In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

# 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 9 5 2 3 0 6 6 |
| Company name in full | Green Network Energy Ltd |

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

### 2 Liquidator's name

| | |
|---|---|
| Full forename(s) | Matthew James |
| Surname | Cowlishaw |

### 3 Liquidator's address

| | |
|---|---|
| Building name/number | 156 Great Charles Street |
| Street | Queensway |
| Post town | Birmingham |
| County/Region | |
| Postcode | B 3 3 H N |
| Country | |

### 4 Liquidator's name ❶

| | |
|---|---|
| Full forename(s) | Ian Colin |
| Surname | Wormleighton |

❶ **Other liquidator**
Use this section to tell us about another liquidator.

### 5 Liquidator's address ❷

| | |
|---|---|
| Building name/number | 156 Great Charles Street |
| Street | Queensway |
| Post town | Birmingham |
| County/Region | |
| Postcode | B 3 3 H N |
| Country | |

❷ **Other liquidator**
Use this section to tell us about another liquidator.

# LIQ03
Notice of progress report in voluntary winding up

## 6 Period of progress report

| | | | |
|---|---|---|---|
| From date | d 0 d 4 | m 0 m 2 | y 2 y 0 y 2 y 2 |
| To date | d 0 d 3 | m 0 m 2 | y 2 y 0 y 2 y 3 |

## 7 Progress report

☑ The progress report is attached

## 8 Sign and date

| | | |
|---|---|---|
| Liquidator's signature | Signature X | X |
| Signature date | d 3 d 1 | m 0 m 3 y 2 y 0 y 2 y 3 |

# 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: Vinay Mistry

Company name: Teneo Financial Advisory Ltd

Address: 156 Great Charles Street
Queensway

Post town: Birmingham

County/Region:

Postcode: B 3 3 H N

Country:

DX:

Telephone: +44 121 619 0120


## 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

Teneo®

The Global CEO Advisory Firm

Court Case No. 31 of 2021
High Court of Justice Business and Property
Courts in Birmingham
Company Number: 09523066

Registered Office:
c/o Teneo Financial Advisory Limited,
156 Great Charles Street
Queensway
Birmingham
B3 3HN

# Green Network Energy Ltd (in liquidation) (“the Company”) (“GNE”)

Progress report to creditors for the 12 month period to 3 February 2023 pursuant to Section 104A Insolvency Act 1986 and Rule 18.7 of the Insolvency (England & Wales) Rules 2016 (“the Rules”).

31 March 2023

Matthew James Cowlishaw and Ian Colin Wormleighton (“the Joint Liquidators”) were appointed Joint Liquidators of Green Network Energy Ltd on 4 February 2022 following cessation of the administration. The affairs, business and property of the Company are managed by the Joint Liquidators. The Joint Liquidators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of Section 231 of the Insolvency Act 1986 (as amended), (“the Act”), the Joint Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

| | |
|---|---|
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# Key messages

# Key messages

## Joint Liquidators of the Company

Matthew James Cowlishaw

Ian Colin Wormleighton

Teneo Financial Advisory Limited

156 Great Charles Street

Queensway

Birmingham

B3 3HN

Contact details

Email: GNEadministration@teneo.com

Website: www.ips-docs.com

Tel: 0121 619 0149

**Progress of the liquidation during the report period**

- The Company moved from administration to creditors' voluntary liquidation ("CVL") on 4 February 2022 to enable the distribution of funds to unsecured creditors.
- Following the sale of the Company's book debts to EDF Energy Limited ("EDF") in the preceding administration, we have continued to work with EDF to reconcile the final sale consideration amount following the final billing process. The matter has now been concluded and final consideration of £1.9m has been received from EDF during the period. Please see page 5 for further details.
- We have continued to resolve various billing disputes following the issuance of final bills to customers.
- Contributions to the costs of the Transitional Service Agreement ("TSA") of c.£381.5k have been received from EDF in the period. This represents the final amounts to be received in this regard as the matter has now been concluded.
- Cash held in the preceding administration totaling c.£19.6m has been transferred to the liquidation.
- The VAT debtor of c.£892k from the preceding administration has also been transferred to the liquidation and was subsequently received from HM Revenue and Customs ("HMRC").
- Funds of c.£53.7k in bank interest was realised in the period.
- One of the secured creditors, Santander, confirmed it has no claim in the Liquidation.
- A credit cover refund balance of c.£520.8k was realised in the period.
- Other refunds of c.£9k have been received in the period.

