

AM10

Notice of administrator's progress report



Companies House

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

1 Company details

Company number	0	6	9	9	3	0	6	0
Company name in full	Gnergy Limited							

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

2 Administrator's name

Full forename(s)	Nicholas Andrew
Surname	Stratten

3 Administrator's address

Building name/number	Third Floor
Street	112 Clerkenwell Road
Post town	London
County/Region	
Postcode	E C 1 M 5 S A
Country	

4 Administrator's name ①

Full forename(s)	Hasib
Surname	Howlader

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

5 Administrator's address ②

Building name/number	Third Floor
Street	112 Clerkenwell Road
Post town	London
County/Region	
Postcode	E C 1 M 5 S A
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 7	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0	
To date	^d 2	^d 6	^m 0	^m 9	^y 2	^y 0	^y 2	^y 0	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X  X								
Signature date	^d 2	^d 2	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0	

**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 **Katie Baldwin**

Company name **Hudson Weir Limited**

Address **Third Floor**

112 Clerkenwell Road

Post town **London**

County/Region

Postcode **E C 1 M 5 S A**

Country

DX

Telephone **0207 099 6086**

**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

In the High Court of Justice Reference No. 002036

**Gnergy Limited
(In Administration)**

The Joint Administrators' Progress Report to 26 September 2020

Nicholas Andrew Stratten

Hasib Howlader

Hudson Weir Limited

Third Floor, 112 Clerkenwell Road, London, EC1M 5SA

02070996086

info@hudsonweir.co.uk

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Nicholas Andrew Stratten and Hasib Howlader were appointed Joint Administrators of Gnergy Limited on 27 March 2020. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

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1. EXECUTIVE SUMMARY

This report describes the progress since the commencement of the Administration ("the Review Period").

A summary of key information in this report is detailed below.

Asset realisations

Asset	Estimated to realise per Statement of Affairs (£)	Realisations to date (£)	Anticipated future realisations (£)	Total anticipated realisations (£)
Book Debts	800,000	958,793	200,000	1,166,395
Cash at Bank	139,212	135,496	Nil	135,496
Furniture and Equipment	3,000	Nil	2,500	2,500
Pre-Appointment Solicitors Client Account	-	1,941	Nil	1,941
Sundry Refunds	-	5,730	Nil	5,730
VAT Refund	20,000	25,752	Nil	25,752
Bad Debt Relief Claim	-	Nil	40,000	40,000

Expenses

Expense	Estimated Proposal's Expenses per Estimate (£)	Expense paid to date (£)	Anticipated further expense to closure (£)	Total anticipated expense (£)
Pre-Administration Legal Fees	26,403	26,403	Nil	26,403
Pre-Appointment Administration Fees	19,463	19,463	Nil	19,463
Joint Administrators' Remuneration	123,231	123,231	50,000	173,231
Legal Fees and Disbursements	10,000	8,230	1,770	10,000
Agent's and Valuers	500	Nil	500	500
Debt Collection Agency	98,344	Nil	100,000	100,000
ERA Specialists	15,000	3,260	11,740	15,000
Accounting Fees	1,000	330	4,000	4,330
Statutory Advertising	250	Nil	250	250
Bonding	465	930	Nil	930
Document Storage	500	723	1,000	1,723
Insurance	500	Nil	1,000	1,000
Stationery and Postage	-	1,496	500	1,996
Travel Costs	-	89	Nil	89
Reapportionment to Bulb	-	Nil	156,287	156,287
Staff Costs	-	48,929	Nil	48,929
PAYE and NI	-	12,271	Nil	12,271
Website Hosts	-	1,000	Nil	1,000
IT Support Costs	-	47,914	Uncertain	Uncertain

Rents Payable	-	6,200	Nil	6,200
Prepayments	-	201	Nil	201
Customer Refunds	-	550	Uncertain	Uncertain
Direct Debit Transactional Costs	-	-7,604	Uncertain	Uncertain

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Secured creditor	Nil	97p in the £
Preferential creditors	Nil	100p in the £
Unsecured creditors under the Prescribed Part	Nil	3p in the £

