

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 8 2 2 2 3 2 5

Company name in full Zog Energy Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Mark

Surname Upton

3 Liquidator's address

Building name/number Victory House

Street Vision Park

Chivers Way, Histon

Post town Cambridge

County/Region

Postcode C B 2 4 9 Z R

Country

4 Liquidator's name ①

Full forename(s) David

Surname Scrivener

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Victory House

Street Vision Park

Chivers Way, Histon

Post town Cambridge

County/Region

Postcode C B 2 4 9 Z R


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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6	Period of progress report											
From date	^d 0	^d 7	^m 1	^m 2	^y 2	^y 0	^y 2	^y 2				
To date	^d 0	^d 6	^m 1	^m 2	^y 2	^y 0	^y 2	^y 3				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	Signature 								X			
Signature date	^d 2	^d 5	^m 0	^m 1	^y 2	^y 0	^y 2	^y 4				

LIQ03

Notice of progress report in voluntary winding up



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 **Jill Rose**

Company name **Ensors**

Address **Victory House**

Vision Park

Chivers Way, Histon

Post town **Cambridge**

County/Region

Postcode

C B 2 4 9 Z R

Country

DX

Telephone

01223 420721



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 Liquidators' Annual Progress Report to Creditors & Members

Zog Energy Limited
- In **Creditors' Voluntary** Liquidation

Reporting period from 7 December 2022 to 6 December 2023

25 January 2024

ZOG ENERGY LIMITED - IN LIQUIDATION

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1 Introduction and Statutory Information

- 1.1 We, Mark Upton and David Scrivener of Ensors Accountants LLP, Connexions, 159 Princes Street, Ipswich, IP1 1QJ, were appointed as Joint Liquidators of Zog Energy Limited (the Company) on 7 December 2022. The appointment as Joint Liquidators follows our original appointment as Joint Administrators of the Company and as detailed in our final Administration progress report dated 28 November 2022.
- 1.2 We are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales and are bound by the Insolvency Code of Ethics when carrying out work relating to insolvency appointments. In the event of case related queries, the Joint Liquidators can be contacted on telephone number 01223 420721 or by email [c/o jill.rose@ensors.co.uk](mailto:jill.rose@ensors.co.uk).
- 1.3 This progress report provides an update on the conduct of the Liquidation for the period from 7 December 2022 to 6 December 2023 (the Period) and should be read in conjunction with any previous progress reports which have been issued.
- 1.4 Previous reports with reference to the Liquidation of the Company can be viewed from the following website:

<https://www.ips-docs.com/case/ZO0003/ZogCVL-Reports>
- 1.5 Reports for the Administration that preceded the Liquidation can also be downloaded using the link detailed above or can be provided, please contact the case manager Jill Rose at jill.rose@ensors.co.uk and a copy will be provided free of charge.
- 1.6 Information about the way that this firm will use, and store personal data on insolvency appointments be found at <https://www.ensors.co.uk/privacy-policy/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.7 The principal trading address of the Company was Adastral Park, Martlesham Heath, Ipswich, IP5 3RE.
- 1.8 The registered office of the Company has been changed to Connexions, 159 Princes Street, Ipswich, IP1 1QJ, and its registered number is 08222325.

2 Receipts and Payments

- 2.1 At Appendix A is our Receipts and Payments Account covering the Period of this report.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs. We would, however, bring the following matters about the receipts and payments during the Period to your attention:
- 2.3 The majority of asset realisations were completed during the preceding Administration process and the receipts and payments detailed as Appendix A show the brought forward balance of funds.

3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Joint Liquidators and their staff.

Administration (including statutory compliance & reporting)

- 3.2 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated would need to be done in this area was outlined in our initial fees estimate/information which was previously agreed by creditors.
- 3.3 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.
- 3.4 As noted in our initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

Realisation of Assets

Balance brought forward from Administration

- 3.5 Following our appointment as Joint Liquidators, the sum of £1,990,534.81 was transferred into an account opened in preparation for the Liquidation. This represents the remaining funds held in the Company's Administration account.

Direct Debit Bureau

- 3.6 As advised in our previous Report, the Joint Liquidators entered into a payment plan with the bureau that previously handled the Company's direct debit collections.
- 3.7 During the Period the final £26,000 retention was released to the Company, and no further realisations are expected. This is shown within Appendix A.

