

AM10

Notice of administrator's progress report



Companies House

TUESDAY



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24/12/2019

#137

COMPANIES HOUSE

1 Company details

Company number 0 5 8 5 7 4 6 7

Company name in full Spark Energy Supply Limited

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

2 Administrator's name

Full forename(s) Alistair

Surname McAlinden

3 Administrator's address

Building name/number Saltire Court

Street 20 Castle Terrace

Post town Edinburgh

County/Region

Postcode E H 1 2 E G

Country

4 Administrator's name ①

Full forename(s) Blair Carnegie

Surname Nimmo

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

5 Administrator's address ②

Building name/number Saltire Court

Street 20 Castle Terrace

Post town Edinburgh

County/Region

Postcode E H 1 2 E G

Country

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

AM10

Notice of administrator's progress report

6

Period of progress report

From date	d	2	d	8	m	0	m	5	y	2	y	0	y	1	y	9
To date	d	2	d	7	m	1	m	1	y	2	y	0	y	1	y	9

7

Progress report


☒ I attach a copy of the progress report

8

Sign and date

Administrator's
signature

Signature

X  X

Signature date

d	1	d	9	m	1	m	2	y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**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 **Yarima Conway**

Company name **KPMG LLP**

Address **Saltire Court**
20 Castle Terrace

Post town **Edinburgh**

County/Region

Postcode **E H 1 2 E G**

Country

DX

Telephone **Tel +44 (0) 141 3092645**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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



Joint
Administrators'
progress
report for the
period 28 May
2019 to 27
November
2019

Spark Energy Supply Limited
- in Administration

19 December 2019

Deemed delivered: 23
December 2019

Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+SIB2842725.html>. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 7).

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1 Executive summary

- This progress report covers the period from 28 May 2019 to 27 November 2019.
- The focus of the asset realisation process has continued to be on maximising recoveries from the Company's debtor ledgers. During the period we recovered a gross amount of approximately £2.3 million which brings total recoveries from book debts to £4.6 million (Section 2 - Progress to date).
- We are not aware of any secured or preferential creditors.
- We expect that a dividend will be payable to the unsecured creditors. However, the timing and the quantum of this amount is currently unknown and will depend on the number of unsecured claims received, the outcome of the debt collection process and the costs of the administration (Section 3 - Dividend prospects).
- During the period, the unsecured creditors granted a 12-month extension to the period of the administration.
- Our remuneration has previously been agreed by the creditors. We intend to draw a second interim fee of £279,487.75 plus disbursements of £522.71 plus VAT on both. If any creditor wishes to object they must do so within 8 weeks of receipt of this report.
- Please note: you should read this progress report in conjunction with our previous progress report and proposals issued to the Company's creditors which can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+SIB2842725.html>.
- Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Alistair McAlinden
Joint Administrator

2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Strategy

The Company had ceased trading prior to the administration, and as such the administration strategy has comprised a statutory wind up process and realisation of assets. This has focused on recovery of the debts due from the Company's customers in respect of the supply of gas and electricity made prior to the date of the administration. In order to collect the balances following the SOLR process, we engaged the services of five DCAs to make contact with customers and request payment.

Different processes have been undertaken in relation to the recovery of debts where customers have left the Company prior to the administration (the "Ended" ledger) and where customers had been supplied up to the date of administration (the "Live Ended" ledger)

Following a period of proactive debt collection from January until April 2019 it was concluded that we would alter our strategy in relation to the collection of the Live Ended ledger. We found that both the administration team and the DCAs were receiving a high volume of billing queries with many customers being confused between pre-administration debts (due to the Company) and post administration debts (due to Ovo). This resulted in a scenario where the time costs of resolving each individual query was outweighing the returns. It was determined that we would continue to collect the Live Ended ledger on a reactive basis where customers made initial contact with the DCAs. We have, however, continued to collect the Ended ledger on a proactive basis.

