditors totalled £71,009 as at the Appointment Date in relation to trade and expense creditors.

Based on the current information available to the Joint Administrators, it is anticipated that there will be insufficient realisations to enable a distribution to the unsecured creditors of the Company.

#### **7.3.1 Prescribed Part**

The Prescribed Part is calculated as a percentage of net property, as follows:-

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the unsecured creditors would be disproportionate to the benefits.
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

The Company is not subject to any floating charges and therefore, the Prescribed Part provisions will not apply.

Please note that the estimates detailed on the Joint Administrators' EFP at Appendix 3 do not affect creditors' rights to submit a claim.

If not already done so, creditors of the Company should complete the appropriate proof of debt form at Appendix 9 and return this to the Joint Administrators with evidence to support your claim at [Luke.Bancroft@kroll.com](mailto:Luke.Bancroft@kroll.com) or Kroll Advisory Ltd., 4B Cornerblock, 2 Cornwall Street, Birmingham, B3 2DX.

An update will be provided in the Joint Administrators' next progress report.

## **8. End of Administration**

### **8.1 Exit from Administration**

You will note from the Proposals section 9 below that the Joint Administrators have left the choice of exit route from Administration open so that an alternative strategy can be adopted, should this prove more appropriate at the time.

However, at this stage the Joint Administrators anticipate that the most likely exit route will be dissolution for the reasons set out below.

The Joint Administrators have formed the view that once all the outstanding Administration matters have been finalised, and all liabilities incurred during the Administration have been discharged, there will be insufficient funds available to allow a distribution to unsecured creditors, other than from the Prescribed Part (if any).

Once all outstanding matters have been satisfactorily completed by the Joint Administrators, they will give notice to the Registrar of Companies to the effect that the Company has no remaining property to realise which might permit a distribution to its unsecured creditors, at which stage the Administration will cease. The Company will be dissolved three months following the registration of the notice at the Registrar of Companies.

### **8.2 Discharge of Liability**

The Joint Administrators propose to seek approval from the general body of creditors that they will be discharged from liability in respect of any actions as Joint Administrators upon filing their final Receipts and Payments Account with the Registrar of Companies or their appointment otherwise ceasing.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against the Joint Administrators.

## **9. Joint Administrators' Proposals**

### **9.1 Approval of Proposals**

The Joint Administrators' Proposals will be approved by the general body of creditors via deemed consent.

Only if a Creditors' Committee is not formed will the votes cast by the creditors be used.

Further information regarding the steps required to convene a physical meeting for the approval of the Proposals are detailed below and at Appendix 8.

### **9.2 Creditors' Committee**

A Creditors' Committee will not be established unless requested by the creditors and sufficient creditors are willing to act as members of the committee.

The minimum number of committee members is three and the maximum is five.

The Creditors' Committee represents the interest of the creditors as a whole rather than the interests of individuals.

The statutory function of the Creditors' Committee is to assist the Joint Administrators with discharging their responsibilities, including the approval of:

- The basis of remuneration;
- The payment of category 2 expenses;
- The payment of unpaid pre-Administration costs; and
- The discharge from liability of any actions taken as Joint Administrators.

Please note that members of the Creditors' Committee are not paid for their time. In order to enable creditors to make an informed decision, a guidance note on the rights, duties and the functions of Committees can be found at the following link: <https://www.kroll.com/-/media/assets/pdfs-international/uk/creditors-guide/a-guide-for-creditors-march-2017.ashx?la=en-gb&hash=33FCAF379D2B3977216E2D41DB2FFC2F762522E1>

If you would prefer to be sent a paper copy, please contact Luke Bancroft of this office.

### **9.3 Creditors' Rights**

Creditors who meet one of the thresholds set out in the Insolvency Act 1986 may, within five business days from the date of delivery of this notice, require a physical meeting to be held to consider the proposed decision(s). The statutory thresholds for requesting a meeting are 10% in value of creditors, 10% in number of creditors, or 10 creditors.

Further information on creditors' rights to request a physical meeting for the approval of the Proposals and the relevant procedures required is provided on Appendix 8, Statement of Creditors Rights.

In addition, the statement also sets out information on the remuneration and expenses of the Joint Administrators.

### **9.4 Summary of Proposals**

In addition to the specific itemised proposals detailed below, this document in its entirety constitutes the Joint Administrators' Proposals.

The Joint Administrators propose the following:

#### **9.4.1 General**

- To continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;

- To do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient in order to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's creditors; and
- Seek an extension to the Administration period if considered necessary.

#### **9.4.2 Distributions**

- To make distributions to the Preferential Creditors where funds allow;
- To make distributions to the unsecured creditors if funds become available and apply to court for authority to do so, where applicable.

#### **9.4.3 End of Administration**

That the Joint Administrators might use any or a combination of the following exit route strategies in order to bring the Administration to an end:

- Apply to Court for the Administration order to cease to have effect from a specified time and for the return of control to the Directors;
- Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Matthew Ingram and Elizabeth Anne Welch of Kroll would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Petition the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Matthew Ingram and Elizabeth Anne Welch of Kroll would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies if the Joint Administrators consider that Liquidation is not appropriate because (1) the Company has no remaining property which might permit a distribution to its creditors, and (2) all outstanding matters have been satisfactorily completed.

Alternatively, the Joint Administrators may allow the Administration to end automatically.

The Joint Administrators will be seeking specific agreement to the following proposals from the creditors which do not form part of these Proposals.



#### 9.4.4 Remuneration and Pre-Administration Costs

- That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration;
- That the Joint Administrators' Fee Estimate provided in Appendix 5 in the total sum of £130,993.30, plus VAT is approved;
- That the Joint Administrators be authorised to pay the following expenses to associates in dealing with the Administration ("Category 2 Expenses"):
  - Mileage allowance payments to staff at the rate of 45p per mile.
- That the unpaid pre-Administration costs totalling £17,827.50 plus VAT, as detailed in the Joint Administrators' statement of pre-Administration costs, is approved for payment as an expense of the Administration; and
- Where a Creditors' Committee is formed, the Joint Administrator's will seek to obtain approval from the Creditors' Committee.

The Joint Administrators propose to seek approval of the above resolutions from the general body of creditors via a decision procedure at a later date.

#### 9.4.5 Discharge of Liability

That the Joint Administrators be discharged from all liability in respect of any actions as Joint Administrators upon filing their final Receipts and Payments Account with the Registrar of Companies or their appointment otherwise ceasing. The Joint Administrators also propose to seek approval of this resolution from the general body of creditors via a decision procedure.