1.1. Summary of key issues outstanding

- Continuing to liaise with Credit Style Limited and the former customers in respect of the book debt collection
 - Finalise investigations, including a potential antecedent transaction recovery
 - Submission of a Bad Debt Relief Claim with the assistance of Craufurd Hale
 - Follow up with the purchaser regarding the sale of the furniture and equipment
 - Finalise the position with Gocardless in respect of chargebacks and any further funds due to the Company from Gocardless
 - Liaise with Bulb regarding the reapportionment
 - Distribution to preferential creditors
 - Distribution to floating charge creditor
 - Distribution to unsecured creditors
-

1. THE PROGRESS OF THE ADMINISTRATION

Please note that this report should be read in conjunction with the Joint Administrators' Proposal ("the Proposal")

Transition of Customer Contracts to Bulb

As detailed in the Proposal, the Company ceased to trade on 21 March 2020 and Ofgem, the energy regulator, appointed Bulb as the new supplier for its customers.

Immediately following the appointment of the Joint Administrators, the Company's 21 employees were advised of the Joint Administrators' appointment and of the continuation of employment on the same terms and conditions as it has done previously to assist with the transition of the contracts from Gnergy to Bulb.

14 of the employees were dismissed on 10 April 2020, 5 employees were dismissed on 29 May 2020.

Liabilities totalling £48,929 have been incurred and paid in respect of staff costs and £12,271 in respect of PAYE and NI. The post appointment pension contributions total £2,391 and are in the process of being paid to Legal and General.

As part of the migration to Bulb, further costs were incurred and paid in respect of website hosts, IT support costs and rents. Details can be found in the Receipts and Payments Account at Appendix II.

The migration to Bulb was completed on June 2020 and the two remaining employees were dismissed on 3 July 2020.

Live Book Debt Ledger and Final Billing Process

As detailed in the Proposal, £1,494,093 of the Company's book debt ledger was in respect of the live customers. Following initial discussions between the Joint Administrators and Bulb, it was perceived by the Joint Administrators that the customer journey for transition of live clients from Gnergy to Bulb would be smoother transition, should Bulb acquire live debtor ledger as customers would have a unified billing process. As such Joint Administrators afforded Bulb a two-week period in which to assess the value of the ledger.

On 8 April 2020, Bulb verbally offered to pay 5% to buy the live ledger, which they have calculated to be c£36k on their calculations and information that they have received. This offer was significantly lower than Joint Administrators anticipated.

On 9 April 2020, Bulb revised their verbal offer to 25% of the live (active customer) debt book value. This offer was also rejected as the Company believes that 70% to 85% of the current live debt book value is collectable and has a method of calculation for the final bill for the customers to provide to Ofgem.

The Joint Administrators were in ongoing discussions with Ofgem as to how the final billing process can be undertaken and regarding direct debit collection and other collection methods whilst minimising the potential hardship to clients and still working within the constraints of the Administration, that being in the interest of the creditors as a whole.

The Joint Administrators gave an undertaking to Ofgem to not collect under the direct debit mandates for a period of 14 days from the billing date and also automatically extend the period over which the collections for clients with bills over £200 are made over two months

rather than one. That being one collection 14 days after billing and the second collection one month later with the final collection being anticipated in mid-June. During the two weeks between billing and direct debit collection, the clients were able to contact Gnergy to arrange deferral or payment.

The Joint Administrators issued the bills to active customers in May 2020 for the active customers.

GoCardless is a UK Online Direct Debit Provider and assisted with the book debt collection. A total of £874,542 was collected by GoCardless since the date of appointment.

An amount of £737,211 was received into the Administration Estate on 17 July 2020. The Joint Administrators are currently awaiting final invoices to finalise the position with GoCardless.

GoCardless are retaining funds of £93,227 which will be released, minus any chargeback claims, in January 2021.

Continued Book Debt Collection

Given that Credit Style Limited ("CSL") has previous industry experience, the Joint Administrators instructed CSL to assist with the book debt collection on a commission basis being 10% commission for debts under 30 days and 15% for debts over 30 days.

This process is ongoing, and an update will be provided in the next report to creditors.

Further details can be found below in section 2.3 and 2.4 below.

2.1 The Joint Administrators' receipts and payments account

Attached at Appendix II is a receipts and payments account for the Review Period.