Throughout the period we have continued to consider our options in relation to the ongoing collection of both Live Ended and Ended debts, which may include, continuing to pursue the debts, a sale of a portfolio of debts or a combination of both.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

Debtors

During the period the Joint Administrators recovered gross book debts of approx. £2.3 million. This brings overall debt recoveries to approx. £4.6 million. The rate of debt recoveries has slowed significantly but we continue to receive payments on a daily basis.

Stock

We agreed to sell a stock of pre-payment meters to Ovo for £60,000 plus VAT. Of this, instalments totalling £30,000 plus VAT have been paid. Ovo have withheld the balance due

on the basis that they have counter claims, including in relation to assisting with our collection of book debts books following the expiry of our initial agreement on 30 June 2019.

Investigations

We have continued to review the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors.

2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2). Summaries of the most significant payments made during the period are provided below.

Debt collection costs

The most substantial cost in the administration is still anticipated to be DCA commission. As outlined in our previous report we have agreed a 'no recovery no fee' for all of our DCAs and as such there is no risk to the Company's estate. During the period we have paid DCA commission of approx. £0.17 million.

Solicitors' fees

During the period we have paid approx. £0.03 million in legal fees. This includes advice relating to:

- Debtor settlement agreements
- Amendments to extend the operational data and debtor agreement with Ovo
- Debt recovery and debt sale options
- The credit balances of former customers
- Answers to queries posed by the creditors' committee

We anticipate that there will be further legal work required to be instructed and this will be settled periodically.

2.4 Schedule of expenses

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached at Appendix 3.

In our Proposals we enclosed an expenses estimate (excluding DCA costs) for the whole period of the administration of £207,000. We submitted a revised expenses estimate with our first progress report for the period ending 27 May 2019 which increased this estimate to £690,000. Our current expectation for expenses in the administration, attached at Appendix 4, is now £860,000 with the increase being attributed to additional DCA costs. Our expense estimates do not include future DCA costs as this is dependent on the asset realisations.

3 Dividend prospects

3.1 Secured creditors

We are not aware of any secured claims against the Company.

3.2 Preferential creditors

We are not aware of any preferential claims against the Company.

3.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors should receive a dividend. We have yet to determine the amount of this, but we will do so when we have completed the realisation of assets and payment of associated costs.

3.4 Creditors' Committee

In our previous progress report we detailed that a creditors' committee had been formed. It subsequently came to our attention that one prospective member had submitted their written intention to join after the deadline for responses. Accordingly no committee was previously formed.

During the period we gave all creditors a further opportunity to join a creditors' committee. As a result a committee was constituted with the following members: Morrison Data Services, Siemens plc and Spark Energy Limited.

The first meeting of the committee was held on 4 October 2019. The purpose of the meeting was to consider options for the ongoing strategy in relation to the realisation of the debtor book, particularly in relation to Live Ended debts. The options being considered include recommencing proactive debt collection; continuing with the status quo; and a portfolio debt sale. These options are still being considered by the Committee and we expect to have further meetings in due course.

4 Joint Administrators' remuneration and disbursements

4.1 Joint Administrators' remuneration and disbursements

Basis of Remuneration

The creditors have previously approved that:

- Our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fee estimate provided in appendix 3 of our Proposals and the charge out rates set out in Appendix 5 of our Proposals.
- Disbursements for services provided by KPMG (defined as category 2 disbursements in SIP 9) will be charged in accordance with KPMG's policy as set at Appendix 5 of our Proposals.

Additional information

In our Proposals we enclosed a fee estimate for our costs for the whole period of the administration. This estimate was for 3,240.50 hours at a total estimated cost of £1,203,632.50 and our current expectation of our costs for the case remains at this figure.

We have attached (Appendix 5) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 28 May 2019 to 27 November 2019. We have also attached our charging and disbursements policy.

Time costs and disbursements

From 28 May 2019 to 27 November 2019, we have incurred time costs of £279,487.75. These represent 831 hours at an average rate of £336.33 per hour.