- Where a Creditors' Committee is formed, the Joint Administrator's will seek to obtain approval from the Creditors' Committee.

If you require further information or assistance, please do not hesitate to contact Luke Bancroft.



**Elizabeth Welch**  
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Matthew Ingram and Elizabeth Anne Welch, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

## Appendix 1 – Statutory Information

### Company Information

<b>Company and trading name</b>	Underpinned Ltd
<b>Date of incorporation</b>	6 August 2018
<b>Registered Number</b>	11501632
<b>Company Director(s)</b>	Albert De Symons Azis Clauson; Christopher John Simon Williams; Imran Osman Khatri; Craig Francis Donaldson; Simon James Williams; and Frontive Holding Limited
<b>Company Secretary</b>	Not Applicable
<b>Shareholders</b>	Camelot Financial Capital Management LLC Albert De Symon Azis Clauson Christopher John Simon Williams Simon James Williams Kenya Matsumoto Samir Khatri WCS Nominees Limited Imran Osman Khatri Sean Melnick Alan Juluis Gross UK FF Nominees Limited SFC Nominees Limited Frontive Holding Limited Crowdcube Nominees Limited Craig Francis Donaldson TMF International Pensions Limited David Houton Lindsay Scarlett Zaib Alkatib Aufi Limited Alice Stephenson Joachim Maus Edward Bell Jonathan Cole Younger Jack Williams
<b>Trading address</b>	N/A

**Registered office**

**Current:**

4B Cornerblock  
2 Cornwall Street  
Birmingham  
B3 2DX

**Former:**

1 Gossamer Gardens  
Gossamer Gardens  
London  
E2 9FN

**Any Other trading names**

Not Applicable

## Administration Information

**Administration Appointment**

The Administration appointment granted in High Court of Justice Business and Property Courts in Birmingham Insolvency and Companies List (ChD), number 000478 of 2023

**Appointor**

Directors

**Appointment Date**

24 August 2023

**Joint Administrators**

Matthew Ingram and Elizabeth Anne Welch

**Original purpose**

Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration) in accordance with Paragraph 3(1)(b).

**Functions**

The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1.

**Current Administration expiry date**

23 August 2024

**Prescribed Part**

The Prescribed Part is not applicable in this case. It has been taken into account when determining the dividend prospects for unsecured creditors.

**Application of EC Regulations**

EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

## Appendix 2 – Receipts and Payments Account

### Underpinned Ltd (In Administration) Joint Administrators' Trading Account

Statement of Affairs £	From 24/08/2023 To 12/10/2023 £	From 24/08/2023 To 12/10/2023 £
POST APPOINTMENT SALES		
Sales	113.16	113.16
Funding Agreement Loan	102,806.27	102,806.27
	102,919.43	102,919.43
TRADING EXPENDITURE		
Payroll	37,811.61	37,811.61
Telephone	29.26	29.26
Insurance	59.65	59.65
Legal Fees	9,500.00	9,500.00
Sundry Expenses	92.01	92.01
Marketing Services	10,500.00	10,500.00
Software Services	27,667.28	27,667.28
PAYE, NI and Student Loans	8,169.14	8,169.14
Miscellaneous Trading Expenses	8.50	8.50
	(93,837.45)	(93,837.45)
TRADING SURPLUS/(DEFICIT)	9,081.98	9,081.98

### Underpinned Ltd (In Administration) Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 24/08/2023 To 12/10/2023 £	From 24/08/2023 To 12/10/2023 £
ASSET REALISATIONS		
Business Rates Refund	15,772.62	15,772.62
Cash at Bank	6,399.10	6,399.10
Debtors	7,214.55	7,214.55
Trading Surplus/(Deficit)	9,081.98	9,081.98
	38,468.25	38,468.25
COST OF REALISATIONS		
Bank Charges	30.00	30.00
Stationery & Postage	36.42	36.42
Statutory Advertising	109.08	109.08
	(175.50)	(175.50)
	38,292.75	38,292.75
REPRESENTED BY		
Floating/main current account		36,339.82
VAT Receivable		1,952.93
		38,292.75

### **Appendix 3 – Joint Administrators' Estimated Financial Position**

The Joint Administrators have requested that the Directors provide a SoA. Given the ongoing trading and AMA process, the Directors have been granted an extension to the end of October 2023.

Once received the SoA will be filed with the Registrar of Companies. Please note that disclosure of the content of the SoA may be restricted with the Court's permission if it is considered that disclosure would be adverse to the interest of creditors.

In the absence of a SoA the Joint Administrators attach a schedule of creditors' names and addresses and an EFP. We have not disclosed the estimated value of certain Company assets within the EFP so as not to prejudice the offer received and completion of a sales transaction.

The information relating the Company's creditors has been extracted from the Company's books and records. The Joint Administrators have not carried out any audit or detailed verification work on the information provided and the figures do not include the costs of the Administration.

Employee claims are summarised. Full details are available on request.

The actual level of claims against the Company might differ materially from the amounts included in the financial information in this statement.

Underpinned Ltd (In Administration)	Book Values	Estimated to Realise
Estimated Financial Position	£	£
<b>Uncharged Assets</b>		
Intangible Assets	1,183	TBC
VAT Refund	-	TBC
Computer Equipment and Office Furniture	11,937	2,000
Book Debts	7,215	7,215
Business Rates Refund	15,773	15,773
Cash at Bank	6,399	6,399
		<b>31,387</b>
<b>Less: Estimated Costs of Realisation</b>		-
<b>Estimated Funds Available to Primary Preferential Creditors</b>		<b>31,387</b>
Employee Claims - Holiday Pay		(4,289)
<b>Estimated Funds Available to Secondary Preferential Creditors</b>		<b>27,098</b>
HMRC Secondary Preferential Claim - PAYE / NIC		(8,109)
<b>Net Property / (Shortfall to Preferential Creditors)</b>		<b>18,989</b>
<b>Estimated Funds Available (Shortfall) to Unsecured Creditors</b>		<b>18,989</b>
Trade Creditors		(71,009)
<b>Surplus/Shortfall in respect of the Unsecured Creditors</b>		<b>(52,020)</b>
Issued and called up capital - Ordinary A shareholders		(4)
Issued and called up capital - Ordinary shareholders		(5)
<b>Surplus/Shortfall in respect of Shareholders</b>		<b>(52,030)</b>