Value Added Tax ("VAT") and Corporation Tax ("CT")

- 3.8 A VAT refund of £17,931 has been received during the Period against outstanding Administration VAT returns submitted.
- 3.9 There is still a sum of c£26k outstanding from HM Revenue & Customs ("HMRC") against Administration VAT returns submitted.
- 3.10 We have been in contact with the VAT office with reference to the unpaid Administration refund and they have advised that funds had been retained in case it is necessary for Crown Set Off to be applied against potential tax liabilities that may have arisen in the Administration Period.
- 3.11 All applicable tax returns for the Administration period have been submitted.
- 3.12 The appointment of a liquidator creates a new accounting period for tax purposes. A CT return for the first year of the Liquidation will be drafted and submitted to HMRC. Any liability will be paid and the detail provided within the next report.

Book Debt Realisations

- 3.13 The sum of £1,327.98 has been received in the period. This is made up of dividend payments from Johnson Geddes – In Administration and a receipt from Credit Style Limited.

Gross Bank Interest

- 3.14 The sum of £3,373.39 has been received in the period covered by this report. A majority of this is in respect of interest accrued by the Administration bank account prior to the transfer of funds into the Liquidation bank account.

Contract Natural Gas Limited **Claim (“CNG Claim”)**

- 3.15 As detailed in our Administrators’ Proposals, the Company purchased gas from Contract Natural Gas Limited (“CNG”) on a fully “hedged” basis, insulating it from market fluctuations in wholesale energy prices.
- 3.16 On 13 October 2023, CNG announced its intent to exit the wholesale gas market to the Company. CNG then confirmed on 27 October 2021 that its shipping services would cease on 30 November 2021, and that hedges would not transfer. CNG went into Administration on 30 November 2021.
- 3.17 During the Administration we instructed Prettys Solicitors (“Prettys”) to review the Company’s potential claim against CNG for repudiation/breach of contract, with assistance from the Company’s former Directors to calculate the quantum of the losses incurred.
- 3.18 Based upon advice from Prettys, legal proceedings were formally issued against CNG on 12 October 2022 in the High Court in London. These proceedings were stayed by consent to enable the parties to resolve their claims as part of their respective insolvency processes.
- 3.19 A proof of debt was duly submitted in the liquidation of CNG on 10 August 2023.
- 3.20 We were notified on 18 October 2023 that CNG’s Joint Liquidators had adjudicated the claim. Their adjudication concluded that CNG’s liability should be capped at £250,000 under their interpretation of the terms of the Master Sales Agreement between the parties and set off against CNG’s claim in Zog’s Liquidation (as addressed further below).
- 3.21 An application was lodged at the High Court in Leeds on 7 November 2023 to dispute the above adjudication under the provisions of Insolvency Rule 14.8.
- 3.22 CNG also sought to prove for their debt in the Liquidation of Zog in relation to services provided prior to its Administration. Having sought the advice of Prettys and counsel our adjudication concluded that Zog’s liability to CNG was nil.
- 3.23 CNG’s Joint Liquidators lodged an application in the High Court in London disputing our adjudication on 5 December 2023 under the provisions of Insolvency Rule 14.8.
- 3.24 It has been agreed between the parties that the two applications under Rule 14.8 should be consolidated and considered in the High Court in London. A draft consent order has been agreed and an application has been made to transfer the Leeds application to London.
- 3.25 It should be noted that this is a protracted matter and is still ongoing and we will provide an update in our future progress reports.
- 3.26 A considerable amount of time and costs have been incurred to date for dealing with the Joint Liquidators/Administrators of CNG as well as their lawyers.
- 3.27 It is anticipated that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors because we anticipate that there will be a return to creditors, however the quantum of any return cannot be determined at this time.

