



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

1 Company details

Company number 0 8 0 5 3 1 5 4

Company name in full Extra Energy Supply Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Michael Thomas

Surname Denny

3 Administrator's address

Building name/number One Chamberlain Square

Street

Post town Birmingham

County/Region

Postcode B 3 3 A X

Country United Kingdom

4 Administrator's name ①

Full forename(s) David Matthew

Surname Hammond

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number One Chamberlain Square

Street

Post town Birmingham

County/Region

Postcode B 3 3 A X

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 0	^d 4	^m 0	^m 6	^y 2	^y 0	^y 2	^y 0	
To date	^d 0	^d 3	^m 1	^m 2	^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 1	^d 7	^m 1	^m 2	^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	Helena Perevalova
Company name	PricewaterhouseCoopers LLP
Address	8th Floor, Central Square 29 Wellington Street
Post town	Leeds
County/Region	
Postcode	L S 1 4 D L
Country	United Kingdom
DX	
Telephone	0113 288 2046

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

Joint administrators' progress report from 4 June to 3 December 2020

**Extra Energy Supply Limited and
Utility Professional Business Operations Limited**
(both in administration)

High Court of Justice, Business and Property Courts in Birmingham,
Insolvency & Companies List (**ChD**)
Case no. 8325 of 2018 and Case no. 8340 of 2018

17 December 2020

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Further information can be obtained from the sources below.

General enquiries

<https://www.pwc.co.uk/extraenergy>

Customers

Telephone: 0800 953 4774 / 0800 368 5452

<https://www.pwc.co.uk/extraenergy>

<https://www.scottishpower.co.uk/extra-energy>

<https://www.ofgem.gov.uk/publications-and-updates/extra-energy-customers-your-questions-new-supplier-scottish-power>

Suppliers

<https://www.pwc.co.uk/extraenergy>

extra.suppliers@uk.pwc.com

Employees

<https://www.pwc.co.uk/extraenergy>

extra.employees@uk.pwc.com

The following table shows the abbreviations and insolvency terms that may be used in this report:

Administrators / Joint Administrators / we / our / us	Michael Thomas Denny, David Matthew Hammond; and Ian David Green from 4 December 2018 until 19 December 2019
CCL	Climate Change Levy – a tax on energy delivered to non-domestic users in the United Kingdom
Companies	Extra Energy Supply Limited and Utility Professional Business Operations Limited - both in administration
CVL	Creditors' Voluntary Liquidation
DCAs	Debt collection agencies
EEG / secured creditor (first ranking)	Extra Energie GmbH
EEHCL / secured creditor (second ranking)	Extra Energy Holding (Cyprus) Limited
EESL	Extra Energy Supply Limited - in administration
Firm	PricewaterhouseCoopers LLP
HMRC	HM Revenue & Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Ofgem	Office of Gas and Electricity Markets
Preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
ROT claims	Claims to retention of title over goods supplied to the Company but not paid for before the Administrators' appointment
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy & Industrial Strategy, which authorises and

	pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Sch.B1 IA86	Schedule B1 to the Insolvency Act 1986
Secured creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86
SoLR	Supplier of Last Resort
Unsecured creditors	Creditors who are neither secured nor preferential
UPBOL	Utility Professional Business Operations Limited - in administration

This report has been prepared by Michael Thomas Denny and David Matthew Hammond as Joint Administrators of the Companies, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administrations, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Administrators' previous reports issued to the Companies' creditors, which can be found at:

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Michael Thomas Denny and David Matthew Hammond have been appointed as Joint Administrators of the Companies to manage their affairs, business and property as their agents and act without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

*The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at:
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>*

The Joint Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Why we've sent you this report

I'm writing to update you on the progress of the administration of the Companies in the six months since our last report dated 26 June 2020.

You can still view our earlier reports on our website at
Mann on 0113 289 4000 or at nadia.mann@pwc.com if you need the password to access the reports.

Please get in touch with Nadia

How much creditors may receive

The amount and timing of any dividend will primarily be dependent upon the final level and timing of book debt and other realisations, as well as the final level of unsecured claims admitted for dividend.

As stated in our proposals, we've asked for outstanding claims from creditors so that we can agree them in principle. This should help us pay a dividend to creditors promptly once we've decided the most appropriate way to distribute the monies.

The following table summarises the possible outcome for creditors, based on what we currently know.

EESL

Secured creditors:

- | | | | |
|---------|-----------|-----------------|-----------|
| • EEG | Uncertain | Up to 12 months | Uncertain |
| • EEHCL | Uncertain | Up to 12 months | Uncertain |

Preferential creditors

N/A

N/A

N/A

Unsecured creditors

Between 5% and 8%

12 months +

Up to 12%

Secured creditors (EESL)

It is estimated that EEG and EEHCL are owed £103m and £15m, respectively. However, for the reasons set out below, we think that any security, if valid, will only apply to a combined total of £0.3m of these debts.

The security position remains subject to a review of its validity. At the time of writing, the Administrators have still not received documentation relating to the granting of security from EEG, EEHCL or their advisors. Given customer collections by the Administrators are nearing conclusion (see more detail later in the report), in the period we have once again contacted EEG and EEHCL to request this information. We will update creditors in our next report on progress of this matter.

Our expectation is that the security, if valid, will only apply to new credit provided to EESL after 1 November 2018, the date when the security was registered. This was understood to be c.£5m. EESL paid c.£4.7m to EEG following the creation of the security but prior to the administration. The net new lending which may be secured therefore appears to be approximately £0.3m.

Based on the information currently available, we think the secured creditors will be fully repaid their total outstanding secured lending (if valid) of approximately £0.3m out of their security over EESL's assets. However, until a formal claim is submitted, this position cannot be finalised.

Preferential creditors (EESL)

Based on what we currently know, there are no preferential creditors in EESL.

Unsecured creditors (EESL)

We understand that the principal unsecured creditors are EEG and EEHCL (after deduction of any nominal secured debt), Ofgem in respect of industry liabilities and, potentially, ScottishPower as a subrogated creditor in respect of customer credit balances it has paid out.

Based on the information currently available, we expect that EESL's unsecured creditors will be paid a dividend over and above the maximum Prescribed Part.

In our last report we estimated a return to creditors of up to 12 pence in the pound, with a high level of uncertainty remaining over the level of future realisations and the extent of creditor claims. Since then, we have received further creditor claims, which gives a greater indication over the likely final value of unsecured creditor claims. Our previous estimates were based on EESL's pre-administration balance sheet as no statement of affairs has been provided by the Companies' director. A number of the claims now received were either higher than in EESL's records or were not included in those. Based primarily on the level of creditor claims received to date, we now anticipate that unsecured creditor dividends may be lower and estimate this to be in the region of between 5 and 8 pence in the pound.

Creditors should be aware that the revised dividend estimate of between 5 and 8 pence in the pound is still subject to change and could either increase or decrease as there remains material uncertainty around the level of return to creditors. This is due to two primary factors:

1. Overall level of creditor claims. Unsecured creditor claims received to date (including Ofgem and Scottish Power) total £50.6m which is significantly higher than what is shown in EESL's books and records. The overall quantity and value of claims that will ultimately be received or which will be admitted for dividend is as yet unknown. In particular:
 - a. Uncertainty over inter-company claims. We have not yet received claims from EEG or EEHCL, although EESL's books and records indicate them to be the largest creditors.
 - b. While we have now received a claim from ScottishPower in the sum of c.£12m, we are reviewing it together with the supporting documentation and figures in order to determine whether it may constitute a subrogated claim for the refund of customer credit balances. Specialist legal advice on this complex position is being obtained.
 - c. We have received a claim from Ofgem which has increased from an initially received claim of c.17m to c.£28m in the current reporting period and is still subject to adjudication. The increase in the claim was expected as it relates to charges in respect of renewable obligations, details of which Ofgem needed to obtain from a third party. The increase relates to the period from April 2018 to the date supply was transferred from EESL to Scottish Power.
2. Final debtor collections - although the final billing process is complete, there still remains uncertainty around the final level of collections and the overall level will depend on our final strategy decision regarding outstanding balances.

UPBOL

Secured creditors	N/A	N/A	N/A
Preferential creditors	100 p in the £ paid in December 2019	N/A	100
Unsecured creditors	Between 4% and 5%	12 months +	Up to 10%

Secured creditors (UPBOL)

There are no registered charges against UPBOL and therefore no secured creditors.

Preferential creditors (UPBOL)

As previously reported, all the Companies' employees were employed by UPBOL, accordingly, the preferential creditors (mainly employees) fell under UPBOL.

Preferential claims mainly related to accrued but not taken or paid holiday in respect of former employees, some of which were paid by the RPS. In December 2019 we declared and paid a dividend of 100 p in £ to employees and the RPS, totalling £111,437.

Unsecured creditors (UPBOL)

We anticipate that there will be a dividend to UPBOL's unsecured creditors based on our current estimates of potential asset realisations, level of creditor claims, and costs of the administration. We previously estimated that this may be up to 10 pence in the pound. Our estimate has been revised in the period to between 4 and 5 pence in the pound. Unsecured creditor claims received to date total £5.9m. This includes c.£1.8m of employee claims resulting from redundancy claims and the granting of a protective award to former employees in relation to lack of consultation prior to insolvency. We are also currently reviewing the inter company position between UPBOL and EESL as the Companies' records indicate that EESL may be a creditor of UPBOL in the sum of c.£3m. Once the position is better understood it may alter our predicted outcomes.

The Prescribed Part does not apply to UPBOL as there are no secured charges registered against it.

What you need to do

If you haven't already done so, please send your claim to us so that we can adjudicate on it. A claim form can be downloaded from our website at www.pwc.co.uk/insolvency or you can get one by contacting Nadia Mann at nadia.mann@pwc.com or on 0113 289 4000. We may decide that some or all creditors who are owed £1,000 or less by the Companies won't be required to submit a proof of debt in order to receive the anticipated dividend payment.