The rest of this report describes the key developments in the Administration over the Review Period. For a detailed list of work undertaken by the Joint Administrators as a whole, see Appendix V.

In this section, we have summarised the main asset realisations during the Review Period and an estimation of those assets yet to be realised, together with details of the associated costs incurred but as yet remaining unpaid.

2.2 Administration (including statutory reporting)

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Informing all relevant persons of the commencement of the Administration, including filing statutory documents at Companies House and meeting statutory advertising requirements;
 - Issuing the Joint Administrators' Proposals, seeking relevant creditors' approvals and issuing notice of the outcome;
-

- Drafting and issuing the progress report to creditors;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements; and,
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

2.3 Realisation of assets

Book Debts

On the Joint Administrators' appointment, the value of the Company's book debt ledger was £2,582,662. The estimated to realise value was £800,000 as shown on the Director's Statement of Affairs.

Credit Style Limited ("CSL") were instructed to assist with the book debt collection as they have previous industry experience.

To date, amounts totalling £958,793 have been received.

It is estimated that a further £200,000 will be received as detailed below. An update will be provided in the next progress report to creditors.

Cash at Bank

As detailed in the Proposal, the cash held with Barclays Bank plc, the Company's pre-appointment bank, was £139,212. An amount of £136,221 was received into the Administration Estate shortly after the appointment from Barclays.

Bank statements were subsequently received, and funds were reallocated to book debts. Therefore, the total cash at bank was £135,495. No further funds are due from Barclays Bank plc.

Pre-Appointment Solicitor's Client Account

An amount of £1,941 was received from Moorcrofts LLP, the Company pre-appointment solicitors. No further realisations are anticipated from this source.

Sundry Refund

An amount of £5,730 was received from Smart DCC Ltd in respect of an overpayment. No further realisations are anticipated from this source.

VAT Refund

As detailed in the Proposal and the Director's Statement of Affairs, the Company's VAT receivable position had a book value of £67,286.42 and an estimated to realise value of £20,000.

An amount of £25,752 was received into the Administration Estate on 21 May 2020. No further realisations are expected.

2.4 Estimated future realisations

Book Debts

As detailed above, it is anticipated that a further £200,000 will be received in respect of book debts.

Gocardless are retaining £93,227 which will be released, minus any chargeback claims, in January 2021.

Furniture and Equipment

According to the Director's Statement of Affairs, the Company's furniture and equipment had a book value of £32,982 and an estimated to realise value of £3,000.

The Joint Administrators instructed Axia Valuation Services ("the Agents"), who are professional independent agents with adequate professional indemnity insurance, to dispose of the Company's assets using the most advantageous method available.

Gnergy Medicare Ltd ("the Purchaser") expressed an interest in purchasing the Company's furniture and equipment. The purchaser is connected with the Company because both companies have the same director, Tikendra Dewan.

Therefore, the Purchaser was invited to contact the Agents direct to progress its interest. The Agents weighed up the advantages of a swift sale, which would avoid the ongoing costs of storing and marketing the assets, against the potential of attracting a better offer albeit that this would involve incurring more costs. The Agents concluded that the Purchaser's offer was very likely to represent the best net realisation for the assets and they recommended to the Joint Administrators that the offer be accepted.

Consequently, the Company's furniture and equipment was sold to the Purchaser on 12 June 2020 for £2,500 plus VAT. No funds have been received as yet and the Agents are currently liaising with the Purchaser regarding the outstanding balance and an update will be provided in the next report to creditors.

Bad Debt Relief Claim

The Joint Administrators are seeking to submit a VAT Bad Debt Relief Claim in the amount of c£40,000 in respect of book debt write offs totalling c£1,000,000 and are currently liaising with the Company's former accountants in this respect.

An update will be provided in the next report to creditors.

During the Review Period time costs of £60,211 have been spent on the realisation of assets detailed above, representing 157 hours at an average hourly rate of £382 per hour.

It is noted that this time incurred is mostly in respect of the book debt recovery and is a direct benefit to creditors.