During the period we have incurred disbursements of £522.71. None of these have yet been paid.

Remuneration

During the period we drew a first interim fee of £711,189.50 and disbursements of £5,489.42 plus VAT on both.

We now intend to draw a second interim fee of £279,487.75 and disbursements of £522.71 plus VAT on both.

In the event that any creditor wishes to object to our remuneration or recovery of disbursements, we provide details of the relevant processes at Appendix 5.

5 Future strategy

5.1 Future conduct of the administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- Continuing to pursue outstanding debtor balances due to the Company, and potentially sell tranches of debt;
- Provide regular updates on progress to the creditors' committee.
- Attend to all statutory matters as and when they fall due;
- Completing all ongoing VAT and corporation tax returns in accordance with HMRC regulations;
- Perform adjudication of all unsecured creditor claims, following which make a dividend to unsecured creditors.

5.2 Discharge from liability

The creditors have granted approval that we be discharged from liability of any actions of the Joint Administrators upon filing our final receipts and payments account with the Registrar of Companies.

Discharge from liability does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

5.3 Extension of the administration

During the period the unsecured creditors granted a 12 month extension to the period of the administration.

The administration is currently due to end on 27 November 2020.

5.4 Future reporting

We will provide a further progress report within one month of 27 May 2020 or earlier if the administration has been completed prior to that time.

Appendix 1 Statutory information

Company information

Company name	Spark Energy Supply Limited
Date of incorporation	26 June 2006
Company registration number	05857467
Present registered office	KPMG LLP, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 010108 of 2018
Appointor	Directors
Date of appointment	28 November 2018
Joint Administrators' details	Alistair McAlinden and Blair Carnegie Nimmo
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	27 November 2020

Appendix 2 Joint Administrators' receipts and payments account

Spark Energy Supply Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 28/05/2019 To 27/11/2019 (£)	From 28/11/2018 To 27/11/2019 (£)
ASSET REALISATIONS			
60,000.00	Stock	NIL	60,000 00
16,839,000.00	Book debts	2,252,452.53	4,568,506 55
495,000 00	VAT refunds (pre-app'ent)	NIL	NIL
		2,252,452.53	4,628,506.55
OTHER REALISATIONS			
	Bank interest, gross	10,413 51	12,048.69
		10,413 51	12,048.69
COST OF REALISATIONS			
	Sundry refunds	NIL	(408 50)
	Statement of affairs work	NIL	(1,850 00)
	Administrators' fees	(711,189.50)	(711,189.50)
	Administrators' expenses	(5,489.42)	(5,489.42)
	Debt Collection costs	(170,212.84)	(652,560.15)
	Agents'/Valuers' fees (2)	NIL	(270.00)
	Legal fees	(31,486 96)	(79,431.50)
	Court fees	NIL	(235.00)
	Communications, printing and postage	NIL	(43,430.94)
	Statutory advertising	NIL	(71.00)
		(918,378 72)	(1,494,936.01)
UNSECURED CREDITORS			
(84,738,000.00)	Trade & expense	NIL	NIL
		NIL	NIL
(67,344,000.00)		1,344,487.32	3,145,619.23
REPRESENTED BY			
	Trade debtors		30,000 00
	Floating ch VAT rec'able		162,736 58
	Floating charge current		2,952,882 65
			3,145,619.23

Appendix 3 Schedule of expenses

Schedule of expenses (28/05/2019 to 27/11/2019)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	-	279,487.75	279,487.75
Administrators' expenses	-	522.71	522.71
Debt Collection costs	170,212.84	-	170,212.84
Legal fees	31,486.96	-	31,486.96
TOTAL	201,699.80	280,010.46	481,710.26

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Joint Administrators' fees estimate

The Joint Administrators' fees estimate in our Proposals and last Progress report provided a total fee estimate of £1,203,632.50 comprising 3,240.50 hours at an average hourly rate £371.43. At this time we consider this estimate to remain appropriate and as such we have not provided revised estimate of fees.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Yarima Conway at KPMG LLP, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG.