When we deliver notice of our intention to pay a dividend, a creditor who we decide is not required to submit a proof of debt will be notified of the amount we'll treat as their admitted debt for the purpose of the dividend, unless the creditor advises us that the amount is incorrect (in which case a proof of debt will be required) or not owed.

Please note that should you wish to vote in relation to any decision procedure during the administration or any subsequent liquidation or object to a decision sought by deemed consent, you'll need to submit a proof of debt, even if one is not required for dividend purposes.

A summary of each key area of our work is provided below. More detail can be found in our prior reports, which can be downloaded from

Book debts and final billing

As previously reported, the key asset of EESL is the book debts, consisting of amounts already billed pre-appointment and further amounts which had not been billed at the date of our appointment.

At the appointment date, EESL's accounts indicated that the aged debtor ledger (amounts billed pre-appointment) totalled c.£69m inclusive of any VAT but net of provisions. Some segments of the ledger were significantly aged, including deceased debtors and insolvent customers. Through collections activity we also became aware of a relatively high level of disputed debt; a substantial proportion of the debtor ledger was ultimately irrecoverable, with a significant element also proving difficult to recover.

In order to bill the amounts which had not been billed at the date of our appointment, as previously reported, we were seeking agreement from EEHCL to the terms of our access to the Companies' billing system. However, in February 2019, EEHCL unilaterally and without notice switched off access to the Companies' billing system, following our unsuccessful attempts to negotiate an acceptable proposal for its continued use.

Using the customer information which we had preserved from back-ups of the Companies' systems, we undertook a lengthy exercise to reconcile customer accounts. In addition, we engaged a third party billing provider to develop and host a new billing system for EESL. This allowed us to start issuing final statements to customers in May 2019 at a materially lower cost than the cost which had been proposed to us by EEHCL.

Since May 2019 a total of c.135,000 final customer statements have been issued with a total debit value of £32.5m.

As previously reported we are pleased to confirm that we have now completed all final billing.

Collections

With the assistance of a team of retained company staff, we contacted customers to recover outstanding pre-appointment debts as well as debts that were final billed after our appointment as administrators.

This process has involved outbound dialling together with text messages and the issuing of debt letters to c.87,000 customers.

In the six-month period covered by this report, we have continued to contact customers with outstanding debts to recover the amounts due.

Where customers did not pay as a result of our initial debt collection activities, we have been allocating debts to third party debt collection agencies and/or to solicitors to commence legal action to recover the amounts due.

In the period covered by this report, we collected c.£0.2m. This includes an element of historic debt (i.e. billed pre-appointment), with the balance relating to amounts billed post-appointment. This equates to a weekly average of c.£8.5k.

Overall, our debt collection activities since appointment have resulted in c.£15.24m net collections as at 3 December 2020, including c.£4.1m of debts which had already been invoiced prior to our appointment.

Please note that our receipts and payments account at Appendix A now reflects the gross debtor collections, before the deduction of debt collection fees of £598k, therefore the collections reflected in the receipts and payments account are higher than what is detailed in this section.

We previously reported that there remained unsettled accounts and we were assessing our strategy in relation to these. We have been mindful of the challenges faced by debtors, exacerbated by the Covid-19 pandemic and this has been factored into our strategy. Options being explored include a sale of the ledger to a third party. We also continue to engage with Ofgem and Citizens Advice Bureau around our approach in this regard and have specifically tailored processes to deal with customer vulnerability issues.

Customer credit balances

In December 2019 there was a balance of c.13,000 former EESL customers with credit balances who had not been billed or received their credit balance. Since then, we have continued to work with ScottishPower to provide the relevant information to enable them to issue refunds to these customers. We are pleased to report that all information has been provided to Scottish Power and the final billing exercise is complete.

This means that since our appointment we have provided Scottish Power with the details of 77,189 credit balance customers owed a total of c.£17.6m. In addition, we have continued regular communications with ScottishPower to agree on other operational and commercial matters.

Customer communications

As previously reported, EESL's customers transferred to ScottishPower with effect from 25 November 2018, shortly before the Companies were placed into administration on 4 December 2018.

As stated on the websites of both Ofgem and ScottishPower, ScottishPower will honour outstanding credit balances of EESL's customers who are still owed money.

As mentioned above, we have now provided all customer credit balances to ScottishPower. If customers have queries regarding ongoing supply and outstanding credit balances please contact ScottishPower directly.

Amounts owed to EESL relating to energy supplies prior to 25 November 2018 are still due and payable to EESL. If customers have queries regarding these outstanding amounts please contact the EESL customer services team on 0800 953 4774 / 0800 368 5452. Customers can also find out more information under the Customer section of our dedicated website at <https://www.pwc.co.uk/extraenergy>.

We have continued to address customer queries and resolve any complaints with the help of a dedicated customer services team retained from the Companies' staff. In the case of particularly complex disputes, our case team has engaged directly with the customers and the customer services team to seek to bring disputes to a prompt resolution.

We have continued to process customer calls, emails, letters and website enquiries, not only from customers with outstanding debt, but also from those expecting a credit balance refund. We thank customers again for their patience in helping us work through and resolve their enquiries.

Regular dialogue is ongoing with other stakeholders such as Ofgem and the Citizens' Advice Bureau regarding our final billing and debt collection activities, as well as the customer experience overall, particularly in relation to vulnerable customers.

Employees

We paid all arrears of wages and retained a number of company staff upon appointment in order to assist with final billing, debt collection and other administrative matters during the administration period, with the majority of staff being made redundant in the first year of the administration. The retained staff have been gradually reduced as the Companies' requirements have reduced.

In January 2020, the remaining 12 staff relocated to smaller premises, but following the Covid-19 pandemic, all staff were requested to work from home on a temporary basis. Of the remaining staff, four were furloughed and 80% of their wages has been reclaimed under the Government scheme. We have maintained minimal office space during this period and we have advised the landlord that we will be vacating, however the timing of this is still to be agreed.

Three of the employees who had been furloughed had been retained to support the collection of debtor balances. Due to the reduction in debtor collections, we undertook a review of staffing levels and concluded that for this process staffing levels should be reduced. In the absence of a suitable alternative role, those colleagues were given notice of redundancy in October 2020 and their redundancies confirmed in November 2020. Nine employees remain, including one member of HR staff who has continued to assist with managing the employees and dealing with questions received from former employees.

During the period of this report, we have continued to communicate with legal advisors, process payroll and associated employee-related payments, and provide support to both retained and former employees.

Protective Award claims

As previously reported, 133 former employees made claims in the Employment Tribunal for various categories of redundancy-related pay, including a Protective Award in relation to consultation prior to redundancy. We reviewed each of the claims made against the claims these employees had made to the RPS and the payment made from the National Insurance Fund to satisfy the solicitor that all former employees had been able to make claims to the RPS and to challenge amounts they received from it.

Following this review, we negotiated terms of a Consent Judgment for a Protective Award to be presented to the Employment Tribunal for consideration. As part of these negotiations, we sought to have all claim elements other than a Protective Award withdrawn.

We continued our dialogue with the former employees who submitted redundancy-related claims to the Employment Tribunal, aiming to agree the withdrawal of all claims other than the Protective Award claims.

Shortly after the start of the period covered by this report, the Consent Judgment for the Protective Award was agreed and its terms confirmed with the Tribunal, and therefore this claim will not proceed to a hearing.

We have agreed a Protective Award of 90 days' pay which will rank as an unsecured claim in UPBOL. All other redundancy-related claims have been withdrawn.

Credit Cover refunds

Total credit cover recoveries are £935k in EESL and £724k in UPBOL. This includes £54k received into EESL in the current period.

Pre-appointment cash

Upon appointment we collected £3.4m cash from the Companies' bank accounts. In the period, a further receipt of £26k which related to a prior reporting period has been swept across from EESL pre-appointment bank account.

Following appointment we also liaised with the pre-appointment bankers regarding any potential contingent liabilities that they may have in respect of the merchant banking facilities. Once these contingent liabilities have crystallised, it is possible that further pre-appointment funds being held by the pre-appointment bankers as collateral will be released to the Companies. Amounts paid in indemnities during the period have reduced the cash balance held to c£352k. Depending on the eventual level of claims received, some of these funds may be payable into the administration estate in due course.

Leasehold property

We initially operated from three floors in the Companies' pre-appointment leasehold premises at Hagley Road in central Birmingham. We subsequently relocated the remaining members of staff to smaller offices at One Victoria Square, Birmingham and returned the original property to the landlord with effect from 19 December 2019. We have notified the landlord of our surrender of the lease, and they have confirmed that surrender of the lease has been accepted.

We now only occupy one small office space in Victoria Square Birmingham on a short term basis.

Business rates

We recovered £50.8k into EESL from the local authorities relating to business rates prepayments. This is included within "Sundry debts and refunds" at Appendix A. We do not currently anticipate any further business rates recoveries.

We have continued to receive a large number of business rates bills relating to the original property occupied until December 2019. Due to the large number of these bills and the different periods covered, we have been conducting an ongoing review and reconciliation exercise to ensure that only those amounts that are an expense of the administration are paid.

Sundry debts and refunds

In the period we received a sweep of funds from the pre-administration account, included in this was £23k that had been received into the pre-administration bank account shortly after our appointment. This receipt is showing as a current period receipt in our receipts and payments account at Appendix A.

Fixtures and fittings

We have realised £5.1k from the sale of certain office desks and chairs in a prior period. No further realisations are expected.

Contribution to costs

In the period EESL has received a contribution of £6,927 from UPBOL in respect of insurance costs and employee costs that EESL paid on UPBOL's behalf over the course of the administrations. We don't expect that any further contributions are due from UPBOL to EESL.

Indirect taxes

VAT

As previously reported, we agreed a method with HMRC of submitting VAT returns which would address the misalignment between VAT and insolvency legislation in respect of the time of supply and other technical matters. This method has involved providing HMRC with a breakdown of VAT attributable to the administration and VAT considered to be pre-appointment provable debt, and for HMRC to perform a manual adjustment to refund the latter to the Administrators.