2. CREDITORS: CLAIMS AND DISTRIBUTIONS

2.1. Secured creditors

The Company granted a fixed and floating charge to Contract Natural Gas Limited ("CNG") on 26 June 2019, who was owed £413,496 on appointment according to the Director's Statement of Affairs. A claim of £651,295 has been received during the Administration.

During the Review Period, the Joint Administrators' legal advisors, Charles Russell Speechlys LLP, have confirmed the validity of the charge and a first distribution will be made under its floating charge within the next month.

It is not anticipated that the secured creditor will be paid in full.

2.2. Preferential creditors

Preferential claims relating to unpaid holiday pay and wage arrears were estimated at £18,285 in the Director's Estimated Statement of Affairs.

During the Review Period, the Joint Administrators' agent's Evolve IS have calculated the preferential claims to be £16,094. A Notice of Intended Dividend was issued and the last date for the preferential creditors to prove is 22 October 2020. It is anticipated that a dividend of 100p in the £ will be paid to preferential creditors shortly thereafter.

Separately, the Joint Administrators been liaising with the Company's pension advisors, Legal and General, in respect of the pre-appointment pension contributions. An update will be provided in the next report to creditors.

2.3. Unsecured creditors

Unsecured claims were estimated at £4,138,216 in the Director's Estimated Statement of Affairs.

The Joint Administrators have received claims totalling £999,276 to date.

Where a floating charge is created after 15 September 2003 a prescribed part of the company's net property shall be made available to unsecured creditors.

The Company granted a fixed and floating charge to CNG on 26 June 2020 and based on present information it is estimated that, after allowing for costs and preferential claims, the value of the Company's net property is estimated to be approximately £783,989 and this means that the prescribed part should be £149,798.

Therefore, a dividend to unsecured creditors from the prescribed part is expected, however, the timing and confirmed quantum of the dividend is currently uncertain and is dependent on the final recovery of the book debts.

2.4. Claims process

Due to the possible distribution to unsecured creditors, you are requested to submit claims to the address on the front of this report, marked for the attention of Katie Baldwin.

A Proof of Debt form is attached at Appendix VI.

3. INVESTIGATIONS

3.1. Investigations

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Directors within the last three years was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 11 June 2020.

4.2. Initial Assessment of Potential Recoveries

As part of our duties as Joint Administrators, we are obliged to review shortly after appointment all the information available to us and conduct an initial assessment of whether there are any matters which may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This initial assessment revealed matters that the Joint Administrators considered merited further investigation. The matters being investigated cannot be disclosed as this could prejudice any action being considered by the Joint Administrators.

During the Review Period time costs of £10,533 have been spent on the investigations detailed above, representing 27 hours at an average hourly rate of £387 per hour.

Although this work has not generate any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

4. ETHICS

Please also be advised that Joint Administrator is bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

General ethical considerations

Prior to the Joint Administrator's appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment over the Review Period.

Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Administrator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.

5. THE JOINT ADMINISTRATORS' FEES AND EXPENSES

5.1. Pre-Administration Costs

Included within the Joint Administrators' Proposals was a Statement of Pre-Administration Costs.

These costs were approved as detailed below:

Party instructed	Amount approved (£)	Date approved
Hudson Weir Limited	19,463	28 May 2020
Charles Russell Speechlys LLP	26,403	28 May 2020
TOTAL APPROVED	£45,866	

These costs have been paid as shown on the Receipts and Payments Account at Appendix II.

5.2. The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 28 May 2020 by the secured and preferential creditors as follows:

That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.

A breakdown of the time costs incurred during the Review Period and for the Administration as a whole is provided at Appendix III and further information regarding the charge-out rates of the Joint Administrators and their staff is provided at Appendix IV.

The time costs for the period from 27 March 2020 to 26 September 2020 total £142,635, representing 412 hours at an average hourly rate of £346.

The sum of £123,231 has been drawn on account of time costs incurred.