**Costs**

- Please note all fees, costs and expenses, unless otherwise stated, are reported net of VAT.
- Our fees have been fixed on a time costs basis in the preceding administration. Please see page 13 for further details.
- Our time costs for the period of the report are c.£228.2k . For the reasons set out on page 13, our time costs have exceeded the fees estimate budget but at this stage we do not intend to seek approval from the unsecured creditors to authorise an increased fee.
- We have incurred category 1 third party expenses and disbursements of c.£40.6k relating to legal and agent costs in the report period. Please see page 7 for further details.
- We have incurred category 2 expenses of c.£9.2k in the report period. As detailed on page 15 these costs are included in our fees estimate and are not additional costs to the liquidation.

**Outstanding matters**

- Closure of residual GNE IT infrastructure.
- Settle final costs of the liquidation.
- Conclude corporation tax and VAT matters with HMRC.
- Payment of a dividend to ordinary preferential and secondary preferential creditors.
- Adjudication and payment of both an interim and then a final distribution to the unsecured creditors.
- Statutory closing procedures.

**Dividend prospects**

- Secured creditors have been paid in full.
- Ordinary preferential creditors will be paid in full.
- Secondary Preferential creditor –There will be sufficient floating charge realisations to enable payment in full of HMRC's secondary preferential claims.
- Unsecured creditors will be paid an estimated dividend of c.10-20p/£.Please see page 10 for more details.

# Progress of the liquidation


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# Progress of the liquidation

## Progress of the liquidation

### Background – work undertaken in the preceding administration

On 25 January 2021, the Directors notified Ofgem it was their intention to invoke the Supplier of Last Resort ("SoLR") process which Ofgem subsequently commenced on 27 January 2021.

Following a competitive tender process, on 31 January 2021, EDF was announced as the SoLR with all domestic and non-domestic customers transferring from the Company to EDF.

Following the SoLR announcement and once it became clear that the Company would be unable to pay its debts as they fell due, the Directors filed a Notice of Intention ("NOI") to appoint the Company's incumbent restructuring advisors as Administrators on 29 January 2021.

Under the terms of their qualifying floating charge and prior to the expiration of the NOI, Smartest Energy Limited instead elected to appoint Matthew James Cowlishaw and Ian Colin Wormleighton as Joint Administrators of GNE on 2 February 2021.

Within the preceding administration a sale of the customer book debts to the Supplier of Last Resort, EDF, was completed. Furthermore, a TSA was entered into with EDF for the provision of services including: the change of supply process and migration of customer accounts, final billing transferring direct debit mandates and customer disputes.

For the provision of services agreed under the TSA, a cost sharing arrangement between the Joint Administrators and EDF was agreed.

### Work done during the report period

#### EDF and the TSA

We have paid c.£486.6k to suppliers and employees during the liquidation to date, which relates to services provided during the Liquidation and preceding Administration. Following a final reconciliation of costs incurred under the TSA, EDF have contributed a final c.£381.5k towards the TSA costs which has been received during the period. Please see the receipts and payments account on page 8 for further detail.

As the total amounts due under the TSA with EDF has been finalised during the period, no more funds are expected to be received from EDF in this regard.

### Asset Realisations

#### Funds from the preceding administration

Funds totaling c.£19.7m have been transferred from the preceding administration into the liquidation bank account.

The VAT receivable position of c.£892.4k that had accrued in the administration was subsequently received in the liquidation.

#### Bank Interest

Bank interest of c.£53.7k was realised in the report period.

#### Legal and Other Refunds

Legal refunds of c.£40.5k have been realised in the period due to an overpayment of legal fees, in addition to c.£1k of insurance refunds and c.£8k of miscellaneous refunds.

#### Pre-appointment VAT return

We have continued to liaise with HMRC in respect of the final pre-appointment VAT period of 1 January 2021 to 1 February 2021. It is estimated that between £1m and £3m could be realised from this source and we continue to liaise with HMRC in this regard. An update will be included in future reports.

#### Credit Cover Deposits

The Company had lodged c.£4.5m of credit cover deposits with key suppliers. The Joint Liquidators have continued to correspond with these suppliers in order to recover any equity from these funds.

Given the terms and conditions of the agreements, the suppliers are likely to set-off the security deposits owing to them, albeit there may be some balances to be released back to the Liquidation estate once final industry reconciliations have been undertaken. Funds totalling c.£520.8k have been received in the period from the Low Carbon Contracts Company ("LCCC") in respect of credit cover lodged pre-appointment.