Due to the loss of access to the Companies' billing system, even after agreement of the above method many of the VAT procedures had to be amended and regularly updated to allow meaningful processing of the limited data available.

During the period of this report we have continued to calculate the provable VAT debt elements and report these to HMRC as well as calculating our post-appointment VAT liabilities. We have continued to submit quarterly VAT returns.

We understand that it has been more difficult than anticipated for HMRC to process the agreed non-standard adjustments in respect of provable VAT debt within their system. Recovering these amounts from HMRC has continued to take up our time in the last six months. There was insufficient communication around the timings and payment amounts from HMRC and we needed to check the status of the repayments regularly with our HMRC contact.

Several repayments remain due, and following the Covid-19 pandemic HMRC has requested that these are transferred electronically, to which we have agreed. However, no further repayments have been received as at the end of this reporting period and we continue to request updates regularly from HMRC. We have been informed that the team that was processing the payments previously has transferred since the Covid-19 pandemic, but we have not been notified of a new payments team being briefed in relation to the agreed VAT adjustments.

Due to the significant outstanding amounts from HMRC (c.£0.9m), it has been agreed that EESL will not pay any VAT amounts reported as due within its VAT returns unless the amounts due exceed those owing from HMRC.

During the period the case team have been considering different ways to manage the debt outstanding from customers of EESL. The VAT team has provided advice in relation to recovery of statutory legal fees from customers. The VAT assessment was not simple as HMRC changed its previously held position in respect to what types of compensation payments would fall within the scope of VAT. The updated HMRC guidance was issued in September following which members of PwC as well as other business advisors met with HMRC to clarify the implication of the guidance and confirm HMRC's intended position.

Additionally the VAT team has performed a review of the VAT implication of selling the debt to an unassociated third party. In particular, it was confirmed that the sale of the debt would not trigger a requirement to repay Bad Debt Relief previously claimed on VAT amounts.

A VAT review has identified that input VAT on certain invoiced supplies from debt collectors had not been included on prior returns. This has been adjusted in the return for the quarter ended 31 October 2020.

The approach for the pre-appointment return has now been agreed and will be prepared in early 2021.

CCL

As detailed in our previous reports, the interaction of law applying to CCL and insolvency is complex and required considerable consultation within HMRC to agree an approach to exclude provable CCL debts from our payments in the administration.

Earlier this year we received confirmation from HMRC that CCL in relation to energy supplies made pre-appointment are to be considered a provable debt and therefore not payable by the Administrators. The final CCL return was submitted on 13 May 2020. We anticipate that the return should result in a repayment of c.£616k into the EESL estate.

The period covered by the CCL covers pre-appointment dates as well as post-appointment dates. Therefore the figures reported on the return contain a mixture of provable debts and amounts attributable to the administration of EESL. We received a repayment of £135k on 24 September 2020, which corresponds to the net pre and post administration position. However, we expect a further repayment from HMRC to remove the pre-appointment provable debt amounts from the CCL assessment. We are currently awaiting HMRC either to approve or to enquire into this remaining amount which is in the region of c.£481k. Further CCL submissions will be required by the Administrators for future periods because any future payments we receive from customers will require us to make payments to reverse the related bad debt amounts claimed in the final CCL return. However, these adjustments will be reported separately as post-CCL-deregistration events rather than on CCL returns.

Additionally, CCL specialists from our firm have performed a review of the CCL implication of selling the debt to a unassociated third party. In particular, it was confirmed that receipt of payment from customers, even if made to a third party debt collector, would trigger a requirement to repay Bad Debt Relief previously claimed. As such, the CCL analysis is more difficult than the equivalent VAT analysis. This is ongoing.

Corporation tax

Following analysis and reconciliation of the Companies' pre-administration management accounts, we drafted and submitted corporation tax returns for the period ends December 2017, 3 December 2018 and 31 December 2018 periods. There was no tax to pay in respect of these periods in either EESL or UPBO.

The tax return for the year ended 31 December 2019 is being prepared for submission ahead of the filing due date.

We will continue to submit tax returns while the administration is ongoing.

Statement of Affairs

As previously explained, we liaised with the Companies' sole director on many occasions to try to obtain a Statement of Affairs for both Companies. We provided several extensions and offered assistance with the preparation of the documents. No Statements of Affairs were received and we have yet to receive an acceptable explanation for the failure to provide them.

Review of security over assets

On multiple occasions we requested from the director and the relevant counterparties that they provide supporting documentation to substantiate the validity of the security granted by EESL to its connected parties EEG and EEHCL. In the period we once again contacted EEG and EEHCL and received an interim response from their advisor stating that they would look into providing this information. We will update creditors on any progress in our next report.

Extension of the administrations

As previously reported, we applied to Court and were granted an extension of both administrations for 18 months until 4 June 2021 to allow time to complete debt collection, realise any other assets, agree claims in principle and provide assistance to ScottishPower until all customer credit refunds have been processed. We can seek a further extension if necessary, but we currently envisage moving the Companies to CVL prior to 4 June 2021.

Changes of administrator

Michael Thomas Denny, one of the current joint administrators, is leaving the firm. To make sure that outstanding issues in the administration continue to be pursued, an application was made to the Court to remove him and appoint Edward Williams as administrator. Edward Williams is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The application was granted and Edward Williams will replace Michael Thomas Denny as joint administrator of both EESL and UPBOL with effect from 4 January 2021. The joint administrators are arranging as required by the Court order, to place an advert in the London Gazette, advertising that Michael Thomas Denny will be replaced by Edward Williams as joint Administrator of the Companies. Michael Thomas Denny will be released from all liability in respect of his conduct as administrator of the Companies with effect from 28 days from the date of this advert. Creditors have 28 days from the publication of this advert to apply to Court to vary or discharge the Court order.

Changes to our proposals

As Michael Thomas Denny will be replaced by Edward Williams as joint administrator, as part of the application above the Court has made an order that if the Companies move to CVL then David Matthew Hammond and Edward Williams will become the joint liquidators of the Companies.

Investigations and actions

We reviewed conduct matters and fulfilled our other obligations under the Company Directors' Disqualification Act 1986 ("CDDA") and the Statement of Insolvency Practice No 2 ("SIP 2") in respect of the periods prior to and following

our appointment, in line with our statutory duties as administrators. The content of any submissions to the Insolvency Service is confidential and therefore we are unable to provide any further information in that regard.

We continue to fulfil our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Connected party transactions

The Statement of Insolvency Practice 13 ("SIP 13") requires us to disclose details regarding any disposal of assets in the administration to a director or other connected party. As at 3 December 2020 there are no such transactions to report.

Creditor claims and related issues

We are continuing to explore ways in which we could establish the validity of EEG's and EEHCL's security over EESL's assets and liaise with our solicitors in this regard. As stated previously in this period we have had some preliminary correspondence with EEG and EEHCL's advisors, but we are unable to confirm that this will result in the information we require being provided. In addition to quantifying the level of validly secured claims, the outcome of this review should enable us to better assess the level of unsecured claims after any adjustments in respect of EEG's and EEHCL's secured claims.

There is also significant complexity relating to the charges raised by the various industry suppliers to the Companies, their resulting creditor claims, and the interaction of these with the credit cover deposits which the Companies had placed with these suppliers. We continue to take steps to reconcile this position and it may result in changes to the value of these suppliers' claims, which in turn will affect the overall level of unsecured claims.

We previously reported we had received a claim from ScottishPower in respect of the credit balance refunds paid by them to EESL's customers. We are continuing to review this claim in order to assess whether it will constitute a valid subrogated unsecured claim and are taking legal advice to assist us in determining this position.

We also continue to review a claim received by Ofgem. The outcome of this review will affect the overall level of unsecured claims.

Finally we are looking into intercompany balances between EESL and UPBOL and other group companies, to establish what claims may exist between the entities. The outcome of this review, may impact the overall level of claims and the estimated dividend outcome.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administration from 4 December 2018 to 3 December 2020.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

We will be asking creditors to agree that our remuneration can exceed the fees estimate previously provided. We will issue a second remuneration report in February 2021 approximately in which we will provide a detailed explanation of why our fees estimate has been exceeded and the action you will need to take.

Pre-administration costs

During the previous reporting period, creditors approved the payment of our pre-administration costs as expenses of the administrations. You can find in Appendix D the detail on these costs as provided in our previous communications. The pre-administration costs have now been paid in full in both administrations.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

You can also get a copy free of charge by contacting Nadia Mann at nadia.mann@pwc.com or on 0113 289 4000.

What we still need to do

We are continuing to recover EESL's book debts, though as expected the amounts being recovered are reducing and this has also been impacted by the Covid-19 pandemic. As there are still amounts due from customers as per EESL's ledger we are considering our strategy regarding recovery of these debts, as discussed in more detail earlier in the report.

We retain a small team to deal with any final queries, disputes and/or amendments that may need to be made to customer accounts.

As the debt collection draws to a close, we will need to wind down the operations of the business including terminating undertakings granted to suppliers and surrendering the lease to the landlord of the new premises at One Victoria Square, Birmingham.

In addition to this, we will need to complete the following tasks:

- quantify all VAT provable debt, submit all VAT returns and deregister EESL from VAT;
- submit all post-appointment corporation tax returns and obtain tax clearance;
- complete the review of EEG's and EEHCL's security on EESL's assets;
- quantify the level of dividend to EESL's and UPBOL's unsecured creditors and EESL's secured creditors;
- make a distribution under the Prescribed Part to EESL's unsecured creditors;
- distribute funds to EESL's secured creditors after agreement of the valid amount of EEG's and EEHCL's security;

and

- move into CVL in order to make a distribution to EESL's unsecured creditors (over and above the Prescribed Part) and to UPBOL's unsecured creditors.

Next steps

We are currently considering the best strategy for the future of the administrations, taking into account the amount of work we still need to complete and the cost of various options such as any potential further extensions of the administrations. We'll provide an update on this in our next report. We expect to send our next report to creditors at the end of the administrations or in about six months, whichever is the sooner. If you have any questions in respect of this update, please get in touch with Nadia Mann at nadia.mann@pwc.com.