Creditors (claims and distributions)

- 3.28 Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

- 3.29 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.
- 3.30 Work undertaken by a Liquidator in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.
- 3.31 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.32 At this stage, we consider the following matters worth bringing to the attention of creditors:
- The ongoing claim against CNG as detailed above and the agreement of any claim in the liquidation process
 - There are approximately 47 unsecured creditor claims in this case with a value per the directors' statement of affairs ("SofA") of c.£3.1 million
 - All other unsecured claims will be considered in due course
 - There are no secured creditors in this liquidation
 - We anticipate claims from preferential creditors totalling c.£21.7k

Investigations

- 3.33 You may recall from our first progress report to creditors during the preceding Administration of the Company that some of the work Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 3.34 Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the Administration and is confidential.
- 3.35 Since our last progress report, we would advise that no further asset realisations have come to light that may be pursued by us for the benefit of creditors.

Matters still to be dealt with

CNG Claim

- 3.36 As the former suppliers of natural gas to the Company, CNG have also submitted a claim in the liquidation.
- 3.37 This claim is subject to dispute as part of our ongoing legal action against CNG detailed above, and due to the quantum of the claim and its potential impact on the level of any distribution, it will be necessary for this matter to be resolved before the liquidation can be concluded.
- 3.38 Information on this is provided in sections 3.14 to 3.26 above.
- 3.39 Our policy is to delegate the tasks to appropriate members of our team considering their level of experience and requisite specialist knowledge, so as to maximise the cost effectiveness of the work performed. It should be noted that due to the particular complexity or significance of this case and the agreement of the claim this will require more of the Liquidators involvement which will incur additional time at a higher charge out rate. Further information with reference to the creditor claims is provided within Section 4 below.

Supplier of Last Resort "SOLR" Claim

- 3.40 As advised in the previous Administration proposals and report, EDF Energy were appointed through the Supplier of Last Resort Process "SOLR Process" and all customers of Zog Energy were transferred to EDF on 4 December 2021 in order to ensure continuity of supply.
- 3.41 Estimated customer credit balances at the date of the SOLR Process taking effect were transferred to EDF as part of the process. These totalled c.£1.4 million, as reflected in the SofA.
- 3.42 As part of the SOLR Process EDF was entitled to make a claim to Ofgem against costs incurred in taking over the Company.
- 3.43 The extent to which EDF are able to claim in the liquidation, if any, has yet to be determined. We can confirm that EDF have submitted a proof of debt in the Liquidation, and we are taking advice from our solicitors in this regard.
- 3.44 Once again, due to the quantum of the potential claim and the potential impact on the return to creditors, it will be necessary to resolve this matter before we can consider paying a distribution and moving the liquidation to closure.

Adjudication of other Creditor Claims

- 3.45 Once the above matters have been resolved, we anticipate that we will be in a position to adjudicate preferential and unsecured creditor claims, subject to the overall realisations and expenses in the Liquidation.

4 Creditors

Preferential Creditors

- 4.2 A summary of the preferential claims in the liquidation and details of any distributions paid to date can be found below:

Ordinary preferential claims	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1	Date dividend paid
Employee claims (Total number of claims = 8)	N/A	15,739	N/A	N/A
Department for Business, Energy & Industrial Strategy (BEIS)	N/A	TBC	N/A	N/A
Secondary preferential claims	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1	Date dividend paid
PAYE, Employee NIC & CIS deductions (HMRC)	N/A	6,000	N/A	N/A

- 4.3 A dividend is anticipated to the preferential creditors prior to the conclusion of the liquidation, the details of which will be provided to the preferential creditors in due course.

Unsecured Creditors

- 4.4 The Company's SofA indicated there were 47 creditors whose debts totalled c.£3.1 million.
- 4.5 As detailed within our initial letter to creditors following the transfer from Administration to Liquidation creditors with debts of less than £1,000 (gross) may be treated as having proved for the purposes of a dividend (but not otherwise) without the creditor submitting a formal proof subject to the provision below
- 4.6 To date, 21 small creditor claims have been agreed totalling £2,662.87. Please see attached as Appendix E a list of those claims that have been agreed. If your claim is detailed on this list but you believe it is incorrect, please complete a new proof of debt form and send this to the case manager with evidence to support your claim.
- 4.7 If you have not already submitted your claim, please complete and return a proof of debt form with documentary evidence as soon as possible. Once complete please return this to the case manager.
- 4.8 The claims of both CNG and EDF were included within the SofA figure detailed above but have not yet been agreed as detailed above.
- 4.9 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part), which only applies to charges created after 15 September 2003.