## Underpinned Ltd (In Administration) Creditor List

Name	Address 1	Address 2	Address 3	Address 4	Address 5	Amount Due (£)
Gravita Business Services Limited	5 - 7 Cranwood Street	London			EC1V 9EE	9,913.00
HM Revenue & Customs	Enforcement & Insolvency Service (EIS)	Durrington Bridge House	Worthing	West Sussex	BN12 4SE	8,108.64
Hubspot Inc	5th Floor	City Bridge House	57 Southwark Street	London	SE1 1RU	16,027.00
Mamou-Mani Ltd	22 Gossamer Gardens	London			E2 9FN	6,368.00
Publicover & Co	Claus-Ferck Strabe 3A	22359	Hamburg	Germany		10,500.00
S.C. HED WISE S.R.L.	Str. B-DUL DACIA No. 106	Bl. AM5	Oradea	Romania		11,500.00
Stephenson Law Limited	7 Bell Yard	London			WC2A 2JR	16,701.00
Symvan Capital Limited	6th Floor	2 London Wall Place	London		EC2Y 5AU	0
Total Amount Due (£)						79,117.64

Note \* The creditor's list has been taken from the Company's records. Where additional creditors have contacted the Administrators, those creditors have been added to the creditors albeit no values have been added at this stage.

### Company Employees

#### Details redacted

	Preferential Claim (£)	Non - Preferential Claim (£)
Number of employees (5)	4,289.41	Nil

## Appendix 4 – Analysis of Time Charged and Expenses Incurred

### Analysis of the Joint Administrators' time costs for the pre-Administration period

#### Underpinned Ltd (In Administration)

##### Analysis of the Joint Administrators' time costs for the Pre Appointment Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration &amp; Planning</b>								
Dealing with notice of intention to appoint	0.00	1.90	0.00	0.00	0.00	1.90	1,330.00	700.00
Strategy planning & control (incl engagement financial control)	0.00	3.50	1.65	4.50	0.00	9.65	4,235.00	438.86
<b>Total Hours</b>	<b>0.00</b>	<b>5.40</b>	<b>1.65</b>	<b>4.50</b>	<b>0.00</b>	<b>11.55</b>		<b>481.82</b>
<b>Total Fees Claimed (£)</b>	<b>0.00</b>	<b>3,780.00</b>	<b>660.00</b>	<b>1,125.00</b>	<b>0.00</b>		<b>5,565.00</b>	

### Analysis of the Joint Administrators' time costs to 29 September 2023

#### Underpinned Ltd (In Administration)

##### Analysis of the Joint Administrators' time costs up to 29 September 2023

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration &amp; Planning</b>								
Case review & Case Diary management	0.00	3.00	0.00	1.10	0.00	4.10	1,857.50	453.05
Cashiering & accounting	0.00	4.50	0.10	15.65	0.00	20.25	6,845.50	338.05
Dealings w directors & management (inc associated updates)	0.00	2.50	1.65	1.00	0.00	5.15	2,592.50	503.40
IPS set up & maintenance	0.00	0.20	0.00	0.00	0.00	0.20	95.00	475.00
Insurance	0.00	0.00	0.30	0.50	0.00	0.80	245.00	306.25
Statement of affairs	0.00	0.60	0.00	0.00	0.00	0.60	285.00	475.00
Statutory matters (Meetings & Reports & Notices)	2.50	9.30	0.00	23.80	0.00	35.60	13,610.00	382.30
Strategy planning & control (incl engagement financial control)	2.00	12.00	5.55	10.40	0.00	29.95	13,049.50	435.71
Tax Compliance - Planning	0.00	0.80	0.15	0.00	0.00	0.95	507.50	534.21
<b>Creditors</b>								
Dealings with creditors and employees	0.00	5.40	0.00	0.45	0.00	5.85	2,758.50	471.54
<b>Investigations</b>								
CDDA & reports & Communication	0.00	0.70	0.80	0.80	0.00	2.30	796.50	346.30
<b>Realisation of Assets</b>								
Freehold and Leasehold Property	0.00	0.20	0.00	0.30	0.00	0.50	170.00	340.00
Other Intangible Assets	0.00	1.00	0.00	0.00	0.00	1.00	475.00	475.00
Pre-Appointment Tax Reclaims	0.00	0.40	0.00	0.00	0.00	0.40	190.00	475.00
Sale of business	4.50	43.90	0.65	13.80	0.00	62.85	30,862.50	491.05
<b>Trading</b>								
Trading - Accounting	0.00	3.50	3.10	0.00	0.00	6.60	3,285.00	497.73
Trading - Employees	0.00	1.50	0.00	0.00	0.00	1.50	712.50	475.00
Trading - Operations	0.00	1.80	0.00	0.00	0.00	1.80	855.00	475.00
<b>Total Hours</b>	<b>9.00</b>	<b>91.30</b>	<b>12.30</b>	<b>67.80</b>	<b>0.00</b>	<b>180.40</b>		<b>438.98</b>
<b>Total Fees Claimed (£)</b>	<b>7,065.00</b>	<b>48,962.50</b>	<b>4,920.00</b>	<b>18,245.00</b>	<b>0.00</b>		<b>79,192.50</b>	



## Key areas of work undertaken from commencement to date

The key areas of work have been:

### Key areas of activities undertaken to date

Administration and planning	<ul style="list-style-type: none"><li>• Monitoring and reviewing the Administration strategy;</li><li>• Briefing staff on the Administration strategy and matters in relation to workstreams;</li><li>• Regular case management and reviewing of process including regular team update meetings and calls;</li><li>• Meeting with management to review and update strategy and monitor progress;</li><li>• Reviewing and authorising junior staff correspondence and other work;</li><li>• Dealing with queries arising during the appointment;</li><li>• Reviewing matters affecting the outcome of the Administration;</li><li>• Allocating and managing staff/ case resourcing and budgeting exercises and reviews;</li><li>• Liaising with legal advisors regarding the proposed sale transaction and Funding Agreement; and</li><li>• Complying with internal filing and information recording practices, including documenting strategy decisions.</li></ul>
Creditors	<ul style="list-style-type: none"><li>• Updating the list of unsecured creditors;</li><li>• Responding to enquiries from creditors regarding the Administration and submission of their claims; and</li><li>• Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records.</li></ul>
Investigations	<ul style="list-style-type: none"><li>• Sending letters to Directors of the Company;</li><li>• Reviewing the Company's books and records; and</li><li>• Reviewing the pre-appointment bank statements.</li></ul>
Statutory and compliance	<ul style="list-style-type: none"><li>• Ensuring compliance with all statutory obligations within the relevant timescales;</li><li>• Uploading information to the Creditors' Portal; and</li><li>• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9.</li></ul>
Cashiering	<ul style="list-style-type: none"><li>• Preparing statutory Receipts and Payments Accounts; and</li><li>• Renewing bonding and complying with statutory requirements.</li></ul>
Asset realisations	<ul style="list-style-type: none"><li>• Reviewing the book debt position and arranging collection of the outstanding debtor;</li><li>• Communicating with Barclays to collect the cash at bank held in the Company' pre-appointment bank account;</li><li>• Drafting and circulating a teaser document to interested parties regarding the sale of the business and assets of the Company;</li></ul>