Yours faithfully
For and on behalf of the Companies



Michael Denny
Joint administrator

EESL

Company balance sheet at 4 December 2018 (£)	4 December 2018 to 3 June 2020 (£)	4 June 2020 to 3 December 2020 (£)	4 December 2018 to 3 December 2020 (£)
Floating charge			
Receipts			
68,779,000 Book debts (Note 1)	15,572,404	270,491	15,842,896
VAT refund	1,643,808	135,235	1,779,043
4,389,047 Balance at bank (Note 2)	3,347,514	26,900	3,374,414
Third party funds (transferred to UPBOL)	58,286	-	58,286
Contribution to costs from UPBO (Note 3)	-	6,927	6,927
2,038,000 Credit cover refunds	880,820	53,841	934,661
Sundry debts and refunds (Note 2)	54,780	23,144	77,924
Contribution from Scottish Power	1,192,196	220,861	1,413,057
Bank interest gross	34,641	309	34,950
1,549,000 Fixed assets / fixtures and fittings	5,175	-	5,175
4,124,920 Software / investments	-	-	-
Total receipts	22,789,624	737,709	23,527,333
Payments			
Office holders' fees (pre-appointment)	240,156	-	240,156
Office holders' fees (post-appointment)	1,750,000	1,000,000	2,750,000
Office holders' expenses (pre-appointment)	10,921	-	10,921
Office holders' expenses (post-appointment)	34,562	1,768	36,330
Wages and salaries (Note 4)	2,230,442	255,950	2,486,393
Customer services agent	1,382,746	-	1,382,746
PAYE/NIC and pension deductions	1,093,633	151,211	1,244,844
Rents and service charge	685,081	2,804	687,885
Billing fees and expenses	1,063,996	1,970	1,065,966
Debt collection fees (Note 1)	575,629	46,625	622,254
Legal fees and expenses	229,886	-	229,886
Third party funds (transferred to UPBOL)	58,286	-	58,286
Utilities and rates (Note 2)	122,524	22,794	145,318
Subcontractors' fees (Note 6)	254,606	91,504	346,110
Telephone	54,169	1,270	55,439
Network system fees (Note 2)	269,504	35,581	305,085
Licences and royalties	15,435	-	15,435
Employee/subcontractor expenses	55,018	279	55,296
Insurance (Note 3)	40,120	1,010	41,130
Office costs, stationery and postage	23,483	1,042	24,525
Taxation	6,750	-	6,750
Direct expenses	25,076	-	25,076
Payroll bureau fees and expenses	9,649	2,585	12,235
Sundry expenses	5,952	394	6,346
Lease, hire and HP payments	8,323	-	8,323
Agents' disbursements	3,294	-	3,294
Overdraft, loans interest, bank charges (Note 2)	702.91	10,108	10,811
Storage costs not charged as a disbursement	1,170	-	1,170
Professional fees	1,590	-	1,590
Irrecoverable VAT	-	379	379
Total payments	10,252,705	1,627,276	11,879,981
Net floating charge realisations	12,536,919	(889,568)	11,647,351
VAT control account (Note 5)	(859,107)	(192,712)	(1,051,819)
Balance held in interest bearing current accounts	11,677,811	(1,082,280)	10,595,532

Notes to EESL's receipts and payments accounts

Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or exclude monies which will be received in due course from HMRC. Funds for EESL are held in interest bearing accounts with Barclays Bank Plc, HSBC Bank Plc and in pre-administration accounts held with Lloyds Banking Group. At the period end the amount in the pre-administration accounts totalled £565,847.

- 1. Book debts (customer collections) have previously been reported net of any debt collection fees paid, as this is how they are received into EESL's pre-administration bank account. In the period we have grossed up the book debt receipts by the debt collection fees paid and shown the debt collection fees paid as a payment and an adjustment to the brought forward VAT control account figure. This has included an adjustment to the prior period figures reported. Creditors should be aware that this adjustment does not affect the level of net realisations previously reported to creditors. In addition £325 has been reallocated from book debts to sundry debts and refunds relating to a prior period.*
- 2. In the period we have prepared a journal to reflect receipts and payments not relating to book debts, received or paid through EESL's pre-administration bank account early in the administration. These receipts and payments are showing as movements in the current period as they have been processed through our post appointment bank account in the current reporting period, but the transactions took place in a prior period. The net impact of these transactions is a receipt of c.£15k.*
- 3. Insurance costs were previously allocated on a 58/42% basis between EESL and UPBO, respectively. In the period we have reviewed the proportion of costs UPBOL should contribute to EESL in relation to insurance and employee costs and have concluded that this should be £6,927 which was our initial estimate for such costs as per UPBOL's statement of expenses. UPBOL has therefore paid EESL £6,927 in the period to settle its liability to EESL. Of the £6,927, £1,500 is a contribution to insurance costs and the remainder relates to employee costs that EESL has paid. All future insurance and employee costs will be paid by EESL and no further re-charge between EESL and UPBOL is expected.*
- 4. The wages and salaries figure is net of £21k received from HMRC under the Government Covid-19 furlough scheme and is in relation to four employees placed on furlough.*
- 5. Due to the complexity of the way EESL's VAT is accounted for and repaid by HMRC regular discussions remain ongoing with HMRC about the amount still repayable to EESL and therefore the VAT control account position may change in future reports.*
- 6. In our previous reports we explained what types of work (that would otherwise have been done by us) have been subcontracted out. The amounts paid for subcontracted services during the period were £91,504 and in total are £346,110 and are included in the EESL R&Ps above.*

UPBOL

Company balance sheet at 4 December 2018 (£)	4 December 2018 to 3 June 2020 (£)	4 June 2020 to 3 December 2020 (£)	4 December 2018 to 3 December 2020 (£)
Unchanged funds			
Receipts			
3,069,597 Credit cover refunds (*)	724,294	-	724,294
138,000 Bank interest gross	4,484	-	4,484
2,263,800 Cash in hand	137,333	-	137,333
36,061 Intercompany realisations	-	-	-
Intangible assets	-	-	-
Total receipts	866,111	-	866,111
Payments			
Office holders' fees (pre-appointment)	12,640	-	12,640
Office holders' fees (post-appointment)	268,995	-	268,995
Office holders' expenses (pre-appointment)	575	-	575
Office holders' expenses (post-appointment)	972	-	972
Office costs	1,074	1,289	2,364
Finance, bank interest and charges	-	26	26
Contribution to EESL's insurance and employee costs (Note 2)	-	6,927	6,927
Total payments	284,256	8,242	292,498
Net realisations	581,856	8,242	573,614
Preferential creditors (100 p in £)	(111,437)		(111,437)
VAT control account	(56,827)	(1,538)	(58,364)
Balance held in interest bearing current account (Note 1)	413,592	6,704	403,812

Notes to UPBOL's receipts and payments accounts

1. Funds for UPBOL are held in interest bearing accounts with Barclays Bank Plc.

2. Insurance costs were previously allocated on a 58/42% basis between EESL and UPBO, respectively. In the period we have reviewed the proportion of costs UPBOL should contribute to EESL in relation to insurance and employee costs and have concluded that this should be £6,297 which was our initial estimate for such costs as per UPBOL's statement of expenses. UPBOL has therefore paid EESL £6,927 in the period to settle its liability to EESL. Of the £6,927, £1,500 is a contribution to insurance costs and the remainder relates to employee costs that EESL has paid. All future insurance and employee costs will be paid by EESL and no further re-charge between EESL and UPBOL is expected.

3. In December 2019 we paid a dividend to UPBOL's preferential creditors at a rate of 100 pence in the pound.

Expenses are amounts properly payable by us as administrators from the estate and includes our fees, but excludes distributions to creditors.

The following table provides details of our expenses, apart from our fees, which are described in detail in Appendix C. The table also excludes any potential tax liabilities that we may need to pay as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period. In some cases final invoices for the period have not been received and the figure for expenses incurred in the period are therefore our best estimates and subject to correction in our next report.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

Any discrepancies between the amounts "incurred" per the expenses tables below and the "payments" per the receipts and payments accounts in the previous section are due either to costs incurred in the current period which have not yet been paid, or payments made in this period which relate to amounts outstanding at the end of the previous reporting period.

EESL

	<i>Brought forward from preceding period (£)</i>	<i>Incurred in the period under review (£)</i>	<i>Cumulative (£)</i>	<i>Estimated future (£)</i>	<i>Anticipated total (£)</i>	<i>Initial estimate (£)</i>	<i>Variance (£)</i>
Wages and salaries (Note 1)	2,230,443	255,950	2,486,393	380,000	2,866,393	2,689,943	(176,450)
Customer agent's fees and disbursements	1,366,040	(3,294)	1,362,746	-	1,362,746	1,748,216	365,470
PAYE, NIC and pension deductions	1,093,632	207,950	1,301,582	140,000	1,441,582	871,309	(570,273)
Rents and service charge	685,081	2,804	687,885	4,000	691,885	726,500	34,615
Billing fees and expenses	1,063,995	1,970	1,065,965	1,000	1,066,965	929,146	(137,819)
Debt collection fees (Note 2)	575,629	52,125	627,754	20,000	647,754	708,335	80,581
Legal fees and expenses (Note 3)	276,172	16,534	292,706	85,000	377,706	260,750	(116,956)
Utilities and rates (Note 4)	122,524	22,794	145,318	20,000	165,318	128,301	(37,017)
Subcontractors fees	254,606	98,384	352,990	100,000	452,990	152,564	(300,426)
Telephone	54,169	1,450	55,619	400	56,019	49,373	(6,646)
Network system fees (Note 4)	269,503	35,732	305,235	11,200	316,435	140,430	(176,005)
Employee/subcontractor expenses	55,089	315	55,404	100	55,504	21,703	(33,801)
Office costs, stationery and postage	23,483	1,042	24,525	500	25,025	23,882	(1,143)
Direct expenses	25,076	-	25,076	1,500	26,576	11,670	(14,906)
Licences, trademarks and royalties	15,435	-	15,435	-	15,435	-	(15,435)
Payroll bureau fees and expenses	10,053	3,272	13,325	1,200	14,525	6,969	(7,556)
Sundry expenses/contingency	5,952	473	6,425	308	6,733	23,778	17,045
Lease/hire/HP payments	8,323	-	8,323	-	8,323	2,975	(5,348)
Overdraft/loans interest/bank charges (Note 4)	703	10,108	10,811	300	11,111	2,812	(8,299)
Storage costs not charged as a disbursement	1,170	-	1,170	-	1,170	751	(419)
Professional fees	1,780	-	1,780	-	1,780	180	(1,600)
Taxation advice	6,750	-	6,750	-	6,750	-	(6,750)
Pre-administration costs	251,078	-	251,078	-	251,078	251,078	-
Insurance (Note 5)	38,620	1,010	39,630	503	40,133	9,534	(30,599)
Administrators' category 1 disbursements	36,899	-	36,899	200	37,099	38,761	1,662
Administrators' category 2 disbursements	1,688	3	1,691	50	1,741	3,165	1,424
Irrecoverable VAT	-	379	379	-	379	-	(379)
Contingency - Potential VAT liability (Note 6)	-	-	-	59,049	59,049	-	(59,049)
Total expenses	8,493,892	769,002	9,262,895	825,310	10,028,205	8,802,125	(1,226,080)