5 Joint Liquidators' Remuneration

- 5.1 Where a company in Administration subsequently moves into Liquidation under Paragraph 83 of Schedule B1 to the Insolvency Act 1986 and the Administrator becomes the Liquidator, the basis of fees fixed in the earlier Administration automatically transfers to the subsequent liquidation. Administrators are able to provide fees estimate for the liquidation (if they envisage the Company will move into liquidation on exit from the Administration) either with their proposals in the earlier Administration or following their appointment as Liquidator. In this case, the basis of our remuneration as time costs transferred over and our fees estimate for the liquidation was provided in our proposals, and was approved by creditors, who subsequently approved an increased fee cap in November 2022.

- 5.2 A copy of our approved revised total fees estimate for the Administration that has been automatically transferred to the subsequent Liquidation is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	168.2	277	46,582.83
Reporting	115.8	291	33,651.50
Realisation of assets	123.6	333	41,119.50
Creditors (claims & distributions)	178.6	278	49,635.50
Employees	76.8	264	20,267.00
Investigations	29.1	172	4,993.75
Trading	4.2	336	1,411.00
Total estimated fees	696.3	284	£197,661.08

- 5.3 The sum of £165,447.20 had been drawn in the Administration period leaving a balance available to draw in the Liquidation of £32,213.88.
- 5.4 Our time costs for the Period are £31,799.50. This represents 103.7 hours at an average rate of £307 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Liquidation.
- 5.5 We can advise that during the Period, we have raised invoices totalling £30,857.92 plus expenses of £47,320.50 plus VAT against our approved fee estimate. The amount of £17,552.62 is shown on Appendix A as being drawn in the period covered by this report. The balance of the remuneration available has been drawn in the later period and so is not shown within Appendix A.
- 5.6 It should be noted that the expenses detailed above include our legal costs incurred to the anniversary date for dealing with the ongoing claim against CNG.
- 5.7 We now consider that the previous fees estimate we provided for the liquidation is insufficient to complete our duties. As a result, our revised fees estimate is attached at Appendix C to this report and includes details of the work we consider is additional to that set out in our previous fees estimate. The total of our additional fees estimate is £75,044.50 and we are seeking approval to this increase by correspondence from creditors. Further details about the decision by correspondence can be found on the letter which accompanies this report.
- 5.8 We will update creditors on the anticipated total amount that will be paid to our firm in respect of the revised fees estimate in our next progress report. Given the current revision of our anticipated costs and the ongoing work in the liquidation, it is difficult at this time to accurately report the anticipated payment to our firm, other than it will not exceed the cap of our revised estimate at Appendix C without further approval from creditors.
- 5.9 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from
<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/liquidations-creditor-fee-guide-1-april-2021.ashx?la=en>
- 5.10 Attached as Appendix D is additional information in relation to the Joint Liquidators' fees and expenses including where relevant, information on the use of subcontractors and professional advisers.

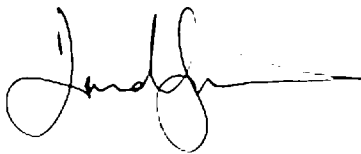
6 Creditors' Rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

7 Next Report

- 7.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.
- 7.2 If you require any further information about the contents of this report, please contact the case manager Jill Rose on 01223 420721, or by email at jill.rose@ensors.co.uk.

Yours faithfully

A handwritten signature in black ink, appearing to read 'David Scrivener', with a long horizontal flourish extending to the right.

David Scrivener
Joint Liquidator

Appendix A

Zog Energy Limited - In Liquidation

Joint Liquidators' Receipts and Payments Account for the period

7 December 2022 to 6 December 2023

For the period

7.12.22 to

6.12.23

£

balance b/fwd from Admin	1,990,534.81
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Receipts

VAT refund	17,931.53
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Retention held by DD provider	26,000.00
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Interest Received	3,373.39
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Book Debts	1,327.98
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	<u>2,039,167.71</u>
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Payments

