



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 9 2 5 6 4 8 2

Company name in full Toto Energy Ltd

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Stephen John

Surname Absolom

### 3 Administrator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

### 4 Administrator's name ①

Full forename(s) William James

Surname Wright

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

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	<sup>d</sup> 3	<sup>d</sup> 0	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
To date	<sup>d</sup> 2	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X

*SA*

X

Signature date

<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Rach Narraway

Company name Interpath Advisory

Address 2 Forbury Place  
33 Forbury Road

Post town Reading

County/Region

Postcode RG1 3AD

Country

DX

Telephone Tel +44 (0) 118 214 5920

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

Joint  
Administrators'  
progress report  
for the period 30  
October 2020 to  
29 April 2021

Toto Energy Ltd - in Administration

27 May 2021

Deemed delivered: 27 May 2021

# Notice to creditors

Please note that KPMG LLP sold its Restructuring practice in the UK to Interpath Ltd ('Interpath Advisory') on 4 May 2021. This will not have an impact on your day to day dealings of the administration of the Company and your case contacts remain the same. Please note that the contact details for your primary case contacts may have changed, please check the insolvency portal at [www.ia-insolv.com/case+INTERPATH+TJA23E2515.html](http://www.ia-insolv.com/case+INTERPATH+TJA23E2515.html) for the latest contact details.

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

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

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

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

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

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, [www.ia-insolv.com/case+INTERPATH+TJA23E2515.html](http://www.ia-insolv.com/case+INTERPATH+TJA23E2515.html). We hope this is helpful to you.

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

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# 1 Executive summary

This progress report covers the period from 30 October 2020 to 29 April 2021.

During the period we have realised a significant portion of the customer debtor book, which is the most significant asset of the Company. We continue to work closely with EDF in order to reconcile and finalise the position regarding the debtor book (Section 2 - Progress to date).

Further interim distributions were made to the Secured creditors in this period. However, the Secured creditors will suffer a significant shortfall in respect of the funding provided to the Company (Section 3 - Dividend prospects and dividends paid).

The preferential creditors have been paid in full (Section 3 - Dividend prospects and dividends paid).

Unsecured creditors will receive a small dividend during the next six months (Section 3 - Dividend prospects and dividends paid).

The administration is currently due to end on 29 October 2021.

Please note: you should read this progress report in conjunction with our previous progress reports and proposals issued to the Company's creditors which can be found at [www.ia-insolv.com/case+INTERPATH+TJA23E2515.html](http://www.ia-insolv.com/case+INTERPATH+TJA23E2515.html). Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Steve Absolom  
Joint Administrator

## 2 Progress to date

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

### 2.1 Strategy and progress to date

#### Strategy

We have continued to follow the strategy as detailed in the proposals, with the primary aim of maximising the return to creditors. Our focus has been on collecting out the debtor book, the most significant asset of the Company. In the period, we have realised a significant portion of the outstanding debtor balances, as set out below.

#### Transitional services agreement (“TSA”)

The TSA entered into with EDF on 30 October 2019 remains in place. As reported previously, whilst the TSA provision of services expired on 30 April 2020 (under which the Administrators retained employees, the leasehold property, IT systems and contracts with key suppliers in order to facilitate a smooth transfer of the customer portfolio to EDF), EDF’s obligations in relation to the debtor collection remain ongoing. We continue to liaise with EDF in this matter.

#### Customer debtor book

As detailed previously, the customer debtor book is made up of amounts owed to the Company by its former customers for energy supply up to the date of the SoLR transfer of customers to EDF. We have worked closely with EDF, who have undertaken the final billing of all customers with debts outstanding on behalf of the Administrators. Following completion of the final billing process, EDF estimated the gross debtor book as at the SoLR date to be c. £15 million (of which c. £3.5 million was realisable, per the directors’ statement of affairs).

We have been working with EDF to verify and reconcile the collections received from customers during the course of the administration. As a result of this work, a total of £4.8 million in collections have been reconciled by EDF to date.

During the period, we have received c. £3.3 million from EDF in respect of debtor collections (in addition to the £1.6 million held, as previously reported), taking the gross total realised to c. £4.8 million (before deduction of EDF’s commission). Collections have now slowed significantly, and the level of further realisations in respect of the customer debtor book is uncertain. We continue to work with EDF to finalise the position regarding the debtor book and complete a final reconciliation. We are currently holding additional funds of £113k against customer collections which are yet to be reconciled.