"A Creditors' Guide to Administrators' Remuneration" is available for download at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

5.3. Comparison of estimates

The Joint Administrators' time costs incurred to date are compared with the original fees estimate as follows:

	Original fees estimate			Actual time costs incurred during the Review Period		
Work category	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	96	316	30,259	124	387	39,717
Case Specific Matters	21	402	8,445	20	395	7,736
Creditors and Distributions	70	295	20,675	84	291	24,439
Investigations	31	336	10,564	27	387	10,533
Realisation of assets	149	359	53,634	157	382	60,211
Total	368	335	123,231	412	346	142,635

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Actual expenses paid in the Review Period £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Legal costs	10,000	8,230	In line with estimate
Agents' and valuers' costs	500	-	The costs will be deducted from the sale of the furniture and equipment
Debt collection agency	98,344	-	The Joint Administrators are awaiting invoices to settle amounts due
ERA specialists	15,000	3,260	In line with estimate
Accounting fees	1,000	330	It is anticipated that a further c£4,000 will be incurred which is 10% on the recovery of the bad debt relief claim
Advertising	250	-	The Joint Administrators are awaiting an invoice for this to be paid.
Bonding	465	930	The bond was higher than originally anticipated.
Document Storage	500	723	There were a larger amount of company records than originally anticipated, it is estimated that further costs of c£1,000 will be incurred
Insurance	500	-	Not yet paid as have not received an invoice however it is anticipated that this will be c£1,000
Stationery and Postage	-	1,496	Not in original estimate
Travel Costs	-	89	Not in original estimate
IT Support Costs	-	47,914	Not in original estimate
PAYE and NI	-	12,271	Not in original estimate
Wages and Salaries	-	48,929	Not in original estimate
Rents Payable	-	6,200	Not in original estimate
Website Hosts	-	1,000	Not in original estimate

Expenses	Original expenses estimate £	Actual expenses paid in the Review Period £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Prepayments	-	201	Not in original estimate
Customer Refund	-	548	Not in original estimate
TOTAL	126,559	132,121	

Having regard for the costs that are likely to be incurred in bringing this Administration to a close, the Joint Administrators consider that:

- the original fees estimate has been exceeded; and
- the original expenses estimate has been exceeded for the reasons given above.

The main reasons why the fees estimate has been exceeded is due to significant time spent liaising with Credit Style Limited in respect of the book debts and time spent dealing with the former employees.

The Joint Administrators intend to seek the relevant creditors' approval to fees in addition to that previously estimated and those creditors will be invited to consider the Joint Administrators' proposal in this regard under separate cover.

Other professional costs

Solicitors

Charles Russell Speechlys LLP were instructed as legal advisors in relation to the validity of the charge and to assist the Administrator with any queries as and when they arose. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. The solicitors' fees for the period from appointment amount to £8,230 and they have been paid in full.

Agents and valuers

Axia Valuation Agents were instructed as agents and valuers in relation to the valuation and marketing of the Company's furniture and equipment. Their costs have been agreed on the basis of their standard sales commission rate plus disbursements and VAT. The agents' fees for the period from appointment amount to £500 and will be paid upon the realisation of the furniture and equipment.

Evolve IS were instructed to assist with employee matters generally and the payroll and to review and adjudicate upon the employee preferential and unsecured claims where a dividend is anticipated. Their costs have been agreed on the basis of a fixed fee per unit. The agents' fees from the date of appointment amount to £3,260 and they have been paid in full.

Accountants

Craufurd Hale were instructed as accountants in relation to the recovery of the VAT Bad Debt Relief Claim. Their costs have been agreed on a fixed fee basis of 10% of any recovery.

Debt collectors

Credit Style Limited have been retained as debt collectors. The fees have been agreed on a commission basis being 10% commission for debts under 30 days and 15% for debts over 30 days. No funds have been paid as yet but it is anticipated that the total costs will be £100,000.

5.4. Creditors' right to request information

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

5.5. Creditors' right to challenge fees and/or expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

6. COMPLAINTS

Every endeavour will be made to try to resolve any issues that may arise. However, if any matter is not dealt with to your satisfaction please refer to our Complaint Policy at: <https://www.hudsonweir.co.uk/provision-of-services-regulations/>.

Should you have any queries please do not hesitate to contact Nicholas Andrew Stratten on 020 7681 6086.