## Trading

- Communication with and management of interested parties regarding the proposed sale of the business and assets of the Company;
- Populating a virtual data room to provide Company information to interested parties;
- Communications with the potential purchaser of the business and assets of the Company;
- Liaising with Hilco regarding the value of the Company's computer and office equipment; and
- Reviewing costs incurred to ensure recorded accurately.
- Attending to supplier queries and correspondence in relation to the trading period;
- Raising payments to suppliers in respect of the trading period;
- Reviewing the terms of the Funding Agreement;
- Paying other critical trading payments including employee wages and PAYE/NIC to HMRC;
- Corresponding with employees in relation to the trading period and issuing payslips;
- Corresponding with the Company's former accountants regarding payroll and pension;
- Updating the estimated outcome statement for the trading period;
- Discussions with Barclays regarding post appointment receipts during the trading period;
- Discussions with management regarding ongoing trading and expected costs during the trading period;
- Accounting for and recording revenue from the trading period in the Joint Administrators' books and records; and
- Processing and paying the pension contributions accruing during the trading period.

## Tax

- Analysing and considering the tax effects of the sale transaction;
- Working on tax returns relating to the periods affected by the Administrators;
- Analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; and
- Dealing with post appointment tax compliance.

### Joint Administrators' Trading Expenses to 12 October 2023

The Joint Administrators have incurred the following expenses during the period 24 August 2023 to 12 October 2023, in relation to trading the Company.

Category 1 Expenses			Current period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)
Stephenson Law Limited	Solicitor's Fees and Expenses	Time Costs and Expenses	9,500.00	9,500.00
Gravita Business Services Limited	Accountant's Fees and Expenses	Fixed Fee	247.00	123.50
Jeffreys Henry Financial Services	Submission of monthly pension	As Incurred	0.00	0.00
Employees HMRC Cumberland	Payroll	Fixed Fee	37,688.11	37,688.11
	PAYE, National Insurance and Student Loans	As Incurred	15,400.09	8,169.14
SMART Pension Limited	Pension Contributions	As Incurred	1,990.03	0.00
Publicover & Co	Marketing Services	Fixed Fee	10,500.00	10,500.00
HED Wise S.R.L. Software	Software Services	Fixed Fee	23,334.00	23,334.00
Subscriptions	Software Services	As Incurred	4,333.28	4,333.28
Miscellaneous Telephone Costs	Telephone Costs	As Incurred	29.26	29.26
Miscellaneous Trading Costs	Miscellaneous Expenses	As Incurred	160.16	160.16
<b>Total</b>			<b>103,181.93</b>	<b>93,837.45</b>

### Joint Administrators' Expenses to 12 October 2023

The Joint Administrators have incurred the following additional expenses during the period 24 August 2023 to 12 October 2023.

Category 1 Expenses			Current period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)
Courts Advertising Limited	Statutory Advertising	Fixed Fee	109.08	109.08
AON UK Limited	Bonding	Fixed Fee	225.00	225.00
Accurate Mailing Services Limited	Stationery & Postage	As Incurred	36.42	36.42
Barclays	Bank Charges	As Incurred	30.00	30.00
Howden Insurance Brokers Limited	Insurance (6-month premium)	Fixed Fee	1,065.00	0.00
Ansarada Pty Limited	File Sharing	Fixed Fee	299.00	0.00
<b>Total</b>			<b>1,764.50</b>	<b>177.50</b>

### Notes

The above costs exclude VAT.

No Category 2 Expenses have been incurred during the Administration.

The Joint Administrators' choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.

Kroll, being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Joint Administrators.

It is considered that these expenses are fair and reasonable and proportionate to the Administration.

The Joint Administrators have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

## Appendix 5 – Fee Estimate

### Underpinned Ltd ("the Company")

#### Joint Administrators' Fee Estimate for the Period of the Administration

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.75	4.50	1.00	6.50	0.00	12.75	5,149.25	403.86
Cashiering & accounting	0.00	6.00	0.50	20.00	0.00	26.50	8,796.00	331.92
Dealings w/ directors & management (inc associated updates/reporting)	0.00	7.00	2.00	4.00	0.00	13.00	5,628.00	432.92
IPS set up & maintenance	0.00	0.40	0.00	2.00	0.00	2.40	752.40	313.50
Insurance	0.00	0.50	0.50	1.00	0.00	2.00	737.00	368.50
Statement of affairs	0.00	4.00	1.00	0.50	0.00	5.50	2,678.50	487.00
Statutory matters (Meetings & Reports & Notices)	4.25	17.00	5.50	42.50	0.00	69.25	26,080.75	376.62
Strategy planning & control (incl engagement financial control)	3.00	14.00	7.00	18.00	0.00	42.00	17,501.00	416.69
Tax Compliance - Planning	0.00	0.80	0.15	0.00	0.00	0.95	488.80	514.53
<b>Creditors</b>								
Dealings with creditors and employees	0.00	6.00	0.00	2.00	0.00	8.00	3,754.00	469.25
Non Pref Creditors - Employee claims handling	0.00	1.00	0.00	3.00	0.00	4.00	1,343.00	335.75
Pref claims adjudication	0.00	1.00	0.00	4.00	0.00	5.00	1,612.00	322.40
<b>Investigations</b>								
CDDA & reports & Communication	0.50	1.00	2.00	6.50	0.00	10.00	3,477.00	347.70
Financial review and investigations (S238/239 etc)	0.00	1.00	2.00	6.00	0.00	9.00	2,950.00	327.78
<b>Realisations of Assets</b>								
Freehold and Leasehold Property	0.00	0.20	0.00	0.30	0.00	0.50	187.90	375.80
Other Tangible Assets	0.00	1.00	0.00	0.00	0.00	1.00	536.00	536.00
Pre-Appointment Tax Reclaims	0.00	0.50	0.00	0.00	0.00	0.50	268.00	536.00
Sale of business	6.00	54.00	3.00	28.50	0.00	91.50	42,520.50	464.70
<b>Trading</b>								
Trading-Accounting	0.00	4.00	4.00	1.00	0.00	9.00	4,013.00	445.89
Trading - Employees	0.00	2.00	0.00	0.50	0.00	2.50	1,206.50	482.60
Trading - Operations	0.00	2.20	0.00	0.50	0.00	2.70	1,313.70	486.56
<b>Total Hours</b>	<b>14.50</b>	<b>128.10</b>	<b>28.65</b>	<b>146.80</b>	<b>0.00</b>	<b>318.05</b>		<b>411.86</b>
<b>Total Fees (£):</b>	<b>11,382.50</b>	<b>68,661.60</b>	<b>11,460.00</b>	<b>39,489.20</b>	<b>0.00</b>		<b>130,993.30</b>	