#### Solarplicity settlement agreement

Prior to our appointment, the Company acquired c. 70k meter points, along with the customer supply contracts and outstanding debts connected to those contracts, from Solarplicity Supply Limited (now in administration) (“Solarplicity”). Under the terms of this



acquisition, any collections made from these outstanding debts were to be split between the Company and Solarplicity in the ratio 55:45 respectively.

In accordance with legal advice obtained, the Administrators have negotiated a settlement agreement with the administrators of Solarplicity in full and final settlement of the Company's prior obligations in this regard. In line with this settlement agreement, shortly following the period end we remitted £498k to Solarplicity, which represents 45% of the collections received in relation to former Solarplicity customers.

#### HMRC debtor

As previously reported, the pre-appointment VAT return has been submitted to HMRC, showing a repayment position of £473k owed to the Company. Realisations are currently uncertain, as we are yet to receive a response from HMRC, and we understand that HMRC may have an unsecured claim in the administration which may be set-off against this amount.

#### Prepayments

As reported previously, the prepayments balance listed in the directors' Statement of Affairs are not recoverable, and no realisations are expected.

#### Fixed assets

As reported previously, the Company's furniture and equipment was sold to EDF in January 2020. No further realisations are expected from fixed assets.

## **2.2 Asset realisations**

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

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

#### Customer debtors

As detailed above, we have received £3,256,959 from EDF in the period in relation to customer debt collections. Future realisations in respect of the debtor book are uncertain.

We have also reconciled the funds received from GoCardless in January 2020 which all relate to customer debtors. We have therefore reallocated £1,549,519 in the receipts and payments account; this is shown as a payment in "Customer debtors (unreconciled)" and included in the "Customer Debtor" total of £4,806,478.

#### Funds paid into pre-appointment account

We have received £549,832 from HSBC in relation to funds held in the Company's pre-appointment bank account. We are in the process of reconciling these funds, some of which have been received after the date of our appointment.

## Sundry refunds

We have received sundry refunds totalling £150,886; of which £66,609 has been received under The Energy Theft Scheme (ETDIS) and £84,277 under The Gas Theft Scheme (GTDIS). These refunds were due under industry schemes which the Company participated in prior to our appointment.

## Investigations

We have continued to review the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors. No such recoveries have been identified and our investigations are complete.

## 2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period are provided below.

### Commission on debtor ledger

We have paid commission of £1,591,363 to EDF in respect of the debtor collections made to date.

### Return of surplus TSA funds to EDF

As detailed in previous reports, EDF contributed to the costs of paying certain suppliers under the TSA in the post-appointment period. We have now returned £466,667 to EDF in respect of their contribution surplus.

### Payments on behalf of EDF

We have made payments on behalf of EDF of £3,315 in the period, in respect of residual expenses incurred by EDF under the TSA. These costs are covered by the contribution to costs previously received from EDF (as detailed in previous reports).

### Legal fees

Legal fees of £7,429 have been paid in the period to Squire Patton Boggs for their advice in relation to the debtor ledger and the TSA.

### Insurance

We have paid insurance costs of £1,073 in relation to a leasehold property which was vacated and offered for surrender in March 2020.

## 2.4 Schedule of expenses

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

Summaries of the most significant expenses which have been incurred in the period but have not yet been paid are provided below.

#### Debt collection costs - Solarplicity

As detailed earlier in our report, Solarplicity were entitled to receive 45% of collections made in relation to the former Solarplicity customer debtor book. Following the period end, we made payment of £498,142 to Solarplicity's administrators in accordance with our settlement agreement.

#### Legal fees

We have incurred legal fees of £14,100 during this period which have not yet been paid. £5,100 of this is due to Squire Patton Boggs for their continued advice in relation to the debtor book and a small claim. Approximately £9,000 of costs have been incurred by Shakespeare Martineau for their work in agreeing a settlement with the administrators of Solarplicity.

## **3 Dividend prospects and dividends paid**

### **3.1 Secured creditors**

The Company has three secured creditors, BP, CNG and Crius (subsequently acquired by Vistra), who were owed a total of approximately £26 million at the start of the administration, per the directors' statement of affairs.