7. GDPR

The Hudson Weir Limited GDPR privacy policy can be viewed at www.hudsonweir.co.uk/privacy-policy

8. CONCLUSION

The Administration will continue in order to finalise the following outstanding matters:

- Continuing to liaise with Credit Style Limited and the former customers in respect of the book debt collection
 - Finalise investigations, including a potential antecedent transaction recovery
 - Submission of a Bad Debt Relief Claim with the assistance of Craufurd Hale
 - Follow up with the purchaser regarding the sale of the furniture and equipment
-

- Finalise the position with Gocardless in respect of chargebacks and any further funds due to the Company from Gocardless
- Liaise with Bulb regarding the reapportionment
- Distribution to preferential creditors
- Distribution to floating charge creditor
- Distribution to unsecured creditors

If you require any further information please contact Katie Baldwin.



Nicholas Andrew Stratten
Joint Administrator

Nicholas Andrew Stratten and Hasib Howlader were appointed Joint Administrators of Gnergy Limited on 27 March 2020. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

Gnergy Limited
(IN ADMINISTRATION)

STATUTORY INFORMATION

Company Name	Gnergy Limited
Previous Names	Lumen Energy Supply Limited
Proceedings	In Administration
Court	High Court of Justice
Court Reference	002036
Date of Appointment	27 March 2020
Joint Administrators	Nicholas Andrew Stratten Hasib Howlader Hudson Weir Limited Third Floor, 112 Clerkenwell Road, London, EC1M 5SA
Registered office address	c/o Hudson Weir Limited Third Floor, 112 Clerkenwell Road, London, EC1M 5SA
Company Number	06993060
Appointment by	Director

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency Rules 1986 or Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event)
The Joint Administrators	Nicholas Andrew Stratten and Hasib Howlader of Hudson Weir Limited
The Company	Gnergy Limited (in Administration)
The Court	High Court of Justice
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 27 March 2020 to 26 September 2020

Gnergy Limited
(IN ADMINISTRATION)

THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

Gnergy Limited (In Administration) Joint Administrators' Summary of Receipts & Payments			
Statement of Affairs		From 27/03/2020 To 26/09/2020	From 27/03/2020 To 26/09/2020
£		£	£
	ASSET REALISATIONS		
800,000.00	Book Debts	958,793.12	958,793.12
139,211.85	Cash at Bank	135,495.71	135,495.71
3,000.00	Furniture and Equipment	NIL	NIL
	Pre Appt Solicitors Client Account	1,941.00	1,941.00
	Sundry Refund	5,729.88	5,729.88
20,000.00	VAT Refund	25,751.74	25,751.74
		<u>1,127,711.45</u>	<u>1,127,711.45</u>
	COST OF REALISATIONS		
	Accountant	330.00	330.00
	Administrators' Remuneration	123,231.00	123,231.00
	Customer Refund	576.30	576.30
	Direct Debit Transactional Costs	(7,601.40)	(7,601.40)
	ERA Agent	3,260.00	3,260.00
	Insolvency Bond	930.00	930.00
	IT Support Costs	47,914.05	47,914.05
	Legal Disbursements	150.00	150.00
	Legal Fees	8,080.00	8,080.00
	PAYE and NI	12,271.11	12,271.11
	Pre Administration Legal Fees	26,402.50	26,402.50
	Pre-Appointment Administration Fees	19,463.00	19,463.00
	Prepayments	201.10	201.10
	Rents Payable	6,200.00	6,200.00
	Stationery and Postage	1,495.94	1,495.94
	Storage Costs	722.86	722.86
	Travel	89.10	89.10
	Wages and Salaries	48,929.09	48,929.09
	Website hosts	1,000.00	1,000.00
		<u>(293,644.65)</u>	<u>(293,644.65)</u>
	PREFERENTIAL CREDITORS		
(18,285.00)	Employees' Wage Arrears and Holiday	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(413,495.86)	Floating Charge Creditor	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(31,910.73)	Employees	NIL	NIL
(3,031,912.00)	Inter-Company Creditors	NIL	NIL
(1,074,393.24)	Trade Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<u>(3,607,785.98)</u>		<u>834,066.80</u>	<u>834,066.80</u>
	REPRESENTED BY		
	Current Account		831,130.30
	VAT Payable		(50,862.86)
	VAT Receivable		46,241.47
			<u>826,508.91</u>

Gnergy Limited
(IN ADMINISTRATION)