## **Appendix 6 – Fee Narrative**

### **Introduction**

The following information is provided to creditors to enable them to consider and agree the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Administration, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Statement of Proposals which provides further details of the assets, liabilities and estimated return to creditors. Particular reference is made to the Appendices entitled Analysis of Time Charged and Expenses Incurred (Appendix 4), Fee Estimate (Appendix 5) and Expenses Estimate (Appendix 7).

### **Estimated Fees and Expenses**

The Joint Administrators propose that their fees will be based on Kroll's time costs.

The ability for the Joint Administrators to draw fees is dependent on asset realisations and the authority of creditors. Creditors are asked to approve the basis of the fees and the Fee Estimate, which effectively acts as a cap on the fees that can be drawn (subject to the Joint Administrators' ability to seek an increase in the approved amount from creditors if appropriate).

The amount expected to be drawn in fees over the life of the case is shown in Appendix 5 – Fee Estimate.

The Joint Administrators estimate of the expenses of the Administrations is detailed in Appendix 7 – Expenses Estimate. This Appendix illustrates the estimated expenses for the whole of the Administration and is for information purposes (not for approval by any class of creditor). This estimate may change over the course of the Administration, but creditors will be informed of any variations with associated reasons in the progress reports.

### **Secured Creditors**

The Company does not have any known secured creditors.

### **Preferential Creditors**

On present information available, it is anticipated that there may be sufficient assets realised to enable a dividend to be paid to all classes of Preferential Creditors.

### **Unsecured Creditors**

It is anticipated that there will be insufficient realisations to enable a distribution to the unsecured creditors of the Company, by the Prescribed Part or otherwise.

### **Administration and Planning**

The role of a Joint Administrator is highly regulated, being required to conform to insolvency legislation, industry best practice policies (Statements of Insolvency Practice) and relevant case law. Consequently,

the Joint Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors.

In addition, throughout the course of the Administration, the Joint Administrators will regularly review the strategy and complete case reviews at week one, after three months, and every six months thereafter. These activities do not necessarily provide a direct financial benefit to creditors; however, these are necessary to ensure that the Administration runs efficiently.

The Joint Administrators' time costs incurred up to 29 September 2023 in respect of Administration and Planning total £39,088 and have comprised the following tasks;

- Complying with anti-money laundering checks, bribery act and ethical checks;
- Advertising of the Administration appointment and notifying all relevant stakeholders;
- Setting up the Administration on our internal systems and on the Creditors' Portal;
- Companies House and Court filings;
- Calculating and obtaining the insolvency practitioner's bond; and
- Preparing the Proposals.

Going forward, the Joint Administrators will continue dealing with Administration and Planning as above. Total time costs in respect of Administration and Planning are estimated to total £28,724.

Future tasks are expected to comprise the following;

- Performing periodic and strategic case reviews at the intervals discussed above;
- Filing notices with Companies House at relevant intervals;
- Dealing with tax compliance and returns;
- Preparing progress reports to all creditors every 6 months;
- Preparing a final report to all creditors of the Company;
- Internal strategic discussions and meetings; and
- Liaising with the Directors of the Company regarding the SoA.

## Creditors

The Joint Administrators and case staff will liaise with creditors to assist them with submitting their claims in the Administration. This work will only provide a financial benefit should it be considered that there are sufficient asset realisations to enable a dividend to unsecured creditors, the Joint Administrators then adjudicate on all submitted claims to agree or reject the claims (in part or in full).

The Joint Administrators' time costs incurred up to 29 September 2023 in respect of creditors total £2,759 and have comprised the following tasks;

- Dealing with creditor correspondence, emails and telephone conversations regarding claims in the Administration;
- Maintaining up-to-date creditor information and claims status on the case management system; and
- Maintaining the Creditors' Portal.

Going forward, the Joint Administrators will continue dealing with creditors as above, as and when queries and claims are presented. Total time costs in respect of creditors are estimated to be £3,591.

Future tasks are expected to comprise the following;

- Dealing with creditor correspondence, emails and telephone conversations regarding claims in the Administration;
- Maintaining up-to-date creditor information and claims status on the case management system;
- Maintaining the creditors' Portal; and
- Distributing funds to the Preferential Creditors, where available.

## **Investigations**

It is a statutory requirement that the Joint Administrators provide a report to the Secretary of State on the conduct of the Directors in their management of the Company to determine their fitness to act in such a role. This will entail a broad level of investigation to ensure that best practice standards are met, and the Fee Estimate reflects this standard. If the Secretary of State then instigates Directors' Disqualification proceedings, further time may be expended in providing supporting documents, witness statements etc. Such investigation may or may not lead to further asset recovery, so creditors should not assume that this activity will provide a monetary benefit to the Administration estate.

The Joint Administrators' time costs incurred up to 29 September 2023 in respect of investigations total £797 and have compromised the following tasks;

- Sending letters to Directors of the Company;
- Undertaking an initial review of the Company books and records; and
- Reviewing the pre-appointment bank statements.

Going forward, the Joint Administrators will continue dealing with investigations as detailed above. Total time costs in respect of investigations are estimated to be £5,631.

- Investigation of any potential claims regarding antecedent transactions;
- Logging and reviewing any creditor complaints and concerns regarding directors' conduct;
- Internet and social media searches;
- Completion of the Kroll's investigation work program; and
- Statutory reporting requirements to the Secretary of State in respect of directors' conduct and any resulting correspondence with BEIS.

The Fee Estimate assumes a diligent but basic investigation. Should circumstances prove more difficult it is likely that the Fee Estimate may need to increase and solicitors instructed: creditors will be consulted as appropriate. Initial fact gathering will be undertaken by lower-level staff but the nature of the investigations may require more experienced (and hence high cost) staff to review the information, liaise with solicitors and take the matter to conclusion.