During the period, we issued two further interim floating charge distributions totalling £1,350,000 to BP in line with their security and order of priority. (Per our previous reports, interim distributions of £700,000 and £1,000,000 had been made to CNG and BP respectively in prior periods).

We anticipate further distributions to BP in due course, however on current information, there will be a significant shortfall in respect of BP's and CNG's overall funding provided to the Company.

It is not anticipated there will be sufficient realisations to enable a distribution to Crius (Vistra) in this matter.

### **3.2 Preferential creditors**

The preferential claims have been agreed at £83,832.

A first and final dividend to preferential creditors of 100p in the £ was declared on 11 January 2021 and paid during the period.

The preferential creditors have been repaid in full

### **3.3 Unsecured creditors**

Based on current estimates, we anticipate that unsecured creditors should receive a small dividend, however this will be unlikely to exceed c. 2p in the £, and is dependent on the final level of claims received. We anticipate paying this in the next six months.

## **4 Joint Administrators' remuneration and expenses**

### Time costs

From 30 October 2020 to 29 April 2021, we have incurred time costs of £215,810. These represent 479 hours at an average rate of £450 per hour.

### Administrators' Expenses

During the period, we have incurred expenses of £613. None of these have yet been paid.

### Additional information

We have attached a revised expenses estimate at Appendix . Our estimated expenses increased in certain areas because of an increase in legal fees due to the complexities around the debtor book and reaching an agreement with Solarplicity. There have also been additional postage and banking costs, together with payments to merchant providers in order to release funds which were not previously anticipated.

We have attached (Appendix ) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from 30 October 2020 to 29 April 2021. We have also attached our charging and expenses policy.

## **5 Future strategy**

### **5.1 Future conduct of the administration**

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

- To continue to do everything that is reasonable, and use all of our powers appropriately, in order to maximise realisations from the assets of the Company;
- To make distributions to the Secured creditors; and
- To make a distribution to the unsecured creditors.

The main asset to be realised is the residual customer debtor book, however the level of future realisations remain uncertain. As detailed in section 2.1, we will continue to liaise with EDF to collect out the remaining debtor book under the terms of the TSA.

We may need to extend the administration if we are unable to realise the residual debtor book or reconcile the funds received into the pre-appointment account before the administration is due to expire on 29 October 2021.

## **5.2 Future reporting**

We intend to provide our final progress report by 29 October 2021.

## Appendix 1      Statutory information

Company name	Toto Energy Ltd
Date of incorporation	9 October 2014
Company registration number	09256482
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL
Administration appointment	The administration appointment granted in High Court of Justice, Business & Property Courts of England & Wales, 7095 of 2019
Appointor	Directors
Date of appointment	30 October 2019
Joint Administrators' details	Steve Absolom and Will Wright
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £3,500,000. The Prescribed Part is capped at the statutory maximum of £600,000. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 109).
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	29 October 2021

## Appendix 2

## Joint Administrators' receipts and payments account

Toto Energy Ltd - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 30/10/2020 To 29/04/2021 (£)	From 30/10/2019 To 29/04/2021 (£)
FIXED CHARGE ASSETS			
	IP rights, licences, records & name	NIL	30,000.00
		NIL	30,000.00
ASSET REALISATIONS			
	Furniture & equipment	NIL	70,000.00
	Cash at Bank from Merchant Acquirers	NIL	668,237.40
3,507,122.00	Customer Debtors	4,806,477.95	4,806,477.95
150,378.00	Fixed Assets	NIL	NIL
41,983.00	Prepayments	NIL	NIL
533,644.00	Deposits and Securities	NIL	218,711.00
54,444.00	Trade Debtors	NIL	NIL
469,692.00	HMRC Debtor/pre appt VAT refunds	NIL	NIL
2,687,768.00	Cash at bank	NIL	2,688,936.68
		4,806,477.95	8,452,363.03
OTHER REALISATIONS			
	Bank interest, gross	NIL	10,689.18
	Customer debtors (unreconciled)	(1,549,519.37)	112,749.31
	Pre-pay debt sale	NIL	198,698.53
	Sundry refunds	150,886.22	151,017.56
	Funds paid to pre-appt account (unreconciled)	549,832.13	549,832.13
	Other debtors	NIL	900.00
	Business rates refunds	NIL	647.77
	Contribution to administrators' fees	NIL	330,000.00
	Contribution to costs from EDF	NIL	2,131,333.33
		(848,801.02)	3,485,867.81
COST OF REALISATIONS			
	Payments on behalf of EDF (TSA)	(3,314.76)	(1,182,722.03)
	Pre-appt payroll costs (TSA)	NIL	(93,114.31)
	Wages and Salaries (Admin)	NIL	(1,349.24)
	Return of surplus TSA funds to EDF	(466,666.67)	(466,666.67)
	Joint Administrators' pre-admin fees	NIL	(98,378.43)