Office Holders Fees	(17,552.62)
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Postage	(139.84)
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Clumber Consultants	(200.00)
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Legal Fees (Pretty Solicitors)	(46,830.50)
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Counsels Fees	(490.00)
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Statutory Advertising	(99.80)
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Bank Charges	(67.55)
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Computing	(453.60)
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Travelling	(36.41)
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	<u>(65,870.32)</u>
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Balance in Hand as at 6 December 2023	<u><u>1,973,297.39</u></u>
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APPENDIX B

ZOG ENERGY LIMITED - IN LIQUIDATION

TIME AND CHARGE OUT SUMMARY FROM 7 DECEMBER 2022 TO 6 DECEMBER 2023

	Partner hours	Managers hours	Assistant Managers hours	Administrators & support staff hours	Total hours	Time cost £	Average hourly rate £
Classification of work							
Realisation of assets	13.2	2.5	0.4	12.4	28.5	7,829.00	275
Creditors	37.1	7.5	0.3	5.7	50.6	17,745.50	351
Administration & planning	4.2	6.2	0.9	9.6	20.9	5,024.00	240
Investigations / Debtor / Directors	0.6	2.0	-	-	2.6	930.00	358
Employees	-	0.3	-	0.5	0.8	158.50	198
Reporting	0.3	-	-	-	0.3	112.50	375
Total hours	<u>55.4</u>	<u>18.5</u>	<u>1.6</u>	<u>28.2</u>	<u>103.7</u>		
Hourly rate	£375-440	£155-345	£260-280	£115-125			
Total time costs £	<u>21,853.00</u>	<u>6,065.50</u>	<u>422.00</u>	<u>3,459.00</u>		<u>31,799.50</u>	307

Please note that time has been recorded in units of 6 minutes

Appendix C

Joint Liquidators' Revised Fees Estimate

The Joint Liquidators' previous fees estimate has been (or is likely to be) exceeded and further approval is therefore required for a revision to this estimate as set out in the table below. This table indicates the anticipated revised cost against the Joint Liquidators' previous estimate and this appendix contains further information about the reasons why the previous estimate has been exceeded (or is likely to be exceeded) and what additional work has been undertaken or is proposed to be undertaken.

Category of work	Estimated total cost per previous fees estimate £	Additional number of hours	Average blended charge out rate for additional work (not included in the previous fees estimate) £	Estimated total revised cost £
Administration (inc statutory compliance)	46,582.83	57.8	228	59,750.08
Reporting	33,651.50	46.3	262	45,761.25
Realisation of assets	41,119.50	0	N/A	41,119.50
Creditors (claims & distributions)	49,635.50	149.8	322	97,907.00
Employees	20,267.00	6.5	230	21,763.00
Investigations	4,993.75	0	N/A	4,993.75
Trading	1,411.00	0	N/A	1,411.00
Totals	£197,661.08	260.4	288	£272,705.58

The total of £272,705.58 is inclusive of the original fee agreed in the Administration of £197,661.08. The additional fee requested and included in this amount is £75,044.50

ZOG ENERGY LIMITED - IN LIQUIDATION

The reasons why the Joint Liquidators have exceeded (or are likely to exceed) the original fees estimate are summarised as follows:

Administration (including statutory compliance)

Statutory compliance is required throughout the duration of the case, which will now take longer than previously anticipated, resulting in additional general administration. This includes

- Six-monthly file and bond reviews, to determine what matters remain outstanding until the case is ready to be closed
- Cashiering and maintaining the estate cashbook and bank account with regular reconciliations of the Liquidation bank account
- Completion and submission of Corporation Tax returns
- General administration and filing
- General compliance in relation to statutory and regulatory matters

Reporting

- We will be required to provide annual Progress reports to creditors for the duration of the liquidation and will also prepare a final report once all matters are concluded in the liquidation prior to the dissolution of the Company, detailing the overall outcome of the liquidation. The final report will then be submitted to Companies House and the Company dissolved.
- As with case administration, the increased duration of the case compared to our previous estimate has increased the amount of time that will be required for reporting due to the need for additional reports, in addition to the increased case complexity resulting in additional time for each report.

Realisation of assets

- Completion and submission of post-deregistration VAT reclaims
- Correspondence with HM Revenue & Customs ("HMRC") to arrange the refund of VAT paid during the Administration period, which we have advised had been retained in case it is necessary for Crown Set Off to be applied against potential tax liabilities that may have arisen in the Administration Period.
- Correspondence and meetings with our instructed Solicitors Prettys, with Counsel, and with the Company's former Directors with reference to the "CNG Claim" detailed in our Annual Progress Report.