Notes to EESL Statement of Expenses

Our expenses have exceeded the initial estimate of £8,802,125 provided to all creditors before the basis of our fees was fixed. This is because the collection process has taken longer than previously anticipated and it was necessary to extend the administrations to maintain operations for a longer period. It should be noted that total collections have also exceeded expectations by an amount which significantly exceeds the additional costs incurred.

In addition we have undertaken additional reconciliations and work for ScottishPower at their request. It was not possible to factor the cost of performing this work into our expenses estimate when this was produced. We have charged Scottish Power for the additional work as well as receiving contributions from them for overheads and a contribution towards the costs associated with re-building the billing system. In total we have received c.£1.4m from Scottish Power. Therefore although additional expenses have been incurred (both across general expenses and Administrators' fees), we have also made additional recoveries for the benefit of creditors. Recoveries received from this work can be found in our receipts and payments account at Appendix A under "Contribution from Scottish Power" and should be considered in conjunction with the associated reported expenses in this report, when comparing with our initial estimates.

Other comments on the statement of expenses are as follows:

- 1. The wages and salaries figure is net of £21k received from HMRC in relation to the Government furlough scheme arising from the Covid-19 pandemic and is in relation to four employees placed on furlough.*
- 2. Book debts (customer collections) have previously been reported net of any debt collection fees paid, as this is how they are received into EESL's pre-administration bank account. In the period we have grossed up the book debt receipts by the debt collection fees paid and shown the debt collection fees paid as a payment. This has included an adjustment to the prior period figures reported. Creditors should be aware that this adjustment does not affect the level of net realisations previously reported to creditors.*
- 3. In the period our legal advisors confirmed that the WIP they reported to 3 June 2020 had been overstated. We have therefore revised the brought forward from the prior report down by £6k.*
- 4. In the period we have prepared a journal to reflect receipts and payments not relating to book debts, received or paid through EESL's pre-administration bank account early in the administration. These receipts and payments are showing as movements in the current period as they have been processed through our post appointment bank account in the current reporting period, but the transactions took place in a prior period. The net impact of these transactions is a receipt of c.£15k.*
- 5. Insurance costs were previously allocated on a 58/42% basis between EESL and UPBO, respectively. In the period we have reviewed the proportion of costs UPBOL should contribute to EESL in relation to insurance and employee costs and have concluded that this should be £6,927 which was our initial estimate for such costs as per UPBOL's statement of expenses. UPBOL has therefore paid EESL £6,927 in the period to settle its liability to EESL. Of the £6,927, £1,500 is a contribution to insurance costs and the remainder relates to employee costs that EESL has paid. All future insurance and employee costs will be paid by EESL and no further re-charge between EESL and UPBOL is expected. As a result of this reconciliation, the overall insurance expense that EESL has incurred has increased from what was previously reported.*
- 6. Due to the complexity around how VAT is accounted to HMRC on EESL's transactions and the fact HMRC is still holding back funds due to the administration whilst it reconciles the position, there remains the possibility that an amount could be due to HMRC and therefore an expense has been accrued based on what we currently know. This position could be subject to change.*

UPBOL

<i>Nature of expense</i>	<i>Brought forward from previous period</i>	<i>Paid/incurred in the period under review</i>	<i>Cumulative</i>	<i>Estimated future</i>	<i>Anticipated total</i>	<i>Initial estimate</i>	<i>Variance</i>
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Legal fees and expenses (Note 1)	3,651	0	3,651	0	3,651	0	(3,651)
UPBO to EESL - contribution to insurance and employee costs (previously categorised as insurance) (Note 2)	6,927	0	6,927	0	6,927	6,927	0
Office costs, stationery and postage	1,074	1,289	2,364	492	2,856	0	(2,856)
Finance, bank interest and charges (Note 3)	0	26	26	566	591	0	(591)
Storage	0	0	0	100	100	0	(100)
Pre-administration costs	13,215	0	13,215	0	13,215	13,215	0
Administrators Category 1 disbursements	926	0	926	49	975	975	0
Administrators Category 2 disbursements	47	0	47	12	58	0	(58)
Total expenses excluding our fees	25,840	1,315	27,155	1,218	28,373	21,117	(7,256)

Notes to UPBOL statement of expenses

Other comments on UPBOL's statement of expenses include:

1. In the period our legal advisors confirmed that the WIP they reported to 3 June 2020 had been overstated. We have therefore revised the brought forward from the prior report down by £4.5k.
2. Insurance costs were previously allocated on a 58/42% basis between EESL and UPBO, respectively. In the period we have reviewed the proportion of costs UPBOL should contribute to EESL in relation to insurance and employee costs and have concluded that this should be £6,927 which was our initial estimate for such costs as per UPBOL's statement of expenses. UPBOL has therefore paid EESL £6,927 in the period to settle its liability to EESL (please refer to the Receipts and Payments account at Appendix A where this payment is shown). Of the £6,927, £1,500 is a contribution to insurance costs and the remainder relates to employee costs that EESL has paid. All future insurance and employee costs will be paid by EESL and no further re-charge between EESL and UPBOL is expected. As a result of this reconciliation, the overall insurance expense that UPBOL has incurred has decreased from the figure of £16,138 that was previously reported as the cumulative amount in our prior report.
3. UPBOL still has an open pre-appointment bank account with Lloyds Banking Group but this is overdrawn by £540. It is not clear whether this overdrawn amount will need to be repaid by post appointment case funds, however a contingent expense is included above in the event this has to be repaid.

EESL

Our fees were approved on a time costs basis by the general body of creditors on 9 September 2019 based on an fees estimate of £3,419,869.

In the period from 4 June 2020 to 3 December 2020 we have incurred time costs totalling £513,432, bringing total time costs from appointment to 3 December 2020 to £4,460,457.

As at 3 December 2020 we have drawn post-appointment fees totalling £2,750,000, this includes £1,000,000 drawn in the current reporting period.

In a prior period we had also drawn £240,156 in relation to our pre-appointment work in line with the approval given. These amounts are included in the receipts and payments account provided earlier in this report.

Our time costs have exceeded our initial estimate of £3,419,869. We have previously informed creditors that our fees would exceed the initial fee estimate due unforeseen systems issues and complexity in dealing with certain matters that were not envisaged at the time our initial fee estimate was made. We will write to provide creditors with a revised fee estimate in due course and request creditors' approval to exceed the original estimate. In addition to providing a revised estimate of our costs for completing the administrations and any subsequent liquidations in our revised remuneration report, we will set out more detail on the reasons for the increased costs. However, in summary these include:

- additional time and complexity in building a new billing system to allow the final billing of Extra Energy customers - this was necessary to both collect the unbilled debts and to finalise the position of customers who had transferred to Scottish Power. Scottish Power has made a contribution to the overall costs of this system;
- the delay in final billing has caused a knock on delay in collecting the debts and has meant that staff and facilities have been retained longer than was originally anticipated, requiring the administrators' oversight;
- the administrations are now forecast to last to June 2021, six months longer than was originally forecast;
- the complexity of the interaction between VAT and CCL laws and insolvency law in relation to the accounting for VAT and CCL in the administration and the ongoing interaction with HMRC to secure the correct refunds; and
- the complexity of the agreement of claims from Ofgem and Scottish Power, with claims that have taken considerable periods of time to finalise and require substantial factual and legal review.