Appendix 4 Joint Administrators' expenses estimate

Expenses estimate					
Expenses category	Note	Initial Estimate in Proposals (£000s)	Paid to date (£000's)	Future estimate (£000's)	Total Estimate (£000's)
Debt collection agents	1	TBC	653	TBC	653
Books and records storage	2	5	-	5	5
Consultancy costs	3	5	-	5	5
Facilities costs	4	10	-	10	10
Invoice processing and logistics	5	75	43	32	75
Legal costs	6	100	79	21	100
Statement of affairs costs	7	2	2	-	2
Statutory and administrative costs	8	10	-	10	10
Total costs		207	777	83	860

Note 1

The above table excludes future debt collection agents' commission and intermediary transaction charges. At present, it is not possible to estimate the quantum of these future expenses as they will depend on future sums recovered from the Company's debtor ledger. An update on these expenses will be provided in future progress reports.

Note 2

Storage costs will be payable in order to ensure the Company's books and records are properly and securely stored.

Note 3

We have made a provision for consultancy costs that may be required in relation to the administration process.

Note 4

Estimated facilitates costs for the use of premises adjacent to the SEL premises, throughout the administration process.

Note 5

In order to begin the debtor collection process, we required agents to process and send out final invoices. We may have additional external costs if further mailshots are necessary.

Note 6

Legal costs and disbursements will be incurred for general legal advice, provided by Shepherd and Wedderburn, throughout the course of the administration.

Note 7

Actual costs to assist with the preparation of the Company's estimated statement of affairs as at the date of our appointment.

Note 8

Estimated costs for appointment advertising, bank charges, mailings, travel, sustenance and other administrative costs which might be incurred.

Appendix 5 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact Yarima Conway on 0141 309 2645.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Charge-out rates

Charge-out rates (£) for: Spark Energy Supply Limited – in Administration		
Grade	From 01 Nov 2016 £/hr	From 01 Jan 2019 £/hr
Partner	625	655
Director	560	590
Senior Manager	510	535
Manager	425	445
Senior Administrator	295	310
Administrator	215	225
Support	131	140

Table of charge-out rates

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements from 28 May 2019 to 27 November 2019.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation	241.51		NIL		241.51
Meals	27.46		NIL		27.46
Mileage	NIL		55.29		55.29
Postage	156.45		NIL		156.45
Travel	42.00		NIL		42.00
Total	467.42		55.29		522.71

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

Category 2 disbursements have been approved in the same manner as our remuneration

Narrative of work carried out for the period 28 May 2019 to 27 November 2019

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts; ■ updating bonding and complying with statutory requirements; ■ obtaining approval from the unsecured creditors of a twelve-month extension of the administration; ■ ensuring compliance with all statutory obligations within the relevant timescales
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ formulating, monitoring and reviewing the administration strategy, including in relation to the Live Ended and Ended debtor ledgers; ■ briefing of our staff on the administration strategy and matters in relation to various work-streams; ■ regular case management and reviewing of progress, including regular team update meetings and calls; ■ meeting with management to review and update strategy and monitor progress; ■ reviewing and authorising junior staff correspondence and other work; ■ dealing with queries arising during the appointment; ■ reviewing matters affecting the outcome of the administration; ■ allocating and managing staff/case resourcing and budgeting exercises and reviews; ■ liaising with legal advisors regarding the various instructions. ■ complying with internal filing and information recording practices, including documenting strategy decisions
Cashiering	<ul style="list-style-type: none"> ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ creating remittances and sending payments to settle post-appointment invoices; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ reviewing the Company's pre-appointment corporation tax and VAT position; ■ analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; ■ working initially on tax returns relating to the periods affected by the administration; ■ analysing VAT related transactions; ■ reviewing the Company's duty position to ensure compliance with duty requirements; ■ dealing with post appointment tax compliance.
Shareholders	<ul style="list-style-type: none"> ■ responding to enquiries from shareholders regarding the administration; ■ providing copies of statutory reports to the shareholders.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ drawing remuneration in accordance with the basis which has been approved by the unsecured creditors; ■ liaising with the joint appointee in relation to the debt collection strategy; ■ locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage.
Asset realisations	<ul style="list-style-type: none"> ■ dealing with issues associated with the sale of stock, ■ reviewing outstanding debtors and management of debt collection strategy; ■ liaising with Company credit control staff and communicating with debtors; ■ seeking legal advice in relation to book debt collections; ■ liaising with SEL, Ovo and the DCAs regarding debtor recoveries.
Open cover insurance	<ul style="list-style-type: none"> ■ arranging ongoing insurance cover for the Company's business and assets; ■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; ■ assessing the level of insurance premiums.
Creditors and claims	<ul style="list-style-type: none"> ■ updating the list of unsecured creditors; ■ responding to enquiries from creditors regarding the administration and submission of their claims; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; ■ agreeing unsecured claims; ■ drafting our progress report.