Creditors (claims and distributions)

- Adjudicating claims and paying distributions to the preferential Creditors of the Company to be determined.
- Adjudication of CNG's submitted claim against the Company as part of the legal action detailed above. Dealing with the claim against CNG for breach of contract and the claim that CNG has proved for in the Liquidation of Zog. Liaising with solicitors and counsel. Our policy is to delegate the tasks to appropriate members of our team considering their level of experience and requisite specialist knowledge, so as to maximise the cost effectiveness of the work performed. It should be noted that due to the particular complexity or significance of this case and the agreement of the claim this will require more of the Liquidators involvement which will incur additional time at a higher charge out rate.

ZOG ENERGY LIMITED - IN LIQUIDATION

- Quantification of unsecured creditors' claims including any potential claim of EDF as Supplier of Last Resort (SOLR").
- Dealing with the claim made by EDF in the Liquidation. Interacting with solicitors and counsel as required. As detailed above due to the nature and complexity of the claim this will require additional involvement of the Liquidators which will incur further time at a higher charge out rate.
 - As detailed in our Annual Progress Report, due to the quantum and uncertainty of these claims, the outcome of their adjudication will have a significant impact on the outcome for other creditors, and so the liquidation must remain ongoing until they have been adjudicated.
- Subject to the outcome of the above points, adjudication of the remaining unsecured creditor claims and payment of a distribution to unsecured creditors.

Appendix D

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & the use of Subcontractors

Staff Allocation and the use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We have not utilised the services of any subcontractors on this case.

Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Prettys Solicitors (legal advice)	Time Costs
Insolvency Risk Services (insurance)	Risk based premium
Edward Wells (valuation and disposal advice)	Fixed Fee

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Joint Liquidators' Expenses

The estimate of expenses which were anticipated at the outset of the liquidation was provided to creditors when the basis of our fees was approved. The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

Expense	Estimated overall cost £	Paid in the period covered by this report £	Incurred but not paid to date £
Agent's fees & expenses		0.00	
Legal fees & expenses		46,830.50	TBC
Counsel fees & Court Fees		490.00	TBC
Statutory advertising		99.80	150.00
Specific Penalty Bond		0.00	
Insurance		0.00	
Clumber Consultants		200.00	
Computing		453.60	500.00
Bank Charges		67.55	80.00

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Category 2 expenses

These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 expenses charged by this firm (where appropriate) were provided at the time the Joint Liquidators' fees were approved by creditors.

Expense	Estimated overall cost £	Paid in the period covered by this report £	Incurred but not paid to date £
Business mileage		36.41	
Postage charges		139.84	

Charge-Out Rates

Ensors current charge-out rates effective from 1 April 2023 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

Staff	(Per hour) £
Partner/Consultant	405-440
Manager	345
Assistant Manager	280
Senior Administrator	245
Assistant	125

Ensors

Zog Energy Limited

Schedule of Small Debts (£1,000 or less)

(Includes only contacts with a small debt flag)

Key	Name	£
CE00	Eastern Power Networks Plc	57.02
CE01	Electricity Settlements Company	0.03
CE02	Energy Assets Ltd	46.14
CH00	Horizon Energy Infrastructure	316.56
CI00	IBC	30.00
CI01	Indigo Pipelines Limited	39.27
CL00	Low Carbon Contracts Company	0.03
CL01	Lowri Beck	58.62
CM01	Maple Co.1	482.76
CM02	Maple Co.3	101.72
CN02	National Grid Smart	38.39
CN03	Nothern Gas Networks	519.68
CN04	Nothern Powergrid Metering	360.98
CS03	Siemens	52.01
CS05	Smart Meter Assets 1 Ltd	459.72
CS06	SMS	9.37
CS08	Southern Electric Power Distribution	1.49
CS09	Squire Energy Limited	4.55
CS0A	Stratford Place Utilities Limited	28.80
CT00	TextMarketer	36.00
CV00	Vantage Meters (Map 2) Limited	19.73
21 Entries Totalling		2,662.87

Signature _____