## **Realisation of Assets**

The fundamental duty of an Administrator is that of the recovery and realisation of the assets, the Joint Administrators' powers are designed to ensure the effective discharge of this duty. The Joint Administrators must recover the assets of the Company for the benefit of the creditors and ultimately the members and must realise the same to affect the best possible distribution.



The Joint Administrators' time costs incurred up to 29 September 2023 in respect of asset realisations total £31,698 and have comprised the following tasks;

- Contacting Barclays regarding the transfer of the cash at bank held within the pre-appointment bank account;
- Reviewing the book debt position and arranging collection of the outstanding debtor;
- Correspondence with the local council to obtain any business rates refunds due in respect of the pre-appointment period;
- Liaising with agents regarding the value of assets owned by the Company;
- Discussions with tax advisers and legal advisors;
- Reviewing costs incurred to ensure they have been recorded correctly;
- Drafting and issuing a teaser document for interested parties regarding the sale of the Company's business and assets;
- Conducting an AMA sales process in relation to the Company including drafting and sending a teaser document to potential interested parties;
- Populating the virtual data room to provide interested parties with documentation regarding the Company;
- Facilitating meetings between the Directors and interested parties with regards to the business; and
- Dealing with information requests from interested parties;

Going forward, the Joint Administrators will continue dealing with asset realisations as above. Total time costs in respect of asset realisations are estimated to be £11,815.

Future tasks are expected to comprise the following:

- Reviewing the books and records of the Company and investigating any additional asset realisations for the benefit of creditors;
- Finalising the sale of the Company through discussions with the potential purchaser, tax advisers and legal advisors; and
- Reviewing the draft sale agreement.

## Trading

The Joint Administrators' time costs incurred up to 29 September 2023 in respect of trading total £4,853 and have comprised the following tasks;

- Paying retained employees for work completed during the trading period;
- Paying critical suppliers and attending to their queries;
- Reviewing the terms of the Funding Agreement;
- Reconciling costs incurred to date;
- Requesting a drawdown of funds under the Funding Agreement;
- Making critical trading payments, including employee wages and PAYE/NIC to HMRC;
- Corresponding with employees in relation to the trading period and issuing payslips;
- Corresponding with the Company's former accountants regarding payroll and pensions;
- Updating the estimated outcome statement;
- Liaising with the pension provider with regard to payment of the pension contributions incurred during the trading period;

- Discussions with management regarding ongoing trading and expected costs during the trading period; and
- Accounting for and recording revenue from the trading period in the Joint Administrators' books and records.

Going forward, the Joint Administrators will continue dealing with trading as above. Total time costs in respect of asset realisations are estimated to be £1,681.

Future tasks are expected to comprise the following;

- Processing and paying the pension contributions accruing during the trading period;
- Paying critical suppliers;
- Paying employee's wages and issuing final payslips;
- Extending the Funding Agreement;
- Drawing down funds pursuant to the terms of the Funding Agreement; and
- Dealing with cessation of trade.

## Appendix 7 – Expenses Estimate

### Underpinned Ltd (In Administration)

#### Joint Administrators' Estimated Expenses for the whole of the Administration

Notes	Company / Person	Activity	Fee Basis	Incurred to date	Anticipated Total Cost
1	<b>Professional Advisors</b>			(£)	(£)
2	Squires	Solicitor's fees and expenses	Time costs and expenses	21,707.00	38,500.00
3	Claritas Tax Limited	Accountant's fees and expenses	Time costs and expenses	0.00	5,000.00
4	TBC	Business Rates Review	% of realisations	0.00	TBC
5	Hilco	Agent's fees and expenses	Time costs and expenses	Nil	Nil
6	TBC	Pre-appointment Corporation Tax returns and VAT	TBC	0.00	TBC
<b>Total Professional Advisors' Costs</b>				<b>21,707.00</b>	<b>43,500.00</b>

**Trading Expenses estimated to 31 October 2023**

6	Stephenson Law Limited	Solicitor's fees and expenses	Time costs and expenses	9,500.00	9,500.00
7	Gravita Business Services Limited	Accountant's fees and expenses processing the payroll.	Fixed Fee	247.00	370.50
8	Jeffreys Henry Financial Services	Submitting pensions contributions	Pre-paid by the Company up to December 2023	Nil	Nil
9	Company's Employees	Wages	Fixed fee	37,688.11	55,441.97
9	HMRC Cumberland	PAYE, NIC and Student Loans	As incurred	15,400.09	22,631.04
10	SMART Pension Limited	Pension Contributions	As incurred	1,990.03	2,869.66
11	Publicover & Co	Marketing Services	Fixed fee	10,500.00	22,500.00
12	HED Wise S.R.L	Software Services / IT Contractors	Fixed fee	23,334.00	35,001.00
13	Software Subscriptions	Software Services	As incurred	4,333.28	9,333.28
14	Digital Acquisitions	Digital Acquisitions	As incurred	0.00	5,000.00
15	Infrastructure	Infrastructure	As incurred	0.00	3,000.00
16	Miscellaneous Telephone Costs	Telephone Costs	As incurred	29.26	29.26
17	Miscellaneous Trading Expenses	Miscellaneous Expenses	As incurred	160.16	8.50
<b>Total Category 1 Trading Expenses</b>				<b>103,181.93</b>	<b>165,685.21</b>

<b>General Expenses</b>					
18	Courts Advertising Limited	Statutory Advertising	Fixed fee	109.08	109.08
19	AON UK Limited	Bonding	Fixed fee	225.00	225.00
20	Accurate Mailing Services Limited	Stationery and Postage	As incurred	36.42	36.42
21	Barclays	Bank Charges	As incurred	30.00	60.00
22	Howden Insurance Brokers Limited	Insurance	Fixed fee	1,065.00	1,065.00
23	Ansarada Pty Limited	File Sharing	Fixed fee	299.00	299.00
<b>Total Category 1 General Expenses</b>				<b>1,764.50</b>	<b>1,794.50</b>
<b>Total Category 1 Expenses</b>				<b>104,946.43</b>	<b>167,479.71</b>
24	<b>Category 2 Expenses</b>				
<b>Total Category 2 Expenses</b>				<b>0.00</b>	<b>0.00</b>
<b>Total Estimated Expenses</b>				<b>126,653.43</b>	<b>210,979.71</b>