## Progress of the liquidation

**Work done during the report period (continued)…**

### Book debts

As reported previously, after extensive negotiations, on 19 March 2021, the Joint Administrators agreed to sell all customer book debts due to the Company, to EDF.

GNE has continued to work with EDF to finalise customer accounts as at the date of the SoLR during the report period. GNE's IT infrastructure was maintained in order to assist in this process.

This reconciliation exercise has now been completed and the final funds under the agreement of c.£1.9m were received during the reporting period. This brings total realisations from this source across the administration and liquidation to c.£39.2m

Following the final reconciliation in respect of the book debts, the Joint Liquidators are taking the appropriate steps for the closure of the Company's residual IT infrastructure.

### Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case set-up and management actions, including updating the insolvency creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Appointment notifications to stakeholders of the liquidation;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HMRC in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

# Progress of the liquidation

## Summary

### Third party costs incurred during the report period

**Joint Liquidators' –** Category 1 Expenses

Category 1 expenses are payments to persons providing the service to which the expense relates and which are neither payment to us, the officeholders, or to an associate of ours. These expenses can be paid out of the estate by us without creditor approval.

The following third party expenses have been incurred during the report period:

Legal Costs:

We instructed Eversheds Sunderland LLP ("Eversheds"), a firm of lawyers with the appropriate expertise and experience in dealing with these types of liquidations, to advise on the following legal matters and to prepare required legal documentation in relation to matters that occurred in a period spanning the final six months of the administration and the liquidation to date:

- Advice in respect of the debt purchase agreement;
- Novation of agent contractual agreements;
- Review of a tenancy at will for former premises;
- Advice in respect of certain customer matters; and
- Attendance of legal proceedings relating to the parent company;

Costs totalling c.£33.8k-have been incurred by Eversheds in the report period.

Disbursements – Category 1

Category 1 disbursements are payments to third parties which are initially met by us and then reimbursed to us out of the estate when funds become available, and for which no approval is required.

RSM UK, a firm with expertise and experience with dealing with tax matters, were engaged to assist with VAT matters relating to the TSA with EDF. Their total costs incurred during the period are c.£6.8k. These costs have not yet been paid from estate funds.

### Payment of Category 1 Expenses

All costs have been paid, where applicable, as shown in the receipts and payments account on page 8.

All professional costs are reviewed and analysed in detail before payment is approved.

Category 2 Expenses

These are payments:

- to us (as officeholder), for example reimbursement to staff engaged on the case for their mileage costs) or in respect of shared or allocated costs; and also
- to our associates, e.g. to Deloitte LLP where their costs are being charged to the estate following the sale of the Deloitte UK Restructuring team to Teneo Financial Advisory Limited ("Teneo" and "the Transaction") on 29 May 2021.

These expenses require creditor approval in the same manner as our remuneration and as discussed in further detail on page 15.

# Progress of the liquidation

## Receipts and payments

Green Network Energy Ltd In Liquidation
Joint Liquidators' receipts and payments account
04 February 2022 to 3 February 2023

| £ | Notes | To date |
|---|---|---|
| ASSETS SUBJECT TO A FLOATING CHARGE | | |
| Receipts | | |
| Funds from Administration Account | A | 19,584,458 |
| VAT from Administration | A | 892,422 |
| Misc Refunds | | 8,334 |
| Credit Cover Deposits | | 520,757 |
| Insurance Refund | | 888 |
| Bank Interest Gross | B | 53,785 |
| Book Debts | | 1,954,410 |
| EDF TSA Contribution | | 381,505 |
| Total receipts | | 23,396,559 |
| Payments | | |
| Payroll preparation for Administration period | C | 2,214 |
| IT Costs | C | 316,633 |
| Rents Payable | C | 167,792 |
| Former Joint Administrators' Fees | | 700,000 |
| Former Joint Admninistrators' Expenses | | 238 |
| Legal Fees | | 33,794 |
| Insurance of Assets | | 3,520 |
| Storage Costs | | 489 |
| Statutory Advertising | | 213 |
| Bank Charges | | 229 |
| Total payments | | 1,225,121 |
| Balance | | 22,171,438 |
| Made up of: | | |
| Floating Charge Deposit A/C | B | 22,088,629 |
| Trade Creditors | D | (3,371) |
| VAT Control Account | E | 86,180 |
| Balance in hand | | 22,171,438 |

A receipts and payments account is provided opposite, detailing the transactions in the liquidation to 03 February 2023 since the date of our appointment on 4 February 2022.

