

LIQ03

Notice of progress report in voluntary winding up



Companies House

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1 Company details

Company number 0 7 5 1 3 3 1 9

Company name in full Economy Energy Trading Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Jon L

Surname Roden

3 Liquidator's address

Building name/number Colmore Building

Street Colmore Circus

Post town Birmingham

County/Region

Postcode B 4 6 A T

Country

4 Liquidator's name ①

Full forename(s) Stuart

Surname Preston

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Level 8

Street 110 Queen Street

Post town Glasgow

County/Region

Postcode G 1 3 B X

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 1	^d 3	^m 0	^m 1	^y 2	^y 0	^y 2	^y 0
To date	^d 1	^d 2	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d 0	^d 9	^m 0	^m 3	^y 2	^y 0	^y 2	^y 1
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**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 **Aamirah M Patel**

Company name **Grant Thornton UK LLP**

Address **4 Hardman Square**

Spinningfields

Post town **Manchester**

County/Region

Postcode **M 3 3 E B**

Country

DX

Telephone **0161 953 6900**

**Checklist**

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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 the form.

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DX 33050 Cardiff.

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Our ref: JLR/BLA/RJJ/LKG/113632-102//7/cv11403
Your ref:

To the creditors and members

UK Recovery

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

T +44 (0)161 953 6900
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9 March 2021

Dear Sir / Madam

Economy Energy Trading Limited - In Liquidation (the Company or Economy Energy)

1 Introduction

- 1.1 Eddie Williams, Stuart Preston and I were appointed joint administrators of the Company on 14 January 2019. Following the filing of form AM22 – Notice of move from Administration to Creditors' Voluntary Liquidation (CVL or liquidation) with the Registrar of Companies, we were subsequently appointed joint liquidators of the Company on 13 January 2020.
- 1.2 In accordance with section 104A of the Insolvency Act 1986 we now report on the progress of the liquidation for the year ended 12 January 2021 and attach:
 - Appendix A, an account of our receipts and payments for the year ended 12 January 2021.
 - Appendix B, Statement of Insolvency Practice 9 disclosure.
 - A decision of the creditors is being sought within this report. Please see section 5 and Appendix C for further details.
- 1.3 Eddie Williams has left Grant Thornton UK LLP and as a result was removed as joint liquidator of the Company via a Block Transfer Order on 26 November 2020.
- 1.4 Stuart Preston and I will remain as joint liquidators and we are authorised in the UK to act as Insolvency Practitioners by The Insolvency Practitioners Association. We are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

2 Statutory information

- 2.1 The Company's registered number is 07513319

3 Progress report

Realisation of assets

- 3.1 No Statement of Affairs (SOA) has been prepared for the liquidation. For details of the SOA submitted in the administration and for information on prior periods, please refer to previous reports to creditors which are available on the creditors' portal at www.grantthornton.co.uk/portal.
- 3.2 A surplus of £12,387,200 was transferred from the administration to the liquidation estate, together with £507,963 of VAT receivable. This is disclosed in our Receipts and Payments account (R&P) at Appendix A.
- 3.3 The final balances transferred to the liquidation estate differ to the R&P circulated with our final progress report in administration, which covered the period up to 31 December 2019. The total difference is £116,386 and this has arisen due to additional receipts and payments in the period from 1 January 2020 to 13 January 2020, at which point the administration converted to liquidation. A breakdown of this difference is included in the table below:

R&P reconciliation

Period 1 January 2020 - 13 January 2020	£
Receipts	
Customer debtors	190,884
Unallocated customer receipts	274
Bank interest	19,241
Miscellaneous receipts	2,771
Total receipts	213,170
Payments	
Rents	7,485
IT consultancy costs	6,318
Merchant services charges	2,290
IT infrastructure costs	4,638
Outsourcing costs	75,990
Bank charges	62
Total payments	96,784
Net receipts/(payments)	116,386
Made up as follows	
Cash balance in post-appointment bank accounts	99,073
VAT on purchases	17,314
Total	116,386

- 3.4 For further details of the asset realisations during the administration, please refer to our last report to creditors.
- 3.5 In the liquidation, we have continued to pursue the outstanding assets as follows:

Customer debtors

- 3.6 As outlined in previous reports to creditors, the primary asset of the Company (other than cash at bank), is the debtor book.

3.7 The table below shows total debtor collections to date:

Debt collections as at 12 January 2021

	£m
Crystallised debtor balance	15.7
Total collections during the administration	(3.6)
Collections during the liquidation to 12 January 2021	(0.5)
Debts not pursued	(4.0)
Outstanding debtors as at 12 January 2021	7.5

Crystallised debtor balance

- 3.8 On 7 May 2020, we concluded the final billing process for customer accounts which crystallised the customer debtor book at £15.7million.
- 3.9 The final debtor balance was lower than the directors' estimate in the SOA. A large proportion of the SOA balance was made up of unbilled estimates where final bills were yet to be generated and therefore energy consumption had to be estimated.
- 3.10 As outlined in our previous reports, the Company historically experienced extensive challenges with its billing system. The joint administrators and subsequent joint liquidators focused their strategy on reconciling customer accounts as accurately as possible which involved a large amount of investigation, analysis of changing data and validation of information.
- 3.11 In the later stages of the billing process, a significant amount of manual work was required. This was to ensure final billing could be completed irrespective of complexities or missing data beyond the capability of the billing system.
- 3.12 SR Outsourcing Limited (SRO) is an outsourcing company set up by a former employee of the Company and employed a team of former call centre agents who had previously been employed by the Company.
- 3.13 SRO was engaged to assist the joint liquidators with the completion of the final billing process. SRO had extensive knowledge of the Company systems and processes and experience in reconciling customer accounts and producing final bills.
- 3.14 The joint administrators and subsequent joint liquidators worked closely with SRO to monitor final billing activity and ensure the process continued to be beneficial to the creditors as a whole, with a key element to finalising bills being to crystallise the final debtor position and to finalise customer credit balances, where applicable.
- 3.15 Despite the challenges faced, the final billing process was completed in May 2020. In line with the conclusion of customer billing, the contract with SRO ended on 7 May 2020.
- 3.16 Customers were given notice of the closure several weeks beforehand in email correspondence and a notice on the Company's website to give sufficient time for customers to raise and resolve any final account queries.
- 3.17 There were instances where final billing was not possible for some customer accounts as a result of missing account data or when adhering to Ofgem back billing rules.
- 3.18 OVO Energy (OVO), as the Supplier of Last Resort (SoLR), has been provided with details of all customers where a credit bill was produced to enable them to process these refunds.
- 3.19 In order to complete the final billing process, a certain level of IT infrastructure such as accounting systems, emails, customer databases and website maintenance was required by SRO. On completion of the final billing process, the remaining IT infrastructure was shutdown representing a saving of c£40,000 in costs each month to the liquidation estate. We have taken certain information back-ups where required to support ongoing progress with the case.
- 3.20 Further details of the joint administrators billing strategy can be found in our previous reports.