**Toto Energy Ltd - in Administration**
**Abstract of receipts & payments**

Statement of affairs (£)		From 30/10/2020 To 29/04/2021 (£)	From 30/10/2019 To 29/04/2021 (£)
	Pre-administration legal costs	NIL	(15,765.40)
	Administrators' fees	NIL	(850,000.00)
	Administrators' expenses	NIL	(9,346.10)
	Irrecoverable VAT	NIL	(4,296.60)
	Merchant provider fees	NIL	(55,223.05)
	Agents'/Valuers' fees	NIL	(3,800.00)
	EDF commission on debtor ledger	(1,591,363.18)	(1,591,363.18)
	Legal fees	(7,429.00)	(149,501.50)
	Legal expenses	NIL	(51.29)
	Books & Records	(219.06)	(1,719.06)
	Statutory advertising	NIL	(73.00)
	Insurance of assets	(1,072.96)	(1,822.96)
	Wages & salaries (TSA)	NIL	(209,460.75)
	PAYE & NIC (TSA)	NIL	(77,461.91)
	Bank charges	(100.00)	(1,179.50)
		(2,070,165.63)	(4,813,294.98)
	PREFERENTIAL CREDITORS		
	Subrogated EP(C)A claim	(37,477.92)	(37,477.92)
(49,805.00)	Employees' holiday pay	(46,354.54)	(46,354.54)
		(83,832.46)	(83,832.46)
	FLOATING CHARGE CREDITORS		
(25,948,510.00)	Floating charge	(1,350,000.00)	(3,050,000.00)
		(1,350,000.00)	(3,050,000.00)
	UNSECURED CREDITORS		
(14,404,403.00)	Trade Creditors	NIL	NIL
(257,260.00)	Unsecured (employee) creditors	NIL	NIL
(575,000.00)	Shareholder Loans	NIL	NIL
(568,942.00)	Inter-company/related party balance	NIL	NIL
(3,070,698.00)	Other Accruals	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Issued and called up capital	NIL	NIL
		NIL	NIL
<b>(37,429,687.00)</b>		<b>453,678.84</b>	<b>4,021,103.40</b>

**Toto Energy Ltd - in Administration****Abstract of receipts & payments**

	From 30/10/2020 To 29/04/2021 (£)	From 30/10/2019 To 29/04/2021 (£)
Statement of affairs (£)		

## REPRESENTED BY

Floating ch. VAT rec'able	772,916.87
Floating charge current	3,370,578.85
Floating ch. VAT payable	(418,935.63)
Floating ch. VAT control	296,543.31
	<hr/>
	<b>4,021,103.40</b>

## Appendix 3      Schedule of expenses

### Cost of realisations

Administrators' time costs	0.00	215,809.60	<b>215,809.60</b>
Payments on behalf of EDF (TSA)	520.00	0.00	<b>520.00</b>
Return of surplus TSA funds to EDF	466,666.67	0.00	<b>466,666.67</b>
Debt collection costs - Solarplicity	0.00	498,142.00	<b>498,142.00</b>
Commission on debtor ledger	1,591,363.18	0.00	<b>1,591,363.18</b>
Legal fees	7,429.00	14,100.00	<b>21,529.00</b>
Books & Records	219.06	0.00	<b>219.06</b>
Insurance of assets	508.48	0.00	<b>508.48</b>
Bank charges	100.00	0.00	<b>100.00</b>
<b>TOTAL</b>	<b>2,066,806.39</b>	<b>728,051.60</b>	<b>2,794,857.99</b>

Please note that there is a difference between the payments made during the period of £2,070,165.63 (per the receipts and payments account) and the expenses incurred and paid in the period of £2,066,806.39 (per the schedule of expenses).