### Notes to receipts and payments account

#### Statement of Affairs

The directors' statement of affairs figures relate to the preceding administration and are therefore not provided opposite. Please refer to our previous administration reports should you wish to view the preceding statement of affairs figures.

#### A -Transfer of funds from the administration bank account

The balance transferred from the administration to the liquidation is different due the trade creditor accruals of £159k that were shown as being due in the final administration receipts and payments account. These were paid prior to transferring cash to the liquidation account.

The VAT debtor that had accrued whilst in administration was also transferred to the liquidation and has since been received.

#### B - Bank interest

All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HMRC.

#### C – Trading costs

A number of costs in relation to wind down of the Company have been incurred during the preceding Administration and Liquidation, and paid during the reporting period, as part of the delivery of the TSA for EDF as detailed on page 5.

#### D - Accruals

Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

#### E - VAT

All sums shown opposite are shown net of VAT, which is recoverable and will be accounted for to HMRC in due course.

#### Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

# Information for creditors

Outcome for creditors 10

# Information for creditors

### Secured creditors

The Company's records show SEL and Santander UK PLC as the Company's secured creditors ("the Secured Creditors").

At the date of our appointment, the following amounts were owed to them:

- SEL – c.£28.5m
- Santander UK PLC – No amount outstanding under their charge

The value of the debt owed to Santander was contingent as it was dependent on the value of chargeback claims received.

Both creditors are secured by way of fixed and floating charges granted by the Company on 29 September 2020 and 30 November 2020, respectively.

A deed of priority between the Secured Creditors confirms that Santander's security interests rank behind that of SEL's.

SEL have been paid in full from fixed charge realisations in the period of the administration.

### SEL

The debenture granted to SEL includes a fixed charge over cash held in a specific account in addition to certain debtors. Legal advice obtained from Eversheds LLP has confirmed the validity of this charge.

Following the sale of the debt book, there were sufficient fixed charged realisations to pay SEL in full under their fixed charge security. c.£28.5m was paid to SEL on 22 March 2021.

### Santander UK PLC

Santander's security gave cover in respect of chargeback risk on the merchant service facility provided. In the period of the report Santander confirmed that all fixed and floating charges were satisfied prior to the appointment of the Joint Liquidators and no further amounts are due. As such, no distribution will be made to Santander.

### Ordinary Preferential creditors

Ordinary preferential claims consist of amounts owed to employees for arrears of wages, holiday pay, and pension contributions.

To date we have received 202 ordinary preferential claims totalling c£172.5k, which is line with expectations. This is lower than the figure stated in the final administration report, as work has now been undertaken to adjudicate on the ordinary preferential claims received. On present information it is likely that these claims will be paid in full.

### Secondary Preferential Creditor

Secondary preferential debts are debts due to HMRC in respect of deducted taxes, including VAT, PAYE, student loan repayments, employee NICs and CIS deductions. HMRC has lodged a secondary preferential claim of c.£447.4k in this regard. On present information we anticipate that sufficient funds will become available to enable this claim to be paid in full.

### Prescribed Part

On present estimates, we expect there to be a funds available for distribution to unsecured creditors over and above the value of that would have been available under the Prescribed Part ("PP").

Please note that in accordance with Rule 6.42 the costs associated with the prescribed part (which would chiefly comprise our costs incurred in adjudicating and processing claims) must be paid out of the prescribed part fund.

### Unsecured creditors

Based on present information, sufficient funds will be realised to enable a dividend to be paid to unsecured creditors, in addition to the PP distribution referred to above.

We currently anticipate a dividend of 10-20p/£ to be paid to unsecured creditors.

To date, unsecured claims totalling £82m have been received. The Company's statement of affairs included a balance of £116m. We note the statement of affairs includes £11m customer accounts in credit. During the report period a court case has ruled that the SoLR is entitled to submit a claim in respect of customer credit balances. The SoLR has not submitted a claim to date.

## Information for creditors

### Claims process – creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed is £1,000 or less, unless you wish to vote in this decision, or any other, decision procedure in which case proof of claim must be given.

We will notify you if funds become available for dividend purposes. Your claim will be admitted in the amount shown in the Company's records/statement of affairs. If you disagree with that amount you will be provided with an opportunity to notify us of the correct amount.

### Claims process – creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us either directly via the case website at [www.ips-docs.com] or by downloading and completing a proof of debt form from the case website and which should be sent to the address on the cover page. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

# Remuneration and expenses

Joint Liquidators' remuneration 13

## Remuneration and expenses

## Joint Liquidators' remuneration

**Joint Liquidators' remuneration**

"A Creditors' Guide to Remuneration" is available for download at www.ips-docs.com.