#### Notes to Estimated Expenses Schedule

- 1 The Joint Administrators choice of professional advisors is based on their perception of the experience and ability of the respective firms / individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.
- 2 The Joint Administrators engaged Squires to assist with the extension of the Funding Agreement and to provide legal advice in relation to the sale of the Company's business and assets including drafting the sale agreement. Their estimated total costs are £38,500.
- 3 The Joint Administrators have engaged Claritas Tax Limited to review the potential tax implications of the sale of the Company's business and assets.
- 4 The Joint Administrators will engage business rates agents to investigate any additional refunds due to the Company for the period prior to the Joint Administrators' appointment.
- 5 The Joint Administrators have engaged Hilco to provide a desktop valuation of the Company's computer equipment and office furniture.
- 6 Stephenson's Law Limited provided legal advice to the Company and the Directors leading up to the appointment and have been paid as a critical payment under the Administration.
- 7 Gravita has been engaged to complete the monthly payroll during the trading period. They were the Company's former accountants.
- 8 Jeffrey Henry Financial Services Limited, the Company's former pension advisor, has been engaged to upload the monthly pension contribution to the pension provider's portal for the period of trade.
- 9 These expenses relate to the employees' wages incurred during the trading period along with the PAYE / NIC due to HMRC.
- 10 The Company has a pension scheme with SMART. The pension contributions incurred during the period of trade will be paid over to SMART shortly.
- 11 Publicover & Co provided marketing services for the Company. This service was deemed critical for continued trading and preservation of value in the business.
- 12 HED Wise S.R.L. provide IT contractors to the Company to support the Company's software. This service was retained as it was deemed critical to continued trading.
- 13-15 These costs relate to various software subscriptions for marketing, social media accounts and the IT infrastructure of the business.
- 16 The Joint Administrators have incurred miscellaneous telephone costs which relate to ongoing trading.
- 17 The Joint Administrators have incurred miscellaneous trading costs which have been deemed critical for the continuation of trade.
- 18 Statutory advertising of the Notice of Appointment in the London Gazette is required under insolvency legislation.
- 19 It is a statutory requirement for Insolvency Practitioners to have a bond on each legal entity to which they are appointed, the cost of which is based on the value of the assets held by the Company.
- 20 The Joint Administrators have incurred mailing costs whilst notifying creditors of the appointment of the Joint Administrators.

- 21 The Joint Administrators incur charges in relation to transactions from the Administration estate bank account during the Administration.
- 22 The Joint Administrators have insurance cover in place. This cost represents the 6-month estimated insurance premium.
- 23 This cost relates to setting up the virtual data room to share Company information with interested parties during the AMA sales process.
- 24 Category 2 Expenses are costs that are directly referable to the Administrators but not to a payment to an independent third party. No Category 2 Expenses have been incurred to date.

## **Appendix 8 – Statement of Creditors' Rights**

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*

*Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Luke Bancroft at [Luke.Bancroft@kroll.com](mailto:Luke.Bancroft@kroll.com).

### **Information for Creditors on remuneration and expenses of Administrators**

Information regarding the fees and expenses of Administrators, including details of Kroll's expense policy and hourly charge out rates for each grade of staff that may undertake work on this case, can be viewed and downloaded from the Kroll website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

Click on the document - Creditor Guides (amended for changes introduced by the Insolvency (England & Wales) Rules 2016 from 6 April 2017) – Administrations.

Should you require a copy (at no cost), please contact this office.

### **Creditors may requisition a physical meeting of creditors for approval of the Joint Administrators' Proposals under Rule 15.6 of the Insolvency (England and Wales) Rules 2016**

The Joint Administrators shall summon a physical meeting (1) if asked to do so by (a) creditors whose debts amount to at least 10% of the total debts of the Company or (b) 10% in number of creditors, or (c) 10 creditors, and (2) if the following procedures are followed:

The request for a requisitioned physical meeting must be made within five business days of the date on which the Joint Administrators' Proposals were delivered and include either:

(a) a statement of the requesting creditor's claim together with—

- a list of the creditors or contributories concurring with the request and of the amounts of their respective claims or values, and
- confirmation of concurrence from each creditor; or

(b) a statement of the requesting Creditor's debt and that that alone is sufficient without the concurrence of other creditors

Creditor/s may be requested to meet the costs of a requisitioned decision and a deposit will be required for this purpose. These costs may be ordered to be paid as an expense of the Administration if the creditors so resolve.

If you wish to request a physical creditors' meeting, please complete and return the physical meeting requisition form available on the Portal.



## Appendix 9 – Proof of Debt Form

### Rule 14.4

R 2016

### PROOF OF DEBT - GENERAL FORM

Underpinned Ltd - In Administration Company Registration No. 11501632 Date of Administration: 24 August 2023		
1	Name of Creditor (If a company, please also give company registration number and if non UK, country of registration)	
2	Address of Creditor for correspondence  Contact telephone number of creditor  Email address of creditor	REF
3	Total amount of claim including any Value Added Tax as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.10 or the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set off in accordance with R14.24 and R14.25	
4	Details of any documents by reference to which the debt can be substantiated (please attach)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES/NO
	Position with or in relation to creditor  Address of person signing (if different from 2 above)	
	Admitted to vote for £	Admitted for dividend for £
	Date	Date
	Administrator	Administrator

## Appendix 10 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents / Hilco	Hilco Valuation Services Limited, independent agents who were instructed to value certain assets of the Company
the Appointment Date	24 August 2023 being the date of appointment of the Joint Administrators
AMA	Accelerated Merger and Acquisition
the Bank / Barclays	Barclays Bank Plc with whom the Company banked with prior to appointment
BEIS	Department for Business, Energy & Industrial Strategy
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
CEO	Chief Executive Officer
the Company	Underpinned Ltd (In Administration) (Company Number: 11501632)
the Directors	Albert De Symons Azis Clauson, Christopher John Simon Williams, Imran Osman Khatri, Craig Francis Donaldson, Simon James Williams and Frontive Holding Limited, the directors of the Company.
EC Regulation	EC Regulation on Insolvency Proceedings 2000
EFP	Estimated Financial Position
Funding Agreement	An agreement between the Joint Administrators and a shareholder of the Company dated 24 August 2023 to cover certain expenses incurred during the trading period.
FY	Financial Year
HMRC	HM Revenue and Customs

the Joint Administrators	Matthew Ingram and Elizabeth Anne Welch of Kroll Advisory Ltd, 4B Cornerblock, 2 Cornwall Street, Birmingham, B3 2DX
Kroll	Kroll Advisory Limited, the Administrators of the Company
NDA	Non Disclosure Agreement
NIC	National Insurance Contributions
PAYE	Pay As You Earn
Preferential Creditor/s	A creditor with a claim that ranks in priority to other unsecured creditors, to floating charge holders and the Prescribed Part. Preferential debts are either 'ordinary/primary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary/primary preferential claims are paid in full.
The Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to unsecured creditors
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the disposal of assets to connected parties in an insolvency process
SoA	Statement of Affairs, documentation to be supplied by the Directors outlining the Company's financial position as at the Appointment Date
Squires	Squire Patton Boggs (UK) LLP
VAT	Value Added Tax

## **Appendix 11 – Notice about this Statement of Proposals**

This Statement of Proposals has been prepared by Matthew Ingram and Elizabeth Anne Welch, the Joint Administrators of the Company, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Act to lay before creditors a statement of their Proposals for achieving the purpose of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

These Proposals have not been prepared in contemplation of them being used, and are not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for creditors included in these 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 these Proposals for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Act 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 these Proposals.