Debt collections

- 3.21 As discussed in detail in our earlier reports, debtor collections were split between three parties. This approach represented a potential saving of c£1million when compared to continuing to collect debts utilising the Company's staff and full infrastructure under the management of the joint administrators and subsequent joint liquidators.
- 3.22 Further details on the parties are provided in our previous reports, however a brief description has been provided below.

SRO

- 3.23 As discussed above, SRO was engaged to assist with the final billing process. SRO was also engaged to provide debt collection services and to assist customers with any queries on their final bills.
- 3.24 SRO continued the communications strategy devised by the joint administrators and subsequent joint liquidators (T0-T3). This strategy is summarised in full below:
- T0 – Initial contact with the customers to provide a brief update on the administration.
 - T1 – Second communication to customers providing their final bill. This communication had to be staggered to avoid volumes of customer calls and queries in excess of capacity to deal with them.
 - T2 – Chaser to debt customers approximately seven days after they received a T1 communication if the customer had not made contact regarding their bill or paid the outstanding balance.
 - T3 – Final chaser to customers encouraging payment or query before their account is passed to a third-party debt collection agent.
 - T4-T6 – Communication sent by Allied International Credit (AIC) – see AIC section below.
 - T6 – Communication sent by Shakespeare Martineau LLP (SHMA) and potential legal action taken – see SHMA section below.
- 3.25 The joint administrators and subsequent joint liquidators and their teams had weekly calls and regular meetings with SRO to discuss progress and monitor billing and collections.

AIC

- 3.26 AIC is a third party debt collection agency who we engaged in August 2019 to collect customer debts from T4 of the communication journey. It was therefore after four communications attempting to gain payment of the debt owed to the Company that a third party collection agency was engaged.
- 3.27 We worked closely with AIC to ensure that the collection process maximised collections whilst enabling AIC to work with SRO to resolve any queries that customers had on their bills.
- 3.28 Our contract with AIC ended shortly after the closure of SRO. The joint liquidators have retained AIC to oversee the collection of any customer debts where the customer set up a payment plan with them. This was agreed to avoid any disruption to the customer and maximise collections from these payment plans.
- 3.29 AIC continue to remit collections to the liquidation bank account on a regular basis and they are paid a 12% commission on collections.

SHMA

- 3.30 SHMA is a law firm with an established debt collection team.
- 3.31 The joint liquidators engaged SHMA in February 2020 to chase all outstanding debtors following the closure of SRO and the end of our contract with AIC.
- 3.32 During the liquidation, we instructed SHMA on 12,899 accounts with a combined debt balance of £7.8million.

- 3.33 All remaining customers have now received at least one letter before legal action and SHMA has attempted to contact these customers by phone, letter or email. This work is in addition to the previous efforts carried out by the joint liquidators, SRO and AIC to contact customers with a debt balance.
- 3.34 We have not commenced formal litigation action on any customer accounts, however we are currently working with SHMA to review this process. We are considering the respective costs of doing so against the possible debt collection levels and accuracy of available information in each instance.
- 3.35 The joint liquidators are working closely with SHMA to monitor debt collections and assist with customer queries to ensure that the process maximises debtor collections and continues to be beneficial for creditors.

Collections

- 3.36 During the year, debtor collections totalled £526,990 and collection activity is ongoing. Cumulative customer debtors collected at the end of the year, including those in administration are £4,164,267.
- 3.37 In addition to debts pursued by SHMA and the ongoing payment plan collections by AIC, the joint liquidators receive direct transfers and standing order payments into the liquidation bank account that have contributed to the overall debtor collections. On average, the monthly collection rate for the direct transfers or standing orders is approximately £1,500.
- 3.38 The joint liquidators monitor the liquidation bank account closely and in instances where customers may have overpaid their standing order, we are calculating the value of the overpayment and making arrangements for these funds to be repaid to the customers.
- 3.39 Overpayments by standing order are estimated at £3,257 as at the period end and will have a minimal impact on the total debt collection balance presented above once they are returned to customers.

Debts not pursued

- 3.40 The joint liquidators are mindful that a large proportion of the remaining debtors are considerably aged (at least two years old or more). In some instances, adjustments were required to debt balances to ensure we adhered to Ofgem back billing rules and in other instances, the quality of information for certain accounts has been poor such that it has been challenging to recover these debts. An example of poor quality data relates to customer contact details or where the customer has vacated the supply address and trace searches have been returned without a match.
- 3.41 The joint liquidators have therefore made the decision not to pursue these debts as the costs associated with attempting to collect would far outweigh the overall benefit to the creditors, or in some cases it is not possible to pursue these debts.
- 3.42 As shown in the table above, to date the joint administrators and subsequent joint liquidators are not pursuing £4million of the overall crystallised debtor balance.

Future debt collections

- 3.43 Overall, the debt collection process remains profitable and beneficial to the creditors as a whole.
- 3.44 The current run rate of collections is approximately £25,000 per month against a cost of collections run rate of approximately £2,000 per month.
- 3.45 We anticipate that debtor collections will continue for the foreseeable future. As the most significant asset in the estate, it is necessary for the joint liquidators to invest the time and resources to provide the best possible opportunity to maximise realisations.
- 3.46 We will provide an update on debtor collections and timeframes for ongoing collections in our next report to creditors.

Unallocated customer receipts

- 3.47 Unallocated customer receipts relate to customers who have made a payment into the administration or liquidation bank account, but no reference has been provided to allocate to an individual's Economy Energy account.
- 3.48 Receipts in the liquidation totalled £1,491, bringing the overall total including receipts received in the administration to £3,407. These amounts will be returned to the individuals bank account using the bank details from the direct receipt.

Bank interest

- 3.49 Bank interest of £17,935 has been realised during the year. This brings the cumulative total at the year end, including the interest received in the administration, to £85,849. The interest realised during the administration is included in the surplus transferred from administration in the R&P at Appendix A.

MRA Service Company Limited (MRASCo) refund

- 3.50 We have realised £7,823 during the year from MRASCo, which administers the Master Registration Agreement (MRA) between all MRA parties and undertakes development activities under the scope of the MRA.
- 3.51 MRA is an industry-wide agreement that provides a governance mechanism to manage the processes between electricity suppliers and distribution companies. The Company was a former MRA member and we understand that they would be required to contribute to MRASCo's annual budget.
- 3.52 The amount realised in the liquidation is the surplus returned to the Company for the year ended 31 March 2019.
- 3.53 There are no further realisations expected from MRASCo.

