



In the matter of The Insolvency Act 1986 and The Insolvency Rules (England And Wales) 2016

CR-2025-MAN-001224

and

**In the matter of
Kast Renewable Energies Ltd (“the Company”)**

Nominee Report under Section 2 of The Insolvency Act 1986

Molly Monks, licensed Insolvency Practitioner of Parker Walsh Corporate Recovery Limited, email molly@parkerwalsh.co.uk, telephone 0161 546 8143, **HEREBY REPORT** to the Court as follows:-

1. I am the Nominee of the Company in respect of a proposal for a Company Voluntary Arrangement (“CVA”) with its creditors in respect of the Company’s debts. When carrying out all professional work relating to an insolvency appointment, Insolvency Practitioners are bound by the Insolvency Code of Ethics.
2. I have given written consent to act as Supervisor of the Company as required by rule 2.4 of the Insolvency (England and Wales) Rules 2016.
3. This report also includes comments on the proposal required by rule 2.25 of the Insolvency (England and Wales) Rules 2016.
4. **Measures taken to avoid recurrence**

The Company has taken the following steps to change the way that it trades to ensure that its current financial difficulties do not recur:

- Securing more work, with a new contract planned for the remainder of 2025.
- Working from home to cut down on costs like rent and utility bills.
- A business plan has been produced by the directors, which factors in the completion of ongoing contracts and the acquisition of new business opportunities. The business plan is proportional to the size and complexity of the Company, taking into account the need for adjustments to current operations to meet the challenges of the CVA.

With regard to any earlier efforts by the directors to propose a voluntary arrangement to creditors, no previous formal proposal has been presented. This new proposal reflects improved financial forecasting, a clearer understanding of the Company’s position, and operational changes already underway, which provide a stronger basis for creditors to now consider supporting a voluntary arrangement.

5. Investigations Undertaken

I have reviewed the Company's Proposal in consultation with the Board, and I am satisfied that the statement of affairs provides a fair and accurate representation of the Company's assets and liabilities.

While relying primarily on information and documentation provided by the Directors, including third-party material, we have also conducted proportionate investigations to verify the financial standing. The directors have submitted the following key financial data:

- Forecast Profit and Loss Account for the four-year duration of the CVA.
- Cash Flow Forecast for the four-year duration of the CVA.
- Accounts for the year end of 2019 to 2024.
- Company background information.

Based on all the documentation reviewed, discussions with the Directors, and the due diligence I've conducted throughout the process, from initial advice to drafting and accepting the role as Nominee I believe the directors have a sufficient grasp of the CVA process, its expected timeline, and implications. I also anticipate their full cooperation and commitment, should the proposal be approved.

6. Estimated Outcome of the CVA

The directors have included a comparative analysis showing the potential return to creditors under a Creditors' Voluntary Liquidation versus the proposed CVA. We have no reason to doubt the accuracy of this estimate.

If the CVA proposal is approved and fully implemented, preferential creditors are expected to receive 100 p in the pound. In contrast, under a Liquidation scenario, they would be unlikely to receive any dividend.

Additionally, the comparison indicates that unsecured creditors would be paid 76.6 p in the pound if the CVA proceeds as proposed. However, they would be unlikely to receive any dividend should the Company enter Liquidation.

The CVA would allow the Company to continue trading and generate regular contributions from future earnings. In a liquidation scenario, the Company would cease operations, its tangible assets would be minimal, however substantial debtor balances would likely be recoverable, but no third-party contributions expected toward liabilities.

7. Discussions with creditors and interested parties

7.1 Secured creditors

I have given notice of the potential arrangement to the secured creditors and, although they have not responded, we would expect them to rely on their security

7.2 Major unsecured creditors

The directors and I have not had any discussions with key creditors regarding the Company's proposal.

I am not aware of any specific reasons which would lead to this proposal being rejected by key creditors.

7.3 Interested parties

I am not aware of any specific effect of the CVA on a third party where their view may have an effect on the viability of the CVA.

8. EU Regulations on insolvency proceedings

I consider these proceedings to be "COMI proceedings" as defined under the EU Insolvency Regulation, given that the Company's registered office and trading address are located in the United Kingdom. Therefore, its center of main interest (COMI) is within the UK.

9. Other Matters

Links Electrical Ltd have issued a CCJ claim against the Company. No Judgement order has been issued at this point.

10. I have considered the Company's proposal, and am of the opinion:

- that the Company's financial position is not materially different from that which it is represented to the creditors to be in the proposal;
- that there is no manifest unfairness (subject to the comments at paragraph 9 above);
- that the proposal is achievable and a fair balance is struck between the interests of the Company and its creditors; and
- the have co-operated to date and will continue to do so.

11. I am not aware of any specific reasons which would lead to this proposal being rejected by key creditors.

12. I am of the opinion that the Company's proposal has a reasonable prospect of being approved and implemented.