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

### Basis of remuneration

The basis of our remuneration was fixed on 18 October 2021 by the creditors in the preceding administration by reference to the time properly given by the Joint Liquidators and their staff plus VAT.

Please also note that our approved fee basis is inclusive of the costs in respect of work delivered by Deloitte LLP.

### Time costs – Fees drawn

We have not drawn any fees as Joint Liquidators to date.

We have however drawn fees totalling of £700k plus VAT as regards remuneration in our capacity as former Joint Administrators relating to the preceding administration as shown in the receipts and payments account on page 8.

This brings our total fees drawn as former Joint Administrators to £3.2m across both the preceding administration and liquidation.

### Time costs - analysis of actual against budget

### Preceding administration and liquidation

Please refer to page 14 where we have updated the Fees Estimate to provide details of our actual time costs for the preceding administration, for the period of the report and also for the entire period of our appointment as Joint Administrators and Joint Liquidators.

As you will see our total time costs in the liquidation period to 3 February 2023 are c.£228k made up of 321.2 of hours at a blended charge out rate of £710 across all grades of staff.

### Time costs have exceeded initial estimate

As can be seen on page 14 our actual time costs are higher than we initially anticipated, which can be attributed to the following:

- Additional time input from the administration/liquidation team dealing with final billing processes and liaising with EDF in order to work through the issues. The ongoing complexities has required more senior grades of staff to perform the work.
- Additional cashiering tasks have been carried out in relation to dealing with the volume of receipts into GNE's bank account, returning certain funds to EDF, processing payroll and supplier payments and liaising with Santander in relation to minimum funds to be held and closure of bank accounts.
- Higher volume than anticipated of customer queries regarding the SoLR process and final billing process.
- Greater complexity than anticipated at the outset in dealing with the Company's VAT affairs in respect the TSA and general liquidation period.
- Higher volume than anticipated of creditor queries and correspondence regarding claims and the outcome of the liquidation.
- Costs in relation to forensic analysis and investigation of operations of the business.
- For the reasons set out above, our time costs to date are higher than anticipated.

We currently are not seeking approval for an increased fee, however, in accordance with Rule 18.30, should we wish to draw a fee greater than the amount of £3,484,265 as provided in our Fees Estimate, we would need to seek creditor approval. We are keeping this under review and will continue to monitor the costs incurred in the next period considering the outstanding workstreams including the complexity of the upcoming dividends