Future asset realisations

- 3.54 In addition to the ongoing debtor collections, there is c£90,000 held in the Company's pre-appointment HSBC Bank Plc (HSBC or the Bank) account that was left to cover potential direct debit indemnity (DDI) exposure.
- 3.55 We are currently working with HSBC to understand the current levels of DDI claims. The joint liquidators will continue to monitor the position and discuss potential options with the Bank to limit HSBC's exposure to future DDI claims whilst working towards closure of the bank account.
- 3.56 There may therefore be further sums to be realised into the estate, however the total balance is currently unknown. We will provide an update on the position in our next report to creditors.
- 3.57 This HSBC account is also being used to collect a very small number of customer debtors by standing order, approximately £1,500 per month. Due to the very low level of receipts, we still consider it appropriate to work towards account closure to realise the funds held in the account as soon as possible.

Other matters**VAT position/Tax**

- 3.58 The tax affairs of the Company are still to be finalised in the liquidation, primarily in relation to VAT. As outlined in earlier reports to creditors, the VAT position is complex in that a significant number of credits have been issued on customer accounts post appointment as a result of consumption adjustments.
- 3.59 To the extent that these adjustments represent a credit for VAT purposes, an adjustment to the VAT position of the Company may be required, potentially post appointment. We are working closely with VAT specialists to conclude this matter.

Customers

- 3.60 The joint liquidators continue to receive a significant volume of calls, emails, letters and website enquiries, not only from customers with an outstanding debt balance, but also from those expecting credit balance refunds from OVO.
- 3.61 The joint liquidators and their team are working hard to ensure all queries are dealt with and a significant amount of time and resource is spent investigating accounts where possible and responding to customers. Any customers with outstanding credit balances should contact OVO in the first instance.

4 Creditors and dividend prospects

Secured creditor

- 4.1 The Company had granted a debenture dated 15 June 2015, including fixed and floating charges over all assets, in favour of HSBC. According to the Company's books and records, HSBC had no indebtedness at the date of appointment.
- 4.2 Squire Patton Boggs LLP provided advice on the validity of this security and confirmed that the security was valid.
- 4.3 HSBC has continued to honour DDI claims from customers during the liquidation period, as mentioned above. As a result of HSBC's floating charge over the assets of the Company, these payments are treated as a floating charge distribution. A distribution of £576,717 was made during the administration and is included in the surplus from administration shown in the R&P at Appendix A.
- 4.4 We are currently working with HSBC to quantify DDI claims made during the liquidation. We will provide an update on the position in our next report to creditors.

Preferential creditors

- 4.5 Preferential creditor claims consist of employee claims for wages and holiday pay, up to certain statutory limits and employee contributions to occupational pension schemes. A significant element of these claims have been subrogated to the Secretary of State, following part-payment of these claims by the Redundancy Payments Service (RPS).
- 4.6 During the period, we have agreed preferential creditor claims totalling £13,246 and these claims were settled in full on 2 October 2020.

Unsecured creditors

- 4.7 To date, we have received unsecured claims totalling £67.1million and we have commenced our detailed adjudication of these claims. This is prior to a notice of intended dividend being issued and is therefore subject to change. This compares to a total estimate for non-preferential unsecured creditors of £67.3 million shown in the directors' SOA.
- 4.8 We expect there to be sufficient funds to enable a distribution to the unsecured creditors although the quantum and timing of a distribution is uncertain. It may be that an interim dividend will be possible in the next six months, but the timeline will be driven by the following:

Level of adjudication work:

- We currently anticipate that there will be a high level of adjudication work required for three significant and very complex claims in the liquidation with a potential value in excess of £60million. These claims are partially reflected in the value of unsecured claims received to date, but we are awaiting final claims from at least one of these creditors.
- The claims are based on complex areas of insolvency and energy laws and as such, have required significant input from Squire Patton Boggs LLP and leading Counsel.

- The process also involves significant engagement with these creditors to establish the level and legal merits of their claims and is likely to require significant and ongoing engagement with the creditors and/or could involve an application for court directions.
- This work is necessary to ensure creditor claims are accurate as they will have a significant impact on the potential dividend for all unsecured creditors and is above what would be expected of a typical unsecured creditor adjudication process.
- These matters continue to be progressed and an update will be shared in the next report to creditors.

Debt collection activity:

- Debt collection activity is ongoing in order to provide the best possible opportunity to maximise realisations and benefit the creditors as a whole.
- The joint liquidators therefore anticipate that the process will continue for the foreseeable future whilst the process remains profitable and has a positive impact on the return to unsecured creditors.
- We will continue to monitor the levels of collections and a further update on collections and timelines will be provided in our next report to creditors.

Employee claims

- 4.9 Employee claims represent redundancy pay and notice pay paid by the RPS in the first instance up to certain statutory limits. Some employees will have claims above the levels received from the RPS. These claims are included in the total unsecured claims received as shown above.
- 4.10 We are also aware of a potential employment tribunal claim to be brought against the Company by a small number of former employees. We have co-operated with all initial enquiries raised, and we await confirmation of whether this case will be heard at tribunal. We will provide an update on this position in our next report to creditors.

Supplier of Last Resort

- 4.11 As outlined in previous reports to creditors, OVO is responsible for honouring all credit balances due to both former and existing customers of the Company as at the date of the SoLR in accordance with the terms of their SoLR bid.
- 4.12 We have received a draft unsecured claim from OVO in respect of the customer accounts in credit and we are in regular contact with OVO to establish the final value of their claim so we can conduct our detailed claims adjudication process. We have sought legal advice based on the draft unsecured claim and this will require further work as discussed above once the final claim is received to understand if the claim has a valid legal basis.

Ofgem

- 4.13 We have received a substantial unsecured claim from Ofgem which totals £28.2million. This mainly relates to payments due under the Renewable Obligation Certificates (ROCs). The claim is subject to ongoing legal review to understand if it has a valid legal basis. As with the OVO claim, we have spent a significant amount of time interacting with Ofgem to understand the basis of this claim and the legal merits of its ability to rank as an unsecured creditor in the liquidation and would expect further time to be required to finalise this claim. This will also involve legal input from both our solicitors and Leading Counsel and could result in applying to court for directions. Given the impact on the overall distribution rate for other unsecured creditors, it is increasingly important that Ofgem and OVO's claim are appropriately adjudicated.

Litigation creditors

- 4.14 As discussed previously in our reports, the Company was subject to a number of on-going litigation matters. All litigation matters known to the joint liquidators have now been dealt with.

- 4.15 Where judgements have been received or settlements agreed between parties, these claims rank as unsecured claims and are included in the unsecured claims balance presented above.

5 Investigations into the affairs of the Company

- 5.1 Based on the outcome of our investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors.