This is due to the fact that some of the payments made in the period relate to expenses incurred in a prior period.

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

#### Creditors' requests for further information

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

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

#### Creditors' right to challenge our remuneration and expenses

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

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

The full text of the relevant rules can be provided on request by writing to Rachel Narraway at 15 Canada Square, Canary Wharf, London, E14 5GL.

## Appendix 4

## Joint Administrators' revised expenses estimate

### Cost of realisations

Wages and Salaries (Admin)		4,700.00	1,349.24	0.00	<b>1,349.24</b>
Debt collection costs - Solarplicity	1	0.00	498,142.00	0.00	<b>498,142.00</b>
Joint Administrators' pre-admin fees	2	96,852.00	98,378.43	0.00	<b>98,378.43</b>
Pre-administration legal costs		15,765.40	15,765.40	0.00	<b>15,765.40</b>
Joint administrators' pre-admin expenses	2	1,526.93	0.00	0.00	<b>0.00</b>
Administrators' expenses	3	0.00	9,346.10	2,600.00	<b>11,946.10</b>
Merchant provider fees	4	0.00	55,223.05	0.00	<b>55,223.05</b>
Agents'/Valuers' fees		2,500.00	3,800.00	0.00	<b>3,800.00</b>
Commission on debtor ledger		3,343,021.00	1,591,363.18	1,751,657.82	<b>3,343,021.00</b>
Legal fees	5	80,000.00	154,601.50	50,000.00	<b>204,601.50</b>
Legal expenses		5,000.00	51.29	4,948.71	<b>5,000.00</b>
Books & Records	6	0.00	1,719.06	2,500.00	<b>4,219.06</b>
Statutory advertising		150.00	73.00	77.00	<b>150.00</b>
Insurance of assets		5,000.00	1,822.96	3,177.04	<b>5,000.00</b>
Bank charges	7	1,000.00	1,179.50	1,000.00	<b>2,179.50</b>
Sundry/contingency costs		5,000.00	0.00	5,000.00	<b>5,000.00</b>
<b>Costs covered by EDF under the TSA</b>	8				
Payments on behalf of EDF (TSA)		0.00	0.00	0.00	<b>0.00</b>
Pre-appt payroll costs (TSA)		0.00	0.00	0.00	<b>0.00</b>
Irrecoverable VAT		0.00	0.00	0.00	<b>0.00</b>
Wages & salaries (TSA)		0.00	0.00	0.00	<b>0.00</b>
PAYE & NIC (TSA)		0.00	0.00	0.00	<b>0.00</b>
<b>TOTAL</b>		<b>3,560,515.33</b>	<b>2,432,814.71</b>	<b>1,820,960.57</b>	<b>4,253,775.28</b>

Below are further explanatory notes which should be read in conjunction with the report as a whole.

### Note 1 – Debt collection costs – Solarplicity

Solarplicity are entitled to a percentage of the debtor book which has now been paid in full, but was not included in our original expenses estimate. We do not expect to have any

further costs in this respect; however we may need to pay additional funds to Solarplicity if we sell the residual debtor book for a large premium.

#### **Note 2 – Joint Administrators’ pre-admin fees and pre-admin expenses**

These fees and expenses have been combined on the receipts and payments account and there will be no further payments in this respect.

#### **Note 3 – Administrators’ expenses**

The majority of the expenses incurred to date have related to accommodation and travel during the first year of the administration, details of which were included in previous progress reports, plus postage costs. Further postage costs will be incurred in when we issue notices of intended dividends to creditors, and notices when we exit the administration.

#### **Note 4 – Merchant provider fees**

These costs were paid to Go Cardless as a condition for release of the funds of c. £1.55 million that they were holding.

#### **Note 5 – Legal fees**

The increase in our anticipated legal fees is due to additional legal advice in relation to EDF and the debtor book, agreeing a settlement with the administrators of Solarplicity and legal advice in relation to a small claim received.

#### **Note 6 – Books and records**

These costs were previously included in sundry and contingency costs and relate to the collection and storage of company books and records, followed by destruction at the appropriate time.

#### **Note 7 – Bank charges**

There has been an increase to the anticipated bank charges due to the higher number of bank transfers made as a result of the Covid-19 situation.