Matthew Ingram and Elizabeth Anne Welch are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agent for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Kroll Advisory Ltd does not assume any responsibility and will not accept any liability to any person in respect of these Proposals or the conduct of the Administration.

## Appendix 12 – Notice of Seeking a Decision of Creditors by Deemed Consent

### Rule 15.7

The Insolvency Act 1986

## Notice of seeking a decision of creditors by deemed consent

Name of Company  <b>Underpinned Ltd</b>	Company Number  <b>11501632</b>
In the  <b>High Court of Justice Business and Property Courts in Birmingham Insolvency and Companies List (ChD)</b>  [full name of court]	Court case number  <b>CR-BHM-2023-000478</b>

(c) Insert full  
name(s)  
and  
address(es) of  
the administrators

We (a)  
  
Matthew Ingram, and  
  
Elizabeth Anne Welch

(b) insert full name  
and address of  
registered office  
of the company

hereby give notice to the creditors of (b) Underpinned Ltd,  
  
4B Cornerblock, 2 Cornwall Street, Birmingham, B3 2DX

© insert reasons for  
using deemed  
consent

That, pursuant to Rule 15.7 we are seeking a decision(s) using deemed consent. We  
consider that the deemed consent procedure is the most appropriate method for  
seeking a decision of creditors in this instance for the following reasons:

- The decision(s) to be made is/are not contentious;  
  
It is the most cost effective and efficient way of obtaining a decision; a
- nd
- We believe it is in the best interests of creditors to do so.

The decision(s) being sought using deemed consent are:

Repeat as  
necessary for  
the number of  
decisions required

**Proposed Decision 1**

That the Joint Administrators' Statement of Proposals is approved.

**Proposed Decision 2**

That a creditors' committee will be established if sufficient creditors are willing to act as members of the committee.

(d) decision date    The decision date will be 31 October 2023.

If the decision date expires without 10% in value of creditors objecting to deemed consent, or one of the thresholds for requisitioning a physical meeting being met, the creditors will be treated as having made the proposed decision(s) at 23:59 hours on the decision date.

If you agree with the proposed decision(s), no further action is required.

Appeals    A creditor may appeal a decision in accordance with Rule 15.35 by applying to court not later than 21 days after the decision date.

Objections    **What you need to do if you wish to object to the deemed consent decision(s)**

Creditors who wish to object to the proposed decision(s) must do so, in writing, by sending notice stating their objection together with a proof of debt form, not later than the decisions date detailed above, failing which the objection will be disregarded.

Any creditor whose debt is treated as a small debt (i.e. £1,000 or less) must still deliver a proof of that debt, not later than the decision date detailed above, if they wish to object to deemed consent, failing which the objection will be disregarded.

Any creditor who has opted out from receiving notices may still object to deemed consent, provided they provide a proof of debt not later than the decision date, failing which the objection will be disregarded.

Please note, if objecting to no creditors' committee being formed, please also provide any nominations for membership of the committee. Such nominations for membership must be delivered to the Joint Administrators by the decision date and can only be accepted if we are satisfied as to the creditors' eligibility under Rule 17.4.

It is our responsibility to aggregate any objections to see if 10% or more in value of creditors have objected to deemed consent.

If this threshold is met, the deemed consent procedure will terminate without a decision(s) being made. If a decision(s) is sought on the same matter(s), it/they will be sought by a decision procedure.

Physical meeting  
request

**What you need to do if you wish to request a physical meeting to consider the proposed decision(s)**

Creditors who meet one of the thresholds set out in the Insolvency Act 1986 may, within five business days from the date of delivery of this notice, require a physical meeting to be held to consider the decision(s). In order to do so a creditor must complete and return the physical meeting requisition form, available via the Portal. The relevant thresholds are 10% in value of creditors, 10% in number of creditors, or 10 creditors.

If one of these thresholds is not met, the deemed consent procedure will continue as outlined above.

If you require any further details, wish to lodge an objection or want to request a physical meeting, please contact my office at the details shown.

Signed



---

**Elizabeth Welch**  
Joint Administrator

Dated

---

12 October 2023

Address and  
contact details for  
correspondence

Administrators' postal address: 4B Cornerblock, 2 Cornwall Street, Birmingham, B3 2DX

Alternative contact name and details:

Luke Bancroft

Luke.Bancroft@kroll.com

References in this notice to rules and sections are, unless expressly provided otherwise, respectively references to rules of the Insolvency Rules (England and Wales) 2016 and to sections of the Insolvency Act 1986

## Appendix 13 – Membership Committee Form

# Nomination for Membership of the Committee\* and Consent to Act

Underpinned Ltd (In Administration)

Company registration number: 11501632

A Creditor can act in person as a Committee member or appoint a representative to act on their behalf on the Committee.

### PART A: Creditor details

..... (Name of creditor),

consent to act as a member of the Committee in respect of Underpinned Ltd – In Administration

Address of Creditor: .....

.....

.....

Reference: .....

I consent further to Committee business being conducted by electronic communication as and when appropriate and for this purpose my/my representative's designated email address is:-

.....

(leave blank if consent is not given)

### Part B: Creditor's Representative

The following person is duly authorised by proxy to act as the creditor's representative on the Committee:

Name of Representative: .....

Address of Representative: .....

.....

.....



.....

\* A Committee is a

- Creditors' Committee in an Administration, an Administrative Receivership, and a Bankruptcy
- Liquidation Committee in a Creditors' Voluntary Liquidation and a Winding Up by the Court

Signature of Representative: .....

Representative's Tel: .....

**Signature of Creditor or authorised person**.....

**Name in block letters**..... **Date**.....

**Position or relationship with creditor/other authority for signature**

.....