6 Remuneration and expenses

- 6.1 Our remuneration is being charged on a time costs basis as agreed by the creditors.
- 6.2 We have incurred time costs and expenses in the year amounting to £599,289 and £58. We also incurred time costs during the administration of £1,841,233 and expenses of £14,548 bringing the cumulative totals at year end to £2,440,522 and £14,606, of which £1,707,605 and £14,606 has been paid. The R&P at Appendix A shows liquidators' expenses of £976 which includes £918 of administrators' expenses which were not paid before the conversion to liquidation on 13 January 2020.
- 6.3 As shown above, the cumulative period end recorded time costs have exceeded the time costs per the fee estimate agreed by the creditors on 30 August 2019. The reasons for the excess are discussed at Appendix B.
- 6.4 We therefore wish to revise our fees estimate in order to be able to draw more remuneration – please see the 'Fee basis of the joint liquidators' section of Appendix B and the decision notice at Appendix C for further details.
- 6.5 Further details about remuneration and expenses are provided in Appendix B to this report.

7 Costs of the liquidation

- 7.1 The following table provides details of the cost of realisations incurred during the liquidation and the commentary provides a detailed overview of some of the key cost categories:

Liquidation costs to 12 January 2021

Costs of realisations	£
Bank charges	463
DCA/Outsourcing costs	568,549
Debt collection infrastructure costs	112,993
Insurance of assets	807
Legal fees and disbursements	75,861
Monies due to OVO	2,108,293
Liquidators' expenses	976
Liquidators' fees	857,605
Liquidators' fees - OVO contribution	122,605
Litigation related costs	69,870
Merchant services charges	10,551
Statutory advertising	80
Storage costs	159
Total	3,928,811

DCA/Outsourcing costs

- 7.2 DCA/Outsourcing costs are made up of amounts paid to SRO, AIC and SHMA to assist the joint liquidators with the debt collection process.

- 7.3 As discussed earlier in this report, in line with the conclusion of customer billing, the contract with SRO ended on 7 May 2020. The joint liquidators continue to engage AIC and SHMA to assist with debt collections in order to maximise realisations.
- 7.4 AIC are paid a 12% commission on collections. SHMA charge a 8% commission for customer collections and additional fixed costs for running traces on customer addresses and issuing letters.
- 7.5 See below for amounts paid to DCA/outsourcing agents during the liquidation:

DCA/Outsourcing costs	£000
SRO	313
AIC	181
SHMA	74
Total	568

Debt collection infrastructure costs

- 7.6 The joint liquidators continued to incur certain IT costs for IT infrastructure that was required for SRO to access appropriate data in order to complete the final billing process. The costs to the liquidation for IT infrastructure was £40,000 per month, totalling c£113,000 of costs incurred during the liquidation. Even this level represented a reduction based on the on-going overhead cost of the Company, detailed in previous reports.
- 7.7 As discussed earlier in this report, the final billing process was completed on 7 May 2020 and IT infrastructure was shut down shortly after.
- 7.8 The joint liquidators do not anticipate incurring any further debt collection infrastructure costs.

Monies due to OVO

- 7.9 As detailed in our previous reports, as part of the SoLR process it was agreed with OVO and Ofgem that the joint administrators would continue to collect direct debits from customers into the pre-appointment bank account until OVO were in a position to redirect these payments.
- 7.10 From the date of appointment of the administrators on 14 January 2019 to 18 March 2019, £8.4million of direct debits were collected by the joint administrators and held in a suspense account.
- 7.11 It should be noted that per the liquidation R&P any remaining collections held in the suspense account that were not allocated to OVO during the administration were transferred to the liquidation as part of the surplus transferred from the administration.
- 7.12 A portion of the direct debit collections related to customer debts owed to the Company and would therefore be an asset of the administration and subsequent liquidation. The remainder would relate to accounts in credit and would therefore be due to OVO to form part of the credit refunds due to customers.
- 7.13 During the administration, £3.7million was transferred to OVO as payment for direct debits allocated against accounts in a credit position. This was based on the Company's estimated position of customer accounts at that time.
- 7.14 During the liquidation, following the completion of the customer billing process, a final reconciliation was carried out. This concluded that a further £2.5million was due to OVO. This brought the total due to OVO for direct debits paid by customers in a credit position to £6.2million.
- 7.15 As shown in the table above, a payment of £2.1million was made to OVO during the liquidation. The difference being £400,000 is discussed below.

Liquidators fees – OVO contribution

- 7.16 As detailed in our previous reports, on appointment, the joint administrators engaged with OVO to assist with the transition of customers from the Company to OVO as the appointed SoLR.
- 7.17 A Transitional Service Agreement (TSA) was agreed to cover the customer service and financial elements of transitioning customers to OVO.
- 7.18 Following the conclusion of the transition period, the agreement between OVO and the joint administrators ended on 3 April 2019. It was agreed that an invoice for all costs incurred by the joint administrators for managing the transition would be produced and dealt with as part of the final reconciliation of monies with OVO (including direct debit amounts described above).
- 7.19 During the liquidation, the joint liquidators and OVO agreed that total costs of c.£400,000 would be recharged and paid by OVO. These costs covered employee costs, site rental costs, IT costs and the joint administrators' supervision costs, which would not have otherwise been incurred had it not been for the TSA. It was agreed that these costs would be netted off against the total amount due for the direct debit balances.
- 7.20 The joint administrators' supervision costs related to costs incurred for managing the operations of the call centre required to assist OVO with the transition of customers and totalled £122,604 net of VAT. These costs would be recharged to OVO to ensure the creditors of the Company would not incur the costs for OVO's continued operation.
- 7.21 The joint liquidators have since drawn OVO's contribution to fees of £122,604 in respect of supervision costs as shown in the table above. The joint liquidators' supervision costs were therefore not borne by the creditors and are separate to the fee estimate agreed by creditors on 30 August 2019.

Litigation related costs

- 7.22 Total costs of £69,870 were incurred during the liquidation in respect of amounts required to store litigation related documents securely.
- 7.23 As discussed earlier in this report, all litigation matters known to the joint liquidators have now been finalised.
- 7.24 No further litigation related costs are expected to be incurred. All documentation stored has been securely backed up and destroyed where appropriate.

8 Contact from third parties

- 8.1 Please be aware fraudsters have been known to masquerade as the joint liquidators. Fraudsters may contact creditors asking for an upfront fee or tax to release an investment or to enable payment of a dividend / the release of money payable to the creditor. A liquidator would never ask for such a payment nor instruct a third party to make such a request.

9 Data protection

- 9.1 Any personal information held by the Company will continue to be processed in accordance with completing the liquidation of the Company and in accordance with meeting our requirements under applicable Data Protection Legislation/law in the United Kingdom. Our privacy notice on our website (www.granthornton.co.uk/en/privacy) contains further details as to how we may use, process and store personal data.

10 Covid-19

- 10.1 This report has been produced during the Covid-19 restrictions. We have taken every reasonable step to ensure that the information is accurate, but if anything is incorrect or incomplete, we will provide an explanation and corrected information in the next progress report.

11 Contact

11.1 Should you have queries please contact Aamirah M Patel on 0161 953 6332.

Yours faithfully
for and on behalf of Economy Energy Trading Limited

A handwritten signature in black ink, appearing to read 'J. Roden', with a stylized flourish at the end.