#### **Note 8 – Costs covered by EDF under the TSA**

Any costs settled by the administrators in respect of the items listed have been refunded by EDF as per the TSA, and are therefore shown as nil although there are values assigned in the receipts and payments account.

## Appendix 5 Joint Administrators' charging and expenses policy

### Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of in-house Interpath Advisory tax specialists, formerly KPMG specialists. This also includes work undertaken by KPMG Pensions specialists up to 1 March 2020 who, until this date were part of the same firm as the office holders and their staff. Despite the period end of this report being 29 April 2021, please note that until 3 May 2021, time charged to the administration in relation to tax was charged by specialists from the same organisation as the office holders and their staff. However, on 4 May 2021 KPMG sold its UK Restructuring business to Interpath Ltd. Please see section 5.3 for further information on future payments.

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

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

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please contact Rachel Narraway on 0203 989 2851.

### Hourly rates

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

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

### Table of charge-out rates

Partner	690
Director	620
Senior Manager	560
Manager	467
Senior Administrator	325
Administrator	236

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

#### Policy for the recovery of expenses

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

*Expenses:* These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

*Category 1 expenses:* These are payments to persons providing the service to which the expense relates who are not an associate of the office. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

*Category 2 expenses:* These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

*Associates:* are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm. Included in the summary of expenses table are the costs incurred by KPMG document production who until 4 May 2021 were part of the same firm as the office holders. On 4 May 2021 KPMG LLP sold its Restructuring business in the UK to Interpath Ltd ('Interpath Advisory'). Whilst we do not consider KPMG are an associate of Interpath Advisory, for transparency, we are requesting approval to pay KPMG document production up to the amounts estimated below, from the Secured creditor.

Category 2 expenses charged by Interpath Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.

- Use of company car – 60p per mile.

- Use of partner's car – 60p per mile.

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

We have incurred the following expenses (excluding VAT) during the period 30 October 2020 to 29 April 2021.



External printing	169.98	NIL	<b>169.98</b>
Postage	443.34	NIL	<b>443.34</b>
<b>Total</b>	<b>613.32</b>	<b>NIL</b>	<b>613.32</b>

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

Narrative of work carried out for the period 30 October 2020 to 29 April 2021

The key areas of work have been:

Statutory and compliance	posting information on a dedicated web page; preparing statutory receipts and payments accounts; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	formulating, monitoring and reviewing the administration strategy; briefing of our staff on the administration strategy and matters in relation to various work-streams; regular case management and reviewing of progress, including regular team update meetings and calls; reviewing and authorising junior staff correspondence and other work; reviewing matters affecting the outcome of the administration; allocating and managing staff/case resourcing and budgeting exercises and reviews; liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters; complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to debenture holders	providing written and oral updates to representatives of the Secured creditor regarding the progress of the administration and case strategy.
Cashiering	preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; processing the dividend to the preferential creditors; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	reviewing the Company's pre-appointment corporation tax and VAT position; analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; dealing with post appointment tax compliance.
Shareholders	providing copies of statutory reports to the shareholders.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; liaising with the administrators of Solarplicity and seeking legal advice regarding the settlement agreement.
Transitional Services Agreement	attending to supplier and customer queries and correspondence; supplier and premises-related invoice reconciliations and processing payments in accordance with TSA arrangements.
Asset realisations	collating information from the Company's records regarding the assets; reviewing outstanding debtors and management of debt collection strategy; liaising with EDF regarding debtor recoveries; seeking legal advice in relation to maximising book debt collections; completing reconciliations under the EDF TSA.

Open cover insurance	<ul style="list-style-type: none"> <li>■ arranging ongoing insurance cover for the Company's business and assets;</li> <li>■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place;</li> <li>■ assessing the level of insurance premiums.</li> </ul>
Employees	<ul style="list-style-type: none"> <li>■ communicating and corresponding with HM Revenue and Customs;</li> <li>■ dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office;</li> <li>■ managing claims from employees;</li> <li>■</li> </ul>
Creditors and claims	<ul style="list-style-type: none"> <li>■ updating the list of unsecured creditors;</li> <li>■ responding to enquiries from creditors regarding the administration and submission of their claims;</li> <li>■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records;</li> <li>■ agreeing Secured and preferential claims;</li> <li>■ arranging distributions to the Secured and preferential creditors;</li> <li>■ drafting our progress report.</li> </ul>