Our hours and average rates

4 June 2020 to 3 December 2020 (EESL)

Work Type Group	Partner	Director	Senior Manager	Manager	Senior Associate	Associate / Other	Grand Total (Hrs)	Total Cost (£)	Average Hourly Rate (£)
Operations	2	9		200	29	1	242	112,844	466
Statutory & Compliance	4	2	15	140	99	10	270	110,428	409
Tax & VAT		1	35	24	63	3	126	86,684	690
Assets	2	23	20	106	2	2	154	85,168	553
Accounting & Treasury			2	21	27	46	95	27,333	287
Creditors		2	4	50	8	2	67	30,864	461
Strategy & Planning	1	10	3	45	13	4	75	36,701	490
Employees & Pensions			1	50			50	22,922	458
Investigations			0		1		1	489	349
Grand Total	9	48	78	637	242	68	1,081	513,432	472

Total 4 December 2018 to 3 December 2020 (EESL)

Work Type Group	Incurred			Initial estimate			Variance		
	Hours	Cost	Average Hourly Rate	Hours	Cost	Average Hourly Rate	Hours	Cost	Average Hourly Rate
	(Hrs)	(£)	(£)	(Hrs)	(£)	(£)	(Hrs)	(£)	(£)
Operations	3,967	1,435,828	362	3,112	995,788	320	(855)	(440,040)	(42)
Assets	2,378	990,823	417	2,312	913,158	395	(66)	(77,665)	(22)
Tax & VAT	927	678,010	732	804	588,059	731	(123)	(89,951)	(1)
Statutory & Compliance	1,357	335,777	247	611	204,054	334	(746)	(131,723)	87
Strategy & Planning	631	277,561	440	494	192,210	389	(137)	(85,351)	(51)
IT Support	707	205,829	291	558	135,824	243	(149)	(70,005)	(48)
Employees & Pensions	455	192,250	423	229	92,112	403	(226)	(100,138)	(20)
Creditors	693	180,250	260	543	177,576	327	(150)	(2,674)	67
Accounting & Treasury	443	124,148	280	238	68,690	289	(205)	(55,458)	9
Investigations	115	39,982	346	134	52,398	391	19	12,416	45
Grand Total	11,674	4,460,457	382	9,034	3,419,869	379	(2,640)	(1,040,588)	(3)

Our time costs have exceeded our initial estimate in respect of certain categories of work. In brief this is due to the following factors:

- Complexities around the final billing process
- Large volume of customer queries and complaints
- Significant amount of data analysis and review in finalising customer account balances
- Complex VAT and CCL matters due to the nature of accounting for these in the energy sector
- Assisting with additional support tasks for ScottishPower (for which we have been paid)
- Reviewing and resolving a range of employee matters including protective award claims
- Large number of creditor enquiries and complex claims submitted
- Addressing requests from the Insolvency Service for a large volume of information
- Additional statutory and compliance obligations as a result of the above matters

More detail on the work we have completed to date and work we need to do is summarised from page 26 of this report and provides more context around why the estimate has been exceeded. If we seek an increase to our fees, additional detail on where we have exceeded the estimates will be provided to creditors.

UPBOL

Our post appointment fees were approved on a time cost basis by the general body of creditors on 30 September 2019, subject to a fee cap based on an initial estimate provided of £297,889.

In the period from 4 June 2020 to 3 December 2020 we have incurred time costs totalling £46,101, bringing total time costs from appointment to 4 December 2020 to £346,310. Since appointment we have drawn a total of £268,995 in fees. No fees have been drawn in the current reporting period. The amounts drawn previously are included in the receipts and payments account provided earlier in this report.

In a prior period we had also drawn £12,640 in relation to our pre-appointment work in line with the approval given. These amounts are included in the receipts and payments account provided earlier in this report.

Our time costs have exceeded our initial estimate of £297,889. This is because the book debt collection process has taken longer than anticipated and has required that we maintain active operations and a number of employees for a longer period. The lengthier process has also meant that we now anticipate the administration to last until June 2021 (six months longer than our initial estimate of December 2020) and we have obtained an extension to the administration from the court accordingly to reflect this. We previously advised that we were not intending to seek

further approval from creditors for additional fees in UPBOL to be drawn, however given the work performed and the recoveries made, we may look to seek an increase to our current fee level approved. We will report to creditors under separate cover regarding this in the event an increase is sought.

Our hours and average rates

4 June 2020 to 3 December 2020 (UPBOL)

Work Type Group	Partner	Director	Senior Manager	Manager	Senior Associate	Associate/ Other	Grand Total (Hrs)	Total Cost (£)	Average Hourly Rate (£)
Employees & Pensions				1	4	8	13	3,163	241
Statutory & Compliance		2	3	28	49	7	88	31,559	360
Strategy & Planning	1		1	1	2		4	1,906	454
Creditors			0	2	5	4	11	3,471	323
Assets					0		0	62	310
Tax & VAT				2	1	3	6	1,919	320
Accounting & Treasury			1	1	6	7	14	3,754	260
Closure Procedures			0				0	176	585
Investigations					0		0	93	310
Grand Total	1	2	5	35	67	29	137	46,101	337

Total 4 December 2018 to 3 December 2020 (UPBOL)

	<i>Incurred</i>			<i>Initial estimate</i>			<i>Variance</i>		
Work type group	Grand Total	Total Cost	Average Hourly Rate	Grand Total	Total Cost	Average Hourly Rate	Grand Total	Total Cost	Average Hourly Rate
	(Hrs)	(£)	(Hrs)	(Hrs)	(£)	(Hrs)	(Hrs)	(£)	(Hrs)
Employees & Pensions	413	102,011	247	314	90,356	288	(99)	(11,655)	41
Statutory & Compliance	355	124,578	351	210	65,123	309	(145)	(59,455)	(42)
Strategy & Planning	115	41,539	361	120	38,457	321	5	(3,082)	(40)
Creditors	134	35,486	265	122	33,528	275	(12)	(1,958)	10
Assets	47	10,440	224	41	9,861	240	(6)	(579)	16
Tax and VAT	22	11,057	499	69	40,458	584	47	29,401	85
Investigations	23	6,926	304	13	3,748	297	(10)	(3,178)	(7)
Accounting and Treasury	38	9,295	242	39	11,051	285	1	1,756	43
Operations	24	4,804	202	26	5,307	201	2	503	(1)
Closing procedures (*)	0	176	585	0	0	0	(0)	(176)	(585)
Grand Total	1,171	346,310	296	954	297,889	312	(217)	(48,421)	16

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already work on these administrations or who are likely to work on them in future.

Partner	690 / (910)	850 / (955)
Director	595 / (800)	720 / (840)
Senior Manager	515 / (605)	585 / (665)
Manager	405 / (525)	475 / (575)
Senior Associate	310 / (435)	390 / (465)
Associate	210 / (270)	245 / (297)
Support Staff	120 / (140)	125 / (155)
Offshore Professionals	210 / (210)	245 / (245)

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Partner	1,520	1,600
Director	1,395	1,465
Senior Manager	1,290	1,355
Manager	775	815
Senior Associate / Consultant	575	605
Associate /Assistant Consultant	305	325
Support Staff	250	230

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associates

We did not make any payments to associates in the period covered by this report.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:

Debtors (EESL)	<ul style="list-style-type: none"> • Reviewing and amending customer communications • Issuing final statements • Contacting debtors via outbound dialling, text messages and post • Maintaining an online “self-serve” payment portal for customers • Maintaining IT and telephone solutions • Maintaining a direct debit solution • Ongoing liaison with ScottishPower regarding customer credit balances • Ongoing monitoring of billing, collections and service levels • Regular communication with DCAs • Managing staff with regard to realisations and adherence to industry protocols • Reviewing and reconciling debt collection fees paid • Review and assessment of debtor collection strategy following completion of final billing process 	<ul style="list-style-type: none"> • To maximise realisations for creditors 	<ul style="list-style-type: none"> • Realising assets to allow a distribution to creditors
Credit cover (EESL/UPBOL)	<ul style="list-style-type: none"> • Negotiating with credit cover suppliers • Monitoring and keeping record of credit cover realisations 	<ul style="list-style-type: none"> • To maximise realisations for creditors 	<ul style="list-style-type: none"> • Realising assets to allow a distribution to creditors
Property (EESL)	<ul style="list-style-type: none"> • Reviewing and paying monthly rent invoices • Reviewing and reconciling whether any further business rates expenses to pay 	<ul style="list-style-type: none"> • To conduct the operations of the administrations 	<ul style="list-style-type: none"> • No direct financial benefit but necessary for the conduct of the administrations
Insurance (EESL/UPBOL)	<ul style="list-style-type: none"> • Corresponding with insurers regarding ongoing insurance requirements 	<ul style="list-style-type: none"> • To safeguard assets 	<ul style="list-style-type: none"> • Statutory requirement
Operations (EESL)	<ul style="list-style-type: none"> • Holding operational meetings with senior management team • Regular employee meetings to identify areas for improvement • Authorisation of purchase orders, review and approval of costs • Monitoring KPIs to enable strategic decision-making 	<ul style="list-style-type: none"> • To conduct the operations of the administrations 	<ul style="list-style-type: none"> • To realise assets to enable a distribution to creditors
Customer matters (EESL)	<ul style="list-style-type: none"> • Dealing with customer queries and reviewing each account to enable resolution of issues • Monitoring customer feedback on social media and addressing issues as appropriate • Liaising with EESL’s dedicated complaints team to addressing customer queries • Reviewing and ensuring a robust policy for dealing with vulnerable customers 	<ul style="list-style-type: none"> • To discharge our duties as administrators 	<ul style="list-style-type: none"> • To facilitate the realisation of book debts to allow a distribution to creditors