Jon L Roden
Joint Liquidator

Enc

Economy Energy Trading Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs	From 13/01/2020 To 12/01/2021
£	£
ASSET REALISATIONS	
Bank/ISA interest gross	17,935.04
Customer debtors	526,990.48
Transfer from administration	12,387,200.14
Unallocated customer receipts	1,490.82
MRASCo refund	7,823.10
VAT balance from administration	507,962.99
	13,449,402.57
COST OF REALISATIONS	
Bank charges	463.25
DCA/Outsourcing costs	568,548.73
Debt collection infrastructure costs	112,992.94
Insurance of assets	807.13
Legal fees and disbursements	75,860.50
Liquidators' expenses	976.41
Liquidators' fees	857,604.63
Liquidators' fees - OVO contribution	122,604.63
Litigation related costs	69,870.33
Merchant services charges	10,551.25
Monies due to OVO	2,108,292.68
Statutory advertising	80.00
Storage costs	158.96
	(3,928,811.44)
PREFERENTIAL CREDITORS	
Preferential creditors (All)	13,246.05
	(13,246.05)
	9,507,345.08
REPRESENTED BY	
Barclays Floating Account	2,157,321.55
HSBC Floating Account	50,550.72
Floating Current Account	6,408,013.80
VAT on purchases	893,968.03
VAT on sales	(2,509.02)
	9,507,345.08

Note:

Statement of Insolvency Practice 7 states that the headings used in the Receipts and Payments Account should follow those used in any prior Statement of Affairs (SOA) or estimated outcome statement. The SOA was provided by the Company's directors at the commencement of the Administration and provided estimated to realise values for the categories of assets to be realised. The receipts above represent funds passed into Liquidation from the Administration, and as such, a meaningful comparison to the SOA by category cannot be made.

B Payments, remuneration and expenses to the joint liquidators or their associates

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in accordance with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- fee basis
- work done by the joint liquidators and their team during the period
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Fee basis of the joint liquidators

On 30 August 2019 the creditors resolved that remuneration be fixed according to the time properly spent by the joint administrators, subsequent joint liquidators and their staff, with a fees estimate of £2,191,099.

During the period from 13 January 2020 to 12 January 2021 (the Period) time costs were incurred totalling £599,289 represented by 1,579 hrs at an average of £380/hr (as shown in the 'Work done' section below). This brings cumulative time costs at the Period end to £2,440,522 of which £1,707,605 has been paid. A description of the work done in the Period is provided in the respective section below.

As at Period end, as shown in the 'Work done' section below, cumulative period end recorded time costs have exceeded the time costs in the fees estimate which was provided to the creditors prior to the determination of our fee basis.

Details of expenses incurred in connection with work done are provided in the 'Disbursements and expenses' section below.

The reasons for the excess are as follows:

1. Debtors

The joint liquidators have incurred greater than anticipated costs relating to the monitoring and collection of the book debts of the Company for the following reasons:

- The process of reconciling customer accounts and issuing final bills has involved a significant amount of investigation, analysis and validation of Company information on an ongoing basis both during the administration and the liquidation to date.
- The joint administrators and subsequent joint liquidators have worked closely with SRO, AIC and SHMA and regularly monitor the debt collection position to ensure the process continues to be beneficial to the creditors as a whole.
- A considerable amount of time was also spent by the joint liquidators and their team assisting with the close down of the Company systems. Our input was required to ensure that SHMA were receiving the most accurate and up to date debt position and information to assist them with their debt collection process.
- The joint liquidators and their team continue to receive a large volume of customer calls, emails, letters and website enquiries from customers with outstanding debt balances and a significant amount of time and resource is spent investigating and responding to these customers.

Additional time spent working closely with each debt collection agent, liaising with debtors directly together with the additional time spent reconciling and validating Company data has resulted in the joint liquidators and their staff incurring further time costs. As the most significant asset in the estate, it has been necessary for the joint liquidators to invest this additional time to provide the best possible opportunity to maximise realisations. We anticipate that the additional work done and time spent by the joint liquidators on this process will be financially beneficial for creditors, with overall collections anticipated to be higher as a result of the actions taken above than previously estimated.

See section 3 of the main report for further details on debtor collections to date.

2. Unsecured creditors

The joint liquidators and their team have commenced the process of adjudicating creditor claims. The level of adjudication work required for three significant and complex claims, with a potential value in excess of £60m, has resulted in greater than anticipated costs being incurred by the joint liquidators and we expect further costs to be incurred in relation to two of these.

The adjudication process for these claims has involved examination of complex areas of Insolvency and Energy legislation and has required significant input from the joint liquidators and their team together with advice from their legal advisors and leading Counsel. This process has involved significant engagement with these creditors to establish the level and legal merit of their claims and is likely to require significant ongoing engagement with these creditors and could involve an application for court directions.

It has been necessary for the joint liquidators to incur, and continue to incur, these additional costs to ensure creditor claims are accurate as they will have a significant impact on the potential dividend for all unsecured creditors. These matters continue to be progressed and a more detailed update will be shared in the next report with creditors.

Based on the above, the table below summarises the hourly rates the office-holder proposes to charge for each part of their additional work together with the time that additional work has taken/is likely to take:

Area of work	Partner		Manager		Executive		Administrator		Estimated excess			Revised fee estimate		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr
Realisation of assets	7.00	4,200.00	60.00	22,500.00	6.00	1,800.00	-	-	73.00	28,500.00	390.41	2,025.80	895,129.00	441.86
Creditors	29.00	17,400.00	61.00	22,875.00	20.00	6,000.00	-	-	110.00	46,275.00	420.68	1,439.30	488,928.83	339.70
Total	36.00	21,600.00	121.00	45,375.00	26.00	7,800.00	-	-	183.00	74,775.00	408.61	3,465.10	1,384,057.83	781.56

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £2,191,099, without approval. We expect to seek approval to draw remuneration in excess of our fees estimate. The additional amount we are seeking approval for is £74,775.

Above we have set out the reasons for the excess which include the reasons for seeking approval for an increase in our fee estimate. At the next reporting date we do not expect to seek any further approval to draw remuneration in excess of our new revised fee estimate, however we reserve the right to do so if required.

Below we have shown our detailed SIP9 time cost analysis for the period (which includes cumulative total as at period end). We have also shown the fee estimate variance analysis at period end based on the liquidators original and revised fee estimates.

The further information required in respect of seeking this approval is included within the relevant notice of decision procedure included at Appendix C.