## Time costs

### SIP 9 –Time costs analysis (30/10/2020 to 29/04/2021)

	Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration &amp; planning</b>			
Cashiering			
General (Cashiering)	<b>12.55</b>	3,315.85	264.21
Reconciliations (& IPS accounting reviews)	<b>0.80</b>	304.30	380.38
General			
Books and records	<b>2.50</b>	869.30	347.72
Fees and WIP	<b>1.60</b>	489.70	306.06
Other office holders	<b>13.30</b>	7,448.00	560.00
Statutory and compliance			
Budgets & Estimated outcome statements	<b>4.00</b>	1,300.00	325.00
Checklist & reviews	<b>12.55</b>	4,450.15	354.59
Statutory receipts and payments accounts	<b>0.40</b>	94.40	236.00
Strategy documents	<b>26.80</b>	13,881.60	517.97
Tax			
Post appointment corporation tax	<b>1.10</b>	513.70	467.00
Post appointment VAT	<b>14.30</b>	5,014.70	350.68
<b>Creditors</b>			
Creditors and claims			
Agreement of preferential claims	<b>6.60</b>	3,082.20	467.00
Customer correspondence	<b>67.10</b>	24,046.35	358.37
EDF-TSA Supplier payments + correspondence	<b>1.40</b>	374.90	267.79
General correspondence	<b>11.80</b>	4,333.10	367.21
Legal claims	<b>14.80</b>	8,846.00	597.70

**SIP 9 –Time costs analysis (30/10/2020 to 29/04/2021)**

	Hours	Time Cost (£)	Average Hourly Rate (£)
Payment of dividends	1.00	452.80	452.80
Secured creditors	32.10	17,100.30	532.72
Statutory reports	50.00	22,235.90	444.72
Employees			
Agreeing employee claims	1.00	236.00	236.00
Correspondence	25.10	6,524.20	259.93
<b>Realisation of assets</b>			
Asset Realisation			
Cash and investments	19.50	8,543.40	438.12
Debtors	30.30	19,454.70	642.07
EDF-TSA Debtors & Final Billing	122.70	60,419.00	492.41
Insurance	2.55	956.55	375.12
Other assets	1.80	937.50	520.83
Pre-appointment tax & VAT refunds	1.80	585.00	325.00
<b>Total in period</b>	<b>479.45</b>	<b>215,809.60</b>	<b>450.12</b>

Brought forward time (appointment date to SIP 9 period start date)	3,075.00	1,327,755.70
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SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	479.45	215,809.60
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Carry forward time (appointment date to SIP 9 period end date)	3,554.45	1,543,565.30
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All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

## Appendix 6      Glossary

<b>BP</b>	BP Gas Marketing Limited
<b>CNG</b>	Contract Natural Gas Limited
<b>Company</b>	Toto Energy Ltd – in Administration
<b>Crius</b>	Crius Energy Holdings Inc (subsequently acquired by Vistra Energy Corp.)
<b>EDF</b>	EDF Energy Customers Limited
<b>Joint Administrators/we/our/us</b>	Steve Absolom and Will Wright
<b>Interpath/Interpath Advisory</b>	Interpath Ltd
<b>KPMG</b>	KPMG LLP
<b>Secured creditors</b>	BP, CNG and Crius (Vistra) referred to together
<b>Solarplicity / Solarplicity's administrators</b>	Solarplicity Supply Limited entered into administration on 19 August 2019 / Paul Higley and Paul Pitman of Price Bailey LLP appointed administrators
<b>SoLR</b>	Supplier of Last Resort
<b>TUPE</b>	Transfer of Undertakings (Protection of Employment) Regulations 2006.

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

## Appendix 7

### Notice: About this report

This report has been prepared by Steve Absolom and Will Wright, the Joint Administrators of Toto Energy Ltd – in Administration (the ‘Company’), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

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

Stephen John Absolom and William James Wright are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [www.interpathadvisory.com/privacy-insolvency](http://www.interpathadvisory.com/privacy-insolvency).

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

**[www.interpathadvisory.com](http://www.interpathadvisory.com)**

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