THE JOINT ADMINISTRATORS' TIME COSTS

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

GNER001 - Gnergy Limited

To: 26/09/2020

All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)
600 : Case reviews	0.00	3.60	0.10	0.00	3.70	1,318.50	356.35
602 : Statutory Filing and Advertising	0.00	3.70	2.10	0.10	5.90	1,962.50	332.63
603 : CT600, VAT426/VAT427	0.00	0.80	1.00	0.00	1.80	525.50	291.94
700 : IPS set up including bonding	0.00	0.10	0.80	0.00	0.90	237.50	263.89
701 : Strategy and Planning	9.60	24.90	14.00	1.26	49.77	17,702.62	355.72
702 : Bank account set up and reconciliations	0.00	0.00	1.00	0.00	1.00	235.00	235.00
703 : Case budgeting initial and revised	0.00	1.10	0.40	0.00	1.50	496.00	330.67
704 : Case Billing for Fees and Disbursements	0.00	0.00	0.50	0.00	0.50	112.50	225.00
705 : Dealings with directors and management	0.00	0.30	0.40	0.00	0.70	198.00	282.86
706 : Cashiering and accounting	0.00	4.40	16.00	8.10	28.50	6,156.50	216.02
707 : Financial review	0.00	1.70	0.30	0.00	2.00	679.50	339.75
Admin & Planning	9.60	40.60	36.60	9.46	96.27	29,624.12	307.74
750 : Case Specific Matters	5.30	13.20	1.10	0.00	19.60	7,736.00	394.69
Case Specific Matters	5.30	13.20	1.10	0.00	19.60	7,736.00	394.69
499 : Floating Charge	0.00	0.60	0.00	0.00	0.60	222.00	370.00
500 : Preferential Creditors	0.00	3.20	0.10	1.40	4.70	1,376.50	292.87
501 : Unsecured Creditors	0.00	5.60	19.10	1.00	25.70	6,536.00	254.32
502 : Employee Matters	3.20	21.20	25.10	0.20	49.70	15,358.50	309.02
802 : Creditor correspondence	0.00	1.10	2.30	0.00	3.40	945.50	278.09
Creditors and Distributions	3.20	31.70	46.60	2.60	84.10	24,438.50	290.59
201 : SIP 2 Enquiries and CDDA Reporting	0.00	12.20	0.60	0.40	13.20	4,799.00	363.56
202 : Pursuing Antecedent Transactions	0.00	0.30	0.00	0.00	0.30	108.00	360.00
204 : Reviewing Books and Records ex SIP2/CDDA	3.80	6.70	0.10	0.00	10.60	4,315.50	407.12
205 : Reporting to Creditors on Investigations	0.30	2.80	0.00	0.00	3.10	1,310.50	422.74
Investigations	4.10	22.00	0.70	0.40	27.20	10,533.00	387.24
300 : Identification, Securing & Insuring Assets	11.00	15.70	1.60	0.55	28.85	11,986.50	415.48
302 : Property	0.00	0.70	0.00	0.00	0.70	252.00	360.00
303 : Book Debts	14.30	53.70	20.40	3.80	92.20	32,440.50	351.85
304 : Plant & Machinery / Motor Vehicles	0.00	0.40	0.00	0.00	0.40	144.00	360.00
306 : Other Assets	22.40	7.80	5.00	0.05	35.25	15,388.00	436.54
Realisation of Assets	47.70	78.30	27.00	4.40	157.40	60,211.00	382.53
552 : Preparation of Proposals - Administration only	3.40	14.00	9.80	0.00	27.20	9,746.00	358.31
Reporting	3.40	14.00	9.80	0.00	27.20	9,746.00	358.31
402 : Cashiering for Trading	0.70	0.00	0.00	0.00	0.70	346.50	495.00
Trading	0.70	0.00	0.00	0.00	0.70	346.50	495.00
Total Hours	74.00	199.80	121.80	16.87	412.46	142,635.12	345.81
Total Fees Claimed						123,231.00	

Gnergy Limited
(IN ADMINISTRATION)