Work done by the joint liquidators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our original fees estimate was included within our report to creditors dated 8 August 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint liquidators' fees incurred together with a numerical fees estimate variance analysis (based on the joint liquidators' revised fee estimate). Reasons for any anticipated excess of the fees estimate are included in the 'Fee basis' section above. Details of expenses incurred in connection with work done are provided in the 'Disbursements and expenses' section below.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees (time costs) incurred		
Assets				704 hrs	£275,563	£391/hr
Customer debtors	<ul style="list-style-type: none">Finalise the customer billing process with assistance from SROWorked with the Customer Liaison Team to assist with debtor collections and the resolution of customer queriesInvestigate and respond to large volumes of customer queries, including Data Subject Access RequestsEngage in regular updates with SRO, AIC and SHMA as part of the debt collections processCase team strategy meetings and analysis of debt collection processMonitor debt collections and profitabilityLiaise with SHMA on potential litigation action for certain accounts	<ul style="list-style-type: none">To collect outstanding debtors to maximise realisationsTo ensure transparency with customers about the liquidation processTo finalise the Company's asset and creditor position	<ul style="list-style-type: none">This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			
Property	<ul style="list-style-type: none">Prepare and serve property lease disclaimers	<ul style="list-style-type: none">To crystallise landlord claims in the liquidation following vacation from the sites during the administration	<ul style="list-style-type: none">This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Other assets	<ul style="list-style-type: none">Calculate OVO contribution to costs under the TSA and correspondence with OVO to finalise this matterReceipt of refund and correspondence with MRA Service Company Limited	<ul style="list-style-type: none">To realise the Company's assets	<ul style="list-style-type: none">This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			

Insurance						
	<ul style="list-style-type: none"> Update insurers about changes to cover requirements 	<ul style="list-style-type: none"> To comply with regulation and law 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process 			
Investigations				0.30 hrs	£105	£350/hr
Books & records						
	<ul style="list-style-type: none"> Arrange payment of storage costs for books and records 	<ul style="list-style-type: none"> To comply with legislation for record retention 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Creditors				508 hrs	£191,990	£378/hr
Secured						
	<ul style="list-style-type: none"> Liaise with HSBC to understand the direct debit indemnity exposure with a view to closing the pre-appointment bank account 	<ul style="list-style-type: none"> To realise the remaining pre-appointment cash at bank To understand the level of any floating charge distribution in the liquidation in respect of the direct debit indemnity claims honoured by HSBC 	<ul style="list-style-type: none"> This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available 			
Employees & pensions						
	<ul style="list-style-type: none"> Correspond with employees regarding the timing of the preferential dividend and claim details Review, agree and pay preferential dividends Correspond with the Redundancy Payments Service 	<ul style="list-style-type: none"> To keep creditors informed To ensure all preferential claims are accurately recorded and reviewed 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process 			
Unsecured						
	<ul style="list-style-type: none"> Liaise with unsecured creditors in respect of their claims in the estate and engagement with certain key stakeholders Communication with credit customers regarding account queries and refunds due from OVO Regular communication with OVO to provide details of customer credit balances as final billing progressed and eventually concluded Initial review of unsecured claims and supporting documentation 	<ul style="list-style-type: none"> To keep creditors informed To ensure all unsecured claims are accurately recorded and reviewed 	<ul style="list-style-type: none"> To enable creditors to participate in a distribution and mitigate creditors' claims where appropriate This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 			

	<ul style="list-style-type: none"> • Liaise with the Company's solicitors in respect of litigation proceedings and three potentially significant claims. Review of this documentation and insolvency and energy legislation to understand if the claims have a valid basis • Instruct leading Counsel to provide initial comments on the validity of two of the three potentially significant claims • Respond to Data Subject Access Requests from credit customers 			
Dividends	<ul style="list-style-type: none"> • Commence agreement of preferential and unsecured creditor claims • Pay preferential creditors 	<ul style="list-style-type: none"> • To prepare for a distribution to creditors 	<ul style="list-style-type: none"> • This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process 	
Administration				366 hrs £131,631 £360/hr
Take-on / Case set-up	<ul style="list-style-type: none"> • Client take-on procedures for transition to creditors voluntary liquidation • Set up of liquidation case file 	<ul style="list-style-type: none"> • To comply with internal risk management policies 	<ul style="list-style-type: none"> • This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 	
Appointment formalities	<ul style="list-style-type: none"> • Prepare, circulate, advertise and file notice of appointment • File appointment documents at Companies House • Prepare and submit the bonding notification for the joint liquidators 	<ul style="list-style-type: none"> • To comply with insolvency law and regulations 	<ul style="list-style-type: none"> • This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 	
Case management	<ul style="list-style-type: none"> • Internal case management including strategy discussions, managing case diary lines and regular file reviews by the Insolvency Practitioners and internal risk management team 	<ul style="list-style-type: none"> • To comply with insolvency law and regulations 	<ul style="list-style-type: none"> • This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 	
Reports to creditors, notices & decisions	<ul style="list-style-type: none"> • Set up of creditor letters for the purpose of the claims adjudication process 	<ul style="list-style-type: none"> • To prepare for a distribution to creditors • To comply with insolvency law and regulations 	<ul style="list-style-type: none"> • This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 	

Treasury, billing & funding	<ul style="list-style-type: none"> • Perform regular bank reconciliations • Manage and maintain the estate's bank accounts • Process receipts and payments • Allocate a large volume of receipts from customer debtors 	<ul style="list-style-type: none"> • To facilitate the liquidation by accounting for receipts and payments • To comply with insolvency law and regulations 	<ul style="list-style-type: none"> • This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate
Tax	<ul style="list-style-type: none"> • Reconciliation of post-appointment VAT position • Prepare and submit pre-appointment and administration corporation tax computation and return • Set up of RTI scheme and submission following payment of preferential claims • Review of tax treatment for OVO contribution to costs 	<ul style="list-style-type: none"> • To comply with tax and insolvency legislation 	<ul style="list-style-type: none"> • This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate
Pensions	<ul style="list-style-type: none"> • Reconcile and comment on the claim from the Redundancy Payments Service in respect of pre-appointment unpaid pension contributions • Advise on employee queries relating to pension claims 	<ul style="list-style-type: none"> • To comply with pensions legislation 	<ul style="list-style-type: none"> • This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate
Total time costs incurred in the Period	1,579 hrs £599,289 £380/hr		

Detailed SIP9 time cost analysis for the period and original fee estimate variance analysis as at period end
Period from 13/01/2020 to 12/01/2021