Operational receipts and payments (EESL)	<ul style="list-style-type: none"> • Updating financial models, reporting outcomes and periodic assessment of operational strategy • Entering receipts and payments into financial models and accounting system • Authorising and processing receipts, payments and journals relating to the operations • Reconciliation of transactions through EESL's pre-administration bank accounts 	<ul style="list-style-type: none"> • For the proper and secure stewardship of funds 	<ul style="list-style-type: none"> • Statutory requirement
Employee communications (EESL/UPBOL)	<ul style="list-style-type: none"> • Monitoring a dedicated employee email inbox to assist with employee queries • Holding regular employee briefings • Receiving and following up previous employee enquiries via telephone, post and email • Dealing with Employment Tribunal in respect of Protective Award claims 	<ul style="list-style-type: none"> • To discharge our duties in relation to employees 	<ul style="list-style-type: none"> • Statutory requirement
Payroll (EESL)	<ul style="list-style-type: none"> • Calculating and paying periodic payroll • Calculating and paying PAYE/NIC deductions to HMRC and other deductions to relevant agencies and third parties, including pensions • Processing furlough claims and dealing with receipts in respect of furloughed employees 	<ul style="list-style-type: none"> • To discharge our duties in relation to employees 	<ul style="list-style-type: none"> • Statutory requirement
Redundancy related work (UPBOL)	<ul style="list-style-type: none"> • Selecting and making further redundancies • Preparing letters to newly redundant employees advising of their entitlements and options available • Monitoring and reviewing required staffing levels 	<ul style="list-style-type: none"> • To ensure adequate staffing for pursuing the objectives of the administrations • To discharge our duties in relation to employees 	<ul style="list-style-type: none"> • For the cost effective running of the administrations and preservation of creditors' funds • Statutory requirement
Pensions (UPBOL)	<ul style="list-style-type: none"> • Complying with statutory pensions obligations • Calculating contributions and requesting payments to the relevant scheme or policy 	<ul style="list-style-type: none"> • To discharge our obligations in respect of pensions 	<ul style="list-style-type: none"> • Statutory requirement
Creditor enquiries (EESL/UPBOL)	<ul style="list-style-type: none"> • Dealing with creditor enquiries via telephone, email and post • Preparing and issuing correspondence to creditors and their representatives • Receipting and filing proofs of debt • Dealing with creditor disputes 	<ul style="list-style-type: none"> • To keep creditors informed of the progress of the administrations 	<ul style="list-style-type: none"> • Statutory requirement
Secured creditors (EESL)	<ul style="list-style-type: none"> • Continuing to work with solicitors to assess the validity of EEG's and EEHCL's security • Preliminary correspondence with EEG and EEHCL advisors regarding security position 	<ul style="list-style-type: none"> • To account for secured claims correctly and to calculate return to all creditors accurately 	<ul style="list-style-type: none"> • Statutory requirement
Preferential claims (UPBOL)	<ul style="list-style-type: none"> • Transferring uncashed dividends to the Insolvency Service unclaimed dividends account 	<ul style="list-style-type: none"> • To ensure receipt of dividend 	<ul style="list-style-type: none"> • Financial benefit to preferential creditors and statutory requirement
Unsecured claims (EESL/UPBOL)	<ul style="list-style-type: none"> • Receipting proofs of debt and maintaining register • Requesting supporting documentation in relation to a number of larger claims • Liaising with retained Company staff to discuss the level validity of claims received in principle 	<ul style="list-style-type: none"> • To account for all unsecured claims • To begin agreeing claims in principle 	<ul style="list-style-type: none"> • Statutory requirement
Customer credit balances	<ul style="list-style-type: none"> • Liaising with ScottishPower to provide customer credit balance information in order to assist them with issuing customer refunds 	<ul style="list-style-type: none"> • To discharge our duties in respect of credit balance 	<ul style="list-style-type: none"> • Financial benefit to customers

(EESL)		customers	
Key stakeholder communications (EESL/UPBOL)	<ul style="list-style-type: none"> • Regular contact with Ofgem • Liaising with Citizens' Advice Bureau with regards to final billing progress, debt collection activities and customer matters 	<ul style="list-style-type: none"> • To discharge our duties as administrators 	<ul style="list-style-type: none"> • Statutory requirement
Investigations (EESL/UPBOL)	<ul style="list-style-type: none"> • Liaising with the Department for Business, Energy & Industrial Strategy in respect of our CDDA submission, as necessary 	<ul style="list-style-type: none"> • To discharge our duties as administrators 	<ul style="list-style-type: none"> • Statutory requirement
Progress reports (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing and issuing our third progress report to creditors, members and the Registrar 	<ul style="list-style-type: none"> • To keep creditors informed of the progress of the administrations 	<ul style="list-style-type: none"> • Statutory requirement
Other statutory and compliance (EESL/UPBOL)	<ul style="list-style-type: none"> • Responding to Data Subject Access Requests • Reviewing, allocating and filing case post as appropriate • Appointee statutory reviews; 	<ul style="list-style-type: none"> • Obligation under General Data Protection Rules, and for efficient management of the administrations 	<ul style="list-style-type: none"> • Statutory requirement
Corporation tax (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing and issuing corporation tax returns • Liaising with HMRC in respect of the above 	<ul style="list-style-type: none"> • To discharge our tax obligations and recover funds where possible 	<ul style="list-style-type: none"> • Statutory requirement
VAT (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing and submitting VAT returns • Liaising with HMRC on general compliance matters • Reconciling VAT position through pre administration bank accounts and post appointment bank accounts • Reviewing the VAT implications of proposed future strategies in respect of book debts • Preparing an adjustment in respect of a number of previously reported supplies. • VAT bad debt relief calculations • Chasing HMRC in relation to refunds 	<ul style="list-style-type: none"> • To discharge our VAT compliance obligations 	<ul style="list-style-type: none"> • Statutory requirement
CCL (EESL)	<ul style="list-style-type: none"> • Liaising with the CCL team in respect of future payments • Review of CCL implications of proposed strategy in respect of book debts 	<ul style="list-style-type: none"> • To discharge our compliance obligations in respect of indirect taxes 	<ul style="list-style-type: none"> • Statutory requirement
Strategy and planning (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing budgets and monitoring costs • Updating estimated outcome statements • Issuing administration fee bill • Reviewing administration strategy and making adjustments as necessary • Holding team meetings to review status of the administrations • Conducting six monthly case reviews • Filing of documents on approved systems of record • Updating case checklists and diary management system 	<ul style="list-style-type: none"> • For the effective management of the administrations 	<ul style="list-style-type: none"> • Minimising the costs of the administrations

Our future work

We still need to do the following work to achieve the purpose of administration.

Debtors (EESL)	<ul style="list-style-type: none"> • Completing any amendments to a small number of complex accounts • Continuing to collect in debts • Finalising and implementing our strategy in relation to unpaid accounts • Continued complaints investigation and resolution with customers. 	<ul style="list-style-type: none"> • To maximise realisations for creditors 	<ul style="list-style-type: none"> • Direct financial benefit to creditors
Property (EESL)	<ul style="list-style-type: none"> • Vacating property occupied since December 2019 • Surrendering lease in respect of the new premises and dealing with any associated claims 	<ul style="list-style-type: none"> • To conduct the operations of the administrations 	<ul style="list-style-type: none"> • No direct financial benefit but necessary to enable debt collection
Insurance (EESL/UPBOL)	<ul style="list-style-type: none"> • Corresponding with insurers regarding ongoing insurance requirements 	<ul style="list-style-type: none"> • To safeguard assets 	<ul style="list-style-type: none"> • Statutory requirement
Other assets (EESL/UPBOL)	<ul style="list-style-type: none"> • Submission of an unsecured claim in UPBOL and receipting of any dividend • Instructing and liaising with solicitors regarding any recovery actions • Holding internal meetings to discuss status of any litigations • Attending to negotiations and settlement matters • Exploring and recovering any final operational related realisations. 	<ul style="list-style-type: none"> • To maximise realisations for creditors 	<ul style="list-style-type: none"> • Financial benefit to creditors
Operations (EESL)	<ul style="list-style-type: none"> • Liaising with suppliers regarding ongoing services during the administration • Holding daily operational meetings with senior management team • Regular employee meetings to identify areas for improvement • Authorisation of purchase orders, review and approval of costs • Monitoring KPIs to enable strategic decision-making • Shutting down operations once debt collection process is complete 	<ul style="list-style-type: none"> • To help conduct the operations in order to realise book debts 	<ul style="list-style-type: none"> • Maximising realisations for creditors
Customer matters (EESL)	<ul style="list-style-type: none"> • Dealing with any remaining customer queries • Updating the administration website with customer communications as necessary 	<ul style="list-style-type: none"> • To discharge our duties in respect of customers 	<ul style="list-style-type: none"> • Collecting funds to allow a distribution to creditors
Operational receipts and payments (EESL)	<ul style="list-style-type: none"> • Entering receipts and payments into financial models and accounting system • Authorising and processing receipts, payments and journals • Transfer final funds from pre-administration bank account to post appointment bank account 	<ul style="list-style-type: none"> • Ensures proper and secure stewardship of funds 	<ul style="list-style-type: none"> • Statutory requirement
Employee communications (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing letters to employees in relation to future redundancies • Holding regular employee briefings • Receiving and following up ex-employee 	<ul style="list-style-type: none"> • To discharge our duties in relation to employees 	<ul style="list-style-type: none"> • Statutory requirement

enquiries via telephone, post and email			
Payroll (EESL/UPBOL)	<ul style="list-style-type: none"> • Calculating and paying periodic payroll • Calculating and paying over PAYE/NIC to HMRC and other deductions to relevant agencies and third parties 	<ul style="list-style-type: none"> • To discharge our duties in relation to employees 	<ul style="list-style-type: none"> • Statutory requirement
Redundancy related work (UPBOL)	<ul style="list-style-type: none"> • Completing consultation process for future redundancies • Selecting and making further redundancies • Liaising with external agencies as required 	<ul style="list-style-type: none"> • To ensure adequate staffing for pursuing the objectives of the administrations • To discharge our duties in relation to employees 	<ul style="list-style-type: none"> • For the cost effective running of the administrations and preservation of creditors' funds • Statutory requirement
Pensions (UPBOL)	<ul style="list-style-type: none"> • Calculating contributions and requesting payments to the relevant scheme or policy 	<ul style="list-style-type: none"> • To discharge our duties in respect of pensions 	<ul style="list-style-type: none"> • Statutory requirement
Creditor enquiries (EESL/UPBOL)	<ul style="list-style-type: none"> • Dealing with creditor enquiries via telephone, email and post • Preparing and issuing correspondence to creditors and their representatives • Receipting and filing proofs of debt 	<ul style="list-style-type: none"> • To keep creditors informed of the progress of the administrations 	<ul style="list-style-type: none"> • Statutory requirement
Secured creditors (EESL)	<ul style="list-style-type: none"> • Continuing to work with solicitors to assess the validity of security • Issuing communications to secured creditors as required • Responding to secured creditors' queries as necessary 	<ul style="list-style-type: none"> • To establish correct allocation of dividends 	<ul style="list-style-type: none"> • Statutory requirement
Unsecured claims (EESL/UPBOL)	<ul style="list-style-type: none"> • Receipting proofs of debt and maintaining register • Preparing correspondence to potential creditors inviting lodgement of proofs of debt • Adjudicating claims, including requesting further information from claimants • Obtaining and adjudicating intercompany claims • Updating and maintaining a record of the projected dividend level to creditors • Preparing correspondence to claimants advising outcome of adjudication and advising of intention to declare dividend • Advertising intention to declare dividend • Calculating dividend rate and preparing dividend file • Preparing and paying unsecured dividend 	<ul style="list-style-type: none"> • To discharge our duties in respect of unsecured creditors 	<ul style="list-style-type: none"> • Statutory requirement and direct financial benefit to creditors
Customer credit balances (EESL)	<ul style="list-style-type: none"> • Liaising with ScottishPower to follow up on any matters relating to the customer credit balances provided 	<ul style="list-style-type: none"> • To discharge our duties in relation to the SoLR process 	<ul style="list-style-type: none"> • Financial benefit to customers with a credit balance
Key stakeholder communications (EESL/UPBOL)	<ul style="list-style-type: none"> • Liaising with Ofgem • Liaising with Citizens Advice Bureau with regards to final billing, debt collection activities and customer matters • Preparing and issuing update reports to shareholder / Director / majority creditor • Responding to shareholder enquiries as necessary 	<ul style="list-style-type: none"> • To discharge our duties as administrators 	<ul style="list-style-type: none"> • Statutory requirement