CHARGE-OUT RATES AND BASES OF CATEGORY 2 DISBURSEMENTS

Hudson Weir Limited
Fees and Disbursements Information

Charge-out rates from 1 May 2020

Grade	Charge-out rate (£ per hour, charged in 6 minute units)
Directors/Insolvency Practitioners	560
Senior Managers and Managers	360-415
Administrators	140-275
Secretaries & Support Staff	110
Rates are subject to an annual review when rates may be adjusted	

Agent's costs

These are charged at cost based upon the charge(s) made by the Agent instructed. The term "Agent" includes:

- 1 Solicitors/legal fees.
- 2 Auctioneers/valuers.
- 3 Accountants.
- 4 Quantity surveyors.
- 5 Estate agents.
1. Other specialist advisors

Storage costs

Charged at actual cost incurred for storage (and retrieval, when appropriate) of records.

Other disbursements

Category	Basis of charge
Category 1	
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Company searches	At cost incurred
Travel	At actual cost including train fare and all other public transport
Other	At actual cost charged

Hudson Weir Limited do not charge for Category 2 disbursements

Gnergy Limited
(IN ADMINISTRATION)

DETAILS OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS

General Description	Includes
Administration (including statutory reporting)	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending case files to storage
Creditor reports	Preparing proposal, six monthly progress reports, fee authority report to secured and preferential creditors (where appropriate), conversion to CVL (where appropriate) and final report Seeking extension via creditors (where appropriate) Reporting to secured creditor appointor Proposing further fee approval (where the fees estimate is not for the administration of the case to conclusion)
Creditors' decisions	Preparation of decision notices, proxies/voting forms Collate and examine proofs and proxies/votes to establish decisions Consider objections received and requests for physical meeting or other decision procedure (For virtual meeting) Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following decisions Issuing notice of result of decision process
Investigations	
SIP 2 Review	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with the Insolvency Service Submission of report to the Insolvency Service Preparation and submission of supplementary report (if required) Assisting the Insolvency Service with its investigations
Realisation of Assets	
Plant and machinery; office furniture and equipment	Liaising with valuers, auctioneers and interested parties Reviewing asset listings Liaising with secured creditors and landlords
Debtors and retentions	Collecting supporting documentation Correspondence with debtors Reviewing and assessing debtors' ledgers

APPENDIX V

General Description	Includes
	Receiving updates from factoring companies and liaising reassignment of ledger Liaising with debt collectors and solicitors Agreeing debt collection agency agreements Dealing with disputes, including communicating with directors/former staff Pursuing credit insurance claims Submitting VAT bad debt relief claims
Other assets: motor vehicles, intangibles, intellectual property, VAT/corporation tax refunds, Insurance claims	Liaising with agents to agree disposal strategy Dealing with potential purchasers Negotiating sales Liaising with solicitors to agree sales Collecting sales consideration Liaising with insurance companies and directors to pursue claims Examining company records to support tax refunds Exchanges with government departments
Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers
Creditors (claims and distribution)	
Creditor communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt ('POD')	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims
Distribution procedures	Agreeing allocation of realisations and costs between fixed and floating charges Paying distribution to secured creditors and seeking confirmation of discharged claims Preparation of correspondence to creditors advising of intention to declare distribution Advertisement of notice of intended distribution Preparation of distribution calculation Preparation of correspondence to creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Seeking unique tax reference from HMRC, submitting information on PAYE/NI deductions from employee distributions and paying over to HMRC Dealing with unclaimed dividends
Creditors' Committee	No fees estimate has been provided since this will not incur any costs unless a Committee is elected Holding an initial meeting of the Committee Reporting to committee members Seeking the committee's approval on case strategy Calling and holding meetings of the committee as required and the circumstances of the case dictate
Case Specific Matters	Assisting Bulb with the transfer of existing customer contracts
Total	

Gnergy Limited
(IN ADMINISTRATION)

PROOF OF DEBT

PROOF OF DEBT - GENERAL FORM

Gnergy Limited (in Administration)

Date of Administration: 27 March 2020

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	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 R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
11.	If you wish any dividend payment that may be made to be paid in to your bank account please provide BACS details. Please be aware that if you change accounts it will be your responsibility to provide new information	Account No.: Account Name: Sort code:
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		

APPENDIX VI

Date	
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor	
Are you the sole member of the Creditor?	YES / NO