Area of work	Partner		Manager		Executive		Administrator		Period Total (Liquidation)			Administration Time Costs			Cumulative total as at Period end			Original fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Trading:																						
Trading general	-	-	-	-	-	-	-	-	-	-	-	536.35	213,857.50	398.73	536.35	213,857.50	398.73	589.45	246,450.00	418.10	53.10	32,592.50
Reclassification of assets:	-	-	-	-	-	-	-	-	-	-	-	536.35	213,857.50	398.73	536.35	213,857.50	398.73					
Insurance	-	-	-	-	0.70	245.00	-	-	704.45	275,562.50	391.17	1,471.15	674,351.50	458.38	2,175.60	949,914.00	436.62	2,025.90	866,629.00	427.77	(149.70)	(83,285.00)
Stock & WIP	-	-	-	-	-	-	-	-	-	-	-	0.70	245.00	350.00	4.70	1,398.00	297.45	5.40	1,643.00	304.26		
Property	-	-	-	-	-	-	-	-	-	-	-	0.50	300.00	600.00	0.50	300.00	600.00					
Debtors	104.30	62,580.00	47.90	19,160.00	525.65	183,977.50	-	-	1.20	480.00	400.00	15.75	6,061.50	384.86	16.95	6,541.50	385.93					
Other assets / General	-	-	9.50	3,800.00	15.20	5,320.00	-	-	677.85	265,717.50	392.00	1,237.50	552,772.50	446.68	1,915.35	818,490.00	427.33					
Investigations:	-	-	-	-	-	-	-	-	24.70	9,120.00	369.23	212.70	113,819.50	535.12	237.40	122,839.50	517.86					
Director / senior employees	-	-	-	-	-	-	-	-	0.30	105.00	350.00	151.70	54,821.00	361.38	152.00	54,926.00	361.36	96.70	33,521.00	346.65	(55.30)	(21,405.00)
Books & records	-	-	-	-	0.30	105.00	-	-	-	-	-	0.65	322.50	496.15	0.65	322.50	496.15					
Investigations	-	-	-	-	-	-	-	-	0.30	105.00	350.00	151.05	54,498.50	360.80	0.30	105.00	350.00					
Creditors:	-	-	-	-	-	-	-	-	508.05	191,990.00	377.90	1,234.30	408,289.50	330.79	1,742.35	600,279.50	344.52	1,439.20	442,654.00	307.57	(303.15)	(157,625.50)
Secured	-	-	1.30	520.00	-	-	-	-	1.30	520.00	400.00	0.80	320.00	400.00	2.10	840.00	400.00					
Employees & pensions	-	-	7.50	3,026.00	62.60	19,422.50	0.40	88.00	70.50	22,536.50	319.67	286.45	102,629.50	358.28	356.95	125,166.00	350.65					
Unsecured	77.85	47,172.50	37.30	14,959.00	276.10	96,635.00	42.10	9,262.00	433.35	168,028.50	387.74	945.55	304,365.00	321.89	1,378.90	472,393.50	342.59					
General	-	-	-	-	-	-	-	-	-	-	-	1.50	975.00	650.00	1.50	975.00	650.00					
Dividends	-	-	-	-	2.40	795.00	0.50	110.00	2.90	905.00	312.07	-	-	-	2.90	905.00	312.07					
Administration:	-	-	-	-	-	-	-	-	365.88	131,631.00	359.77	1,193.21	489,913.80	410.58	1,559.09	621,544.80	398.66	1,491.71	601,846.00	403.46	(67.38)	(19,698.80)
Take on	-	-	1.00	400.00	-	-	-	-	1.00	400.00	400.00	-	-	-	1.00	400.00	400.00					
Appointment formalities	-	-	-	-	-	-	-	-	3.00	875.00	291.67	-	-	-	3.00	875.00	291.67					
Case set up	-	-	-	-	3.25	1,137.50	-	-	3.25	1,137.50	350.00	-	-	-	3.25	1,137.50	350.00					
Case management	22.10	13,695.00	30.15	12,157.50	83.73	29,284.00	12.80	2,816.00	148.78	57,952.50	389.52	505.16	236,297.80	467.77	653.94	294,250.30	449.97					
Other IPs, OR, AIB	-	-	-	-	-	-	-	-	-	-	-	33.50	21,712.50	648.13	33.50	21,712.50	648.13					
Reports to creditors, notices & decisions	-	-	-	-	-	-	0.75	165.00	0.75	165.00	220.00	0.30	66.00	220.00	1.05	231.00	220.00					
Treasury, billing & funding	-	-	19.45	7,780.00	103.55	33,362.50	24.70	5,434.00	147.70	46,576.50	315.35	274.15	80,939.50	295.24	421.85	127,516.00	302.28					
Tax	5.95	3,570.00	20.30	8,802.00	31.55	11,027.50	1.50	330.00	59.90	23,729.50	396.15	347.90	133,772.00	384.51	407.80	157,501.50	386.22					
Pensions	-	-	1.50	795.00	-	-	-	-	1.50	795.00	530.00	32.20	17,126.00	531.85	33.70	17,921.00	531.78					
Total	210.20	127,617.50	177.70	71,879.50	1,108.03	382,186.50	82.75	18,205.00	1,578.68	599,268.50	379.61	4,586.71	1,841,233.30	401.43	6,163.39	2,440,521.80	395.84	5,642.86	2,191,100.00	388.29	(522.43)	(249,421.80)

Notes:
- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant manager and executives
- Adverse variances are presented in brackets
- Total time costs paid to date: £1,707,605
- Please note that the actual time incurred in the Period may, slightly, differ to that reported in the table above. This is due to lags between time being recorded on our internal system by staff and then being posted to the case. We do not expect any differences to be material and any such discrepancies will be noted in our next report.

Summary SIP9 time cost analysis for the period and revised fee estimate variance analysis as at period end

Period from 13/01/2020 to 12/01/2021

Area of work	Cumulative total as at Period end			Revised fees estimate			Variance	
	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Trading:	536.35	213,857.50	398.73	589.45	246,450.00	418.10	53.10	32,592.50
Trading general	536.35	213,857.50	398.73					
Realisation of assets:	2,175.60	949,914.00	436.62	2,025.90	895,129.00	441.84	(149.70)	(54,785.00)
Insurance	5.40	1,643.00	304.26					
Stock & WIP	0.50	300.00	600.00					
Property	16.95	6,541.50	385.93					
Debtors	1,915.35	818,490.00	427.33					
Other assets / General	237.40	122,939.50	517.86					
Investigations:	152.00	54,926.00	361.36	96.70	33,521.00	346.65	(55.30)	(21,405.00)
Director / senior employees	0.65	322.50	496.15					
Books & records	0.30	105.00	350.00					
Investigations	151.05	54,498.50	360.80					
Creditors:	1,742.35	600,279.50	344.52	1,439.20	488,928.83	339.72	(303.15)	(111,350.67)
Secured	2.10	840.00	400.00					
Employees & pensions	356.95	125,166.00	350.65					
Unsecured	1,378.90	472,393.50	342.59					
General	1.50	975.00	650.00					
Dividends	2.90	905.00	312.07					
Administration:	1,559.09	621,544.80	398.66	1,491.71	601,846.00	403.46	(67.38)	(19,698.80)
Take-on	1.00	400.00	400.00					
Appointment formalities	3.00	875.00	291.67					
Case set-up	3.25	1,137.50	350.00					
Case management	653.94	294,250.30	449.97					
Other IPs, OR, AiB	33.50	21,712.50	648.13					
Reports to creditors, notices & decisions	1.05	231.00	220.00					
Treasury, billing & funding	421.85	127,516.00	302.28					
Tax	407.80	157,501.50	386.22					
Pensions	33.70	17,921.00	531.78					
Total	6,165.39	2,440,521.80	395.84	5,642.96	2,265,874.83	401.54	(522.43)	(174,646.97)

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint liquidators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements		
Insolvency Practitioners' bond	30	30
Travel (non-mileage)	10	10
Statutory advertising	80	80
Category 2 disbursements		
Mileage	19	19
Expenses		
IT infrastructure costs required for debtor collections	112,993	112,993
Worldpay merchant services charges	10,551	10,551
DCA/Outsourcing costs - SRO, AIC & SHMA	568,549	568,549
Legal fees and disbursements – Squire Patton Boggs & Counsel	91,075	75,861
Litigation related costs	69,870	69,870
Storage costs	159	159
Insurance of assets	807	807
Bank charges	463	463
Total expenses and disbursements	854,467	839,253

The following costs were incurred during the administration but were paid in the Period. See section 6 of the main report for further details.