Creditors' committee (EESL/UPBOL)	<ul style="list-style-type: none"> • If necessary, establishing a creditors' committee and holding meetings • Conducting ongoing correspondence with members of the committee if one is formed 	<ul style="list-style-type: none"> • To keep creditors informed of progress 	<ul style="list-style-type: none"> • Statutory requirement
Investigations (EESL/UPBOL)	<ul style="list-style-type: none"> • If required, liaising with the Department for Business, Energy & Industrial Strategy in respect of our CDDA submission 	<ul style="list-style-type: none"> • To discharge our duties 	<ul style="list-style-type: none"> • Statutory requirement
Progress reports and extensions (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing and issuing periodic progress reports to creditors, members and the Registrar of Companies • If necessary, drafting and submitting a further administration extension application 	<ul style="list-style-type: none"> • To keep creditors informed of progress 	<ul style="list-style-type: none"> • Statutory requirement
Meetings (EESL/UPBOL)	<ul style="list-style-type: none"> • Issuing any notices and associated documentation for seeking any future decisions of creditors as required 	<ul style="list-style-type: none"> • To ensure proper approval is obtained for certain decisions 	<ul style="list-style-type: none"> • Statutory requirement
Books and records (EESL/UPBOL)	<ul style="list-style-type: none"> • Dealing with records in storage, including retrieval of information where necessary 	<ul style="list-style-type: none"> • To safeguard company information 	<ul style="list-style-type: none"> • Statutory requirement
Conversion to CVL (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing and issuing notice of move to CVL to the Registrar of Companies • Setting up internal case systems and files for the CVL 	<ul style="list-style-type: none"> • To allow a distribution to be made to unsecured creditors 	<ul style="list-style-type: none"> • Statutory requirement
Other statutory and compliance (EESL/UPBOL)	<ul style="list-style-type: none"> • Responding to any further Data Subject Access Requests • Reviewing, allocating and filing case post as appropriate 	<ul style="list-style-type: none"> • To ensure proper management of the administrations 	<ul style="list-style-type: none"> • Statutory requirement
Corporation tax (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing and issuing periodic tax returns • Liaising with HMRC in respect of the above • Review of company records and preparation of file notes in relation to tax governance • Request for corporation tax clearance prior to case closure 	<ul style="list-style-type: none"> • To discharge our tax compliance obligations 	<ul style="list-style-type: none"> • Statutory requirement
VAT (EESL/UPBOL)	<ul style="list-style-type: none"> • Preparing and submitting periodic VAT returns • Dealing with VAT enquiries • Liaising with HMRC on general compliance matters • Assisting HMRC with their review of VAT return workings due to their complexities 	<ul style="list-style-type: none"> • To discharge our VAT compliance obligations 	<ul style="list-style-type: none"> • Statutory requirement
CCL (EESL)	<ul style="list-style-type: none"> • Liaising with HMRC regarding environmental taxes • Continuing to submit bad debt relief claims or adjustments in respect of CCL 	<ul style="list-style-type: none"> • To discharge our compliance obligations in respect of indirect taxes 	<ul style="list-style-type: none"> • Statutory requirement
Strategy and planning (EESL/UPBOL)	<ul style="list-style-type: none"> • Monitoring costs of the administrations • Updating estimated outcome statements • Issuing administration fee bills • Reviewing administration strategy and making adjustments as necessary • Holding team meetings to review status of the administrations • Conducting six monthly case reviews • Filing of documents on approved systems of record • Updating case checklists and diary management system 	<ul style="list-style-type: none"> • For the effective management of the administrations 	<ul style="list-style-type: none"> • Minimising the costs of the administrations to maximise return to creditors

Accounting and treasury (EESL/UPBOL)	<ul style="list-style-type: none"> • Dealing with non-operational receipts, payments and journals • Carrying out bank reconciliations and managing investment of funds • Corresponding with bank regarding specific transfers • Closing bank accounts 	<ul style="list-style-type: none"> • For the proper and secure stewardship of funds 	<ul style="list-style-type: none"> • Statutory requirement
Closure procedures (EESL/UPBOL)	<ul style="list-style-type: none"> • Withdrawing undertakings and obtaining clearances from third parties • Completing checklists and diary management system • Closing down internal systems 	<ul style="list-style-type: none"> • To ensure orderly closure of the case 	<ul style="list-style-type: none"> • Statutory requirement

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the administration and has been approved by the general body of creditors where required.

The following disbursements arose in the period of this report.

EESL

2	Photocopying – At 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	2.88
2	Mileage – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	Other - Disbursements reimbursed at cost	-
	Total	2.88

UPBOL

2	Photocopying – At 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	Mileage – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc).	-
1	Other - Disbursements reimbursed at cost	-
	Total	-

We did not incur any disbursements in UPBOL in the period covered by this report.

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Details of subcontracted work

The following work, which we or our staff would normally do, has been done by subcontractors during the period covered by this report.

Payroll processing	Sage UK Ltd Outsource Services	Industry knowledge	Time costs and disbursements
Processing debt collection communications	Teleperformance	Industry knowledge	Time costs and disbursements
Document production	Mitie Group Plc	Regular supplier to the Administrators' firm	Fixed fee per sheet printed / copied
Provision of office space and office services	IW Group Services (UK) Ltd	Industry knowledge	Fixed fee per month and/or service provided
Document storage	Iron Mountain Ltd	Industry knowledge	Fixed fee per box

Legal and other professional firms

We've instructed the following professionals during the period covered by this report:

Legal services	Gateley Plc Eversheds Sutherland LLP	Industry knowledge	Time costs and disbursements
Insurance	AUA Insolvency Risk Services	Insolvency expertise	Standard statistical calculations
IT support	Consult Energy	Industry knowledge	Time costs and disbursements Fixed fee
Technical support	Electro Comm Digital Services Limited	Industry knowledge	Time costs and disbursements

Billing services	Arlington Coney Ltd	Industry knowledge	Time costs and disbursements
Payment services	Allpay Ltd	Industry knowledge	Cost per transaction
	First Data		
Debt collection	Wilkin Chapman LLP	Industry knowledge	Time costs and disbursements
	Credit Style		Commission

We require that all third party professionals to submit time costs analyses and narratives in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- Review amounts charged against the description of work undertaken and the circumstances of the case;
- Seek further breakdown of costs and detail of work undertaken where necessary; and
- Review invoices against any existing fee agreements with the suppliers.

We are satisfied that the amounts incurred to date are reasonable in the circumstances of the case.

EESL

Court details for the administration:	High Court of Justice Business and Property Courts in Birmingham Insolvency & Companies List (ChD) Case 8325 of 2018
Company's registered name:	Extra Energy Supply Limited
Trading name:	Extra Energy
Registered number:	08053154
Registered address:	8th Floor, 1 Victoria Square, Birmingham, B1 1BD
Company directors:	Mordechay Ben-Moshe
Company secretary:	Neil Dodds
Shareholdings held by the directors and secretary:	None
Date of the Joint Administrators' appointment:	4 December 2018
Joint Administrators' names, addresses and contact details:	Michael Thomas Denny – 1 Chamberlain Square, Birmingham, B3 3AX David Matthew Hammond – 1 Chamberlain Square, Birmingham, B3 3AX Ian David Green – 7 More London Riverside, SE1 2RT (4 December 2018 to 19 December 2019) Telephone: 0113 289 4000
Appointer's/ applicant's name and address:	Director: Mordechay Ben-Moshe – 54 Hagley Road, Birmingham, B16 8PE
Objective being pursued by the Administrators:	(B) Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration)
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch 1 IA86, during the period for which the administration is in force, any function to be exercised by the persons appointed to act as administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office
Regulation (EU) 2015/848 of the European Parliament and the Council of 20 May 2015 on Insolvency Proceedings (recast):	The Regulation applies to this administration and the proceedings are main proceedings

UPBOL

Court details for the administration:	High Court of Justice Business and Property Courts in Birmingham Insolvency & Companies List (ChD) Case 8340 of 2018
Company's registered name:	Utility Professional Business Operations Limited
Trading name:	Extra Energy
Registered number:	08656255
Registered address:	8th Floor, 1 Victoria Square, Birmingham, B1 1BD
Company directors:	Mordechay Ben-Moshe
Company secretary:	Neil Dodds
Shareholdings held by the directors and secretary:	None
Date of the Joint Administrators' appointment:	4 December 2018
Joint Administrators' names, addresses and contact details:	Michael Thomas Denny – 1 Chamberlain Square, Birmingham, B3 3AX David Matthew Hammond – 1 Chamberlain Square, Birmingham, B3 3AX Ian David Green – 7 More London Riverside, SE1 2RT (4 December 2018 to 19 December 2019) Telephone: 0113 289 4000
Appointer's/ applicant's name and address:	Director: Mordechay Ben-Moshe – 54 Hagley Road, Birmingham, B16 8PE
Objective being pursued by the Administrators:	(B) Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration)
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch 1 IA86, during the period for which the administration is in force, any function to be exercised by the persons appointed to act as administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office
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