Committees	■ dealing with the formation of the Creditor's Committee, arranging and chairing meetings of the Creditors' Committee and providing regular reports.
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Time costs

Our time costs for the period covered by this report are as follows:

SIP 9 –Time costs analysis

SIP 9 –Time costs analysis (28/05/2019 to 27/11/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	12.50	4,199.00	335.92
Reconciliations (& IPS accounting reviews)	3.30	1,023.00	310.00
General			
Fees and WIP	1.70	476.00	280.00
Mail redirection	4.30	967.50	225.00
Statutory and compliance			
Checklist & reviews	0.30	93.00	310.00
Extension related formalities	11.00	2,475.00	225.00
Strategy documents	16.85	7,204.50	427.57
Tax			
Post appointment corporation tax	2.40	1,126.50	469.38
Post appointment VAT	35.70	11,732.00	328.63
Creditors			
Committees			
Formation	3.00	675.00	225.00
Meetings	14.80	4,771.00	322.36
Reports	19.60	10,179.50	519.36
Creditors and claims			
Agreement of unsecured claims	14.20	5,089.50	358.42
General correspondence	11.25	3,143.75	279.44
Pre-appointment VAT / PAYE / CT	4.90	1,102.50	225.00
Statutory reports	28.90	9,045.00	312.98
Realisation of assets			
Asset Realisation			
Debtors	643.60	215,712.50	335.17
Other assets	0.60	135.00	225.00

SIP 9 –Time costs analysis (28/05/2019 to 27/11/2019)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
Stock and WIP	1.50	337 50	225.00
Total in period	831.00	279,487.75	336.33
Brought forward time (appointment date to SIP 9 period start date)	1,829 10	711,189 50	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	831 00	279,487 75	
Carry forward time (appointment date to SIP 9 period end date)	2,660.10	990,677.25	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

Appendix 6 Glossary

Company	Spark Energy Supply Limited - in Administration
DCA	Debt collection agency
Ended Debts	Debts which relate to customers who left Spark Energy Supply Limited prior to the Supplier of Last Resort Process
Joint Administrators/we/our/us	Alistair McAlinden and Blair Nimmo
KPMG	KPMG LLP
Proposals	The Joint Administrators' Proposals document dated 18 January 2019
Live Ended Debts	Debts which relate to customers who continued to be customers of Spark Energy Limited after the Supplier of Last Resort Process
Ovo	Ovo Energy Limited and its subsidiaries
Shepherd and Wedderburn	Shepherd and Wedderburn LLP
SEL	Spark Energy Limited
SESL	Spark Energy Supply Limited – in Administration
SOLR	Supplier of Last Resort Process

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Appendix 7 Notice: About this report

This report has been prepared by Alistair McAlinden and Blair Carnegie Nimmo, the Joint Administrators of Spark Energy Supply Limited – in Administration (the 'Company'), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Alistair McAlinden and Blair Carnegie Nimmo are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

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