Monies paid to OVO	0	2,108,293
Liquidators fees – OVO Contribution	0	122,605

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint liquidators’ receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder’s remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. Accordingly, the following resolution was made by the body of creditors on 26 March 2019:

That the joint administrators’ out of pocket expenses at cost; mileage is charged 45p per mile, be approved. Mileage is charged 45p a mile. VAT is added as appropriate.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	<ul style="list-style-type: none">• Tax work/advice (narrative is included within the above narrative of work done)• Pensions work/advice (narrative is included within the above narrative of work done)• Support from the Digital Forensics Team to take IT back ups and close the Company’s IT systems• Support from the Data Protection Team to comply with Data Subject Access Requests	<ul style="list-style-type: none">• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint liquidators’ fee basis, or who provide services to us as joint liquidators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.grantthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.

Economy Energy Trading Limited - In Liquidation

Notice of vote by correspondence

Company name	Economy Energy Trading Limited
Company number	07513319
Decision date	31 March 2021

NOTICE IS HEREBY GIVEN that under rules 18.29, 18.30 and 3.39 of the Insolvency (England and Wales) Rules 2016, decisions of the creditors are sought as follows:

- 1 That the remuneration of the joint liquidators be fixed according to the time properly spent by the joint liquidators and their staff with a revised additional fee estimate of £74,775.
- 2 whether a liquidation committee be formed.

To vote a creditor can:

- return the voting form provided with this notice to Jon L Roden at Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB
- or send it as an email attachment to cmu@uk.gt.com

A creditor who is entitled to vote may do so no later than 23:59 on the decision date.

For a creditor's vote to be valid a proof of debt must be received no later than the decision date, failing which the creditor's vote will be disregarded. A proof of debt can either be lodged on the portal, delivered to Jon L Roden at Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB as an attachment to an email to cmu@uk.gt.com. A new proof of debt is not required if you have previously submitted one in the proceedings. A proof of debt form is enclosed for completion if required.

A creditor whose debt is treated as a small debt in accordance with rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must deliver a proof of debt if they wish to vote, unless a proof of debt has previously been submitted, failing which the vote will be disregarded.

A creditor who has opted out from receiving notices may nevertheless vote if a proof of debt is delivered, unless a proof of debt has previously been submitted, failing which the vote will be disregarded.

A vote cast in a decision procedure which is not a meeting may not be changed.

A decision of the convenor is subject to appeal to the court by any creditor in accordance with rule 15.35 of the Insolvency (England and Wales) Rules 2016. An appeal under this rule may not be made later than 21 days after the decision date.

A physical meeting will be held to replace this vote by correspondence if requested not later than five business days after the date of delivery of this notice by not less than one of the following:

- 10% in value of the creditors
- 10% in number of the creditors
- 10 creditors.

DATED THIS 9th day of March 2021



Jon L Roden
Joint Liquidator

VOTING FORM

Company name

Economy Energy Trading Limited

Please delete as appropriate if you are for or against the resolutions below.

This form must be received at Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB or as an attachment to an email to cmu@uk.gt.com by 23.59 on 31 March 2021 in order to be counted. It must be accompanied by a proof of debt, unless you have previously submitted a proof of debt, failing which your vote will be disregarded.

Resolution(s)

- 1 That the remuneration of the joint liquidators be fixed according to the time properly spent by the joint liquidators and their staff with a revised additional fee estimate of £74,775

For / Against

- 2 Do you want a liquidation committee to be formed?

Yes/No

If a liquidation committee is formed I/we

nominate the following creditors to serve as members of such committee:

- 1
- 2
- 3
- 4
- 5

A creditor is eligible to be a member of such a committee if, the person has proved for a debt; the debt is not fully secured; and neither of the following apply: the proof has been wholly disallowed for voting purposes, or the proof has been wholly rejected for the purpose of distribution or dividend. No person can be a member as both a creditor and a contributory. A body corporate may be a member of a creditors' committee, but it cannot act otherwise than by a representative appointed under rule 17.17 of the Insolvency (England and Wales) Rules 2016.

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor

Signature

Date (DD/MM/YYYY)

(If signing on behalf of the creditor, state capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your vote, please contact Becky L Axon at the address above. Please note that once cast, a vote cannot be changed or withdrawn

Office use only:

Date Completed form received

(DD/MM/YYYY)

Initial

Rule 14.4 of the Insolvency (England and Wales) Rules 2016**Proof of debt**

Our ref: 113632-102/JLR/BLA/RJJ/LKG/gen2002

Economy Energy Trading Limited - In Liquidation

Date of resolution for voluntary winding-up 13 January 2020.		
1	Name of creditor (If a company please also give company registration number)	
2	Address of creditor for correspondence:	
3	Email address:	
4	Telephone number:	
5	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date of insolvency.	£
6	If amount in 5 above includes outstanding uncapitalised interest please state amount	£
7	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
8	Particulars of any security held, the value of the security, and the date it was given.	
9	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
10	Details of any documents by reference to which the debt can be substantiated.	
11	Signature of creditor or person authorised to act on his behalf	
12	Name in BLOCK LETTERS	
13	Position with or in relation to creditor	
14	Date of signature	
15	Address of person signing (if different from 2 above)	

Please note that it is Grant Thornton UK LLP's policy for dividends to be paid to creditors electronically. Please log into the Insolvency Act portal (www.grantthornton.co.uk/portal), for which you will have received your access credentials separately, and supply the details or alternatively complete the form below.

Please provide any two pieces of documentation from the list below to verify the bank details provided.

- Bank details on letter headed paper signed by a director or other authorised person.
- Invoice, which incorporates bank account details.
- Bank statement - including bank details, dated within 3 months.
- Copy cheque - including bank details.
- Bank giro credit slip (Paying in slip) - including bank details.

Account Name

Bank Account Currency

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Sort code

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Account number

--	--	--	--	--	--	--	--

IBAN (if appropriate)

[illegible]

Swift BIC (if appropriate)

[illegible]

ABA Routing Number (if appropriate)

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