## Fees Estimate and Joint Liquidators' actual time costs for the period 4 February 2022 to 3 February 2023

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

| Activity | | Anticipated Time and Costs per Fees Estimate | | | Actual Time and Costs during the Administration | | | Actual Time and Costs for Liquidation Report Period | | | Actual Time and Costs for Administration and Liquidation Report Periods | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Anticipated hours | Avg Rate £/h | Anticipated fees (£) | Hours incurred to date | Avg Rate £/h | Total time costs incurred to date (£) | Hours incurred in period | Avg Rate £/h | Time costs incurred in period (£) | Hours incurred to date | Avg Rate £/h | Total time costs incurred to date (£) |
| Administrative activities | Cashiering | 154.0 | 535 | 82,405 | 182.3 | 556 | 101,284 | 36.5 | 550 | 20,052 | 218.7 | 1,106 | 121,336 |
| | Case supervision | 162.7 | 723 | 117,594 | 255.1 | 783 | 199,794 | 12.3 | 521 | 6,424 | 267.4 | 1,304 | 206,217 |
| | Case reviews | 10.5 | 509 | 5,341 | 2.4 | 380 | 912 | - | - | - | 2.4 | - | 912 |
| | Case closure matters | 26.5 | 558 | 14,780 | 4.3 | 884 | 3,802 | 0.5 | 900 | 450 | 4.8 | 1,784 | 4,252 |
| Statutory & compliance | Compliance & IPS diary | 28.4 | 600 | 17,031 | 27.0 | 718 | 19,367 | 0.7 | 529 | 370 | 27.7 | 1,247 | 19,737 |
| | Insurance | 14.2 | 707 | 10,034 | 9.2 | 692 | 6,371 | - | - | - | 9.2 | - | 6,371 |
| | General reporting | 128.0 | 641 | 81,982 | 116.5 | 687 | 80,018 | 2.2 | 664 | 1,460 | 118.7 | 1,351 | 81,478 |
| | Regulatory & other legislation | 6.5 | 729 | 4,740 | - | - | - | - | - | - | - | - | - |
| Initial actions | Appointment matters | 20.6 | 645 | 13,282 | 20.6 | 645 | 13,282 | 1.4 | 1,195 | 1,673 | 22.0 | 1,840 | 14,955 |
| | Securing assets | 2.5 | 1,025 | 2,563 | 2.5 | 1,025 | 2,563 | - | - | - | 2.5 | - | 2,563 |
| | Notifications | 47.6 | 611 | 29,044 | 47.6 | 611 | 29,044 | 4.8 | 650 | 3,088 | 52.3 | 1,261 | 32,131 |
| Investigations | CDDA reporting | 50.0 | 399 | 19,910 | 50.0 | 399 | 19,910 | - | - | - | 50.0 | - | 19,910 |
| | Investigations | 87.3 | 461 | 40,257 | 56.6 | 371 | 20,980 | 9.4 | 906 | 8,504 | 65.9 | 1,277 | 29,484 |
| Total of above categories | | 738.6 | 594 | 438,962 | 773.8 | | 497,326 | 67.7 | 620 | 42,020 | 841.6 | 620 | 539,346 |
| Taxation | Tax | 41.8 | 625 | 26,116 | 14.1 | 958 | 13,465 | 7.7 | 881 | 6,737 | 21.7 | 1,838 | 20,202 |
| | VAT | 69.3 | 683 | 47,332 | 44.5 | 770 | 34,237 | 34.7 | 723 | 25,105 | 79.2 | 1,494 | 59,342 |
| Asset realisations | Book debts | 416.9 | 984 | 410,209 | 421.7 | 1,018 | 429,282 | 57.1 | 913 | 52,187 | 478.8 | 1,931 | 481,469 |
| | Chattel assets | 64.6 | 774 | 50,019 | 53.6 | 1,017 | 54,532 | - | - | - | 53.6 | - | 54,532 |
| | Other assets | 46.8 | 768 | 35,908 | 69.6 | 754 | 52,509 | 19.4 | 511 | 9,922 | 89.1 | 1,265 | 62,432 |
| | Property | 41.0 | 828 | 33,950 | 29.0 | 917 | 26,579 | - | - | - | 29.0 | - | 26,579 |
| | Sale of business | 113.8 | 1,026 | 116,704 | 115.6 | 1,022 | 118,171 | - | - | - | 115.6 | - | 118,171 |
| Trading | Day 1 control of trading | 66.4 | 759 | 50,346 | 66.4 | 759 | 50,346 | - | - | - | 66.4 | - | 50,346 |
| | Ongoing trading | 1,878.0 | 684 | 1,284,633 | 2,391.7 | 682 | 1,631,073 | 16.6 | 668 | 11,074 | 2,408.3 | 1,350 | 1,642,147 |
| | Monitoring trading | 372.4 | 899 | 334,561 | 201.4 | 1,047 | 210,901 | - | - | - | 201.4 | - | 210,901 |
| | Closure of trade | 136.5 | 666 | 90,875 | 7.5 | 815 | 6,113 | - | - | - | 7.5 | - | 6,113 |
| Employees | Correspondence | 257.4 | 699 | 179,931 | 254.7 | 656 | 166,975 | 4.1 | 697 | 2,868 | 258.8 | 1,352 | 169,843 |
| | Employment tribunals | 8.0 | 532 | 4,277 | 4.5 | 452 | 2,051 | 0.2 | 650 | 108 | 4.7 | 1,102 | 2,159 |
| | Pensions | 9.5 | 580 | 5,532 | 15.2 | 609 | 9,264 | 0.4 | 716 | 298 | 15.6 | 1,325 | 9,562 |
| Correspondence | Creditors | 188.3 | 657 | 123,754 | 155.7 | 780 | 121,421 | 34.4 | 713 | 24,475 | 190.1 | 1,492 | 145,896 |
| | Shareholders | 13.3 | 1,041 | 13,849 | 16.8 | 999 | 16,742 | 4.8 | 900 | 4,290 | 21.5 | 1,899 | 21,032 |
| | Customers | 287.2 | 608 | 174,627 | 529.7 | 522 | 276,512 | 55.6 | 641 | 35,660 | 585.3 | 1,163 | 312,172 |
| Distributions | Secured creditors | 20.0 | 763 | 15,261 | 5.0 | 986 | 4,928 | - | - | - | 5.0 | - | 4,928 |
| | Preferential creditors | 80.0 | 489 | 39,110 | - | - | - | 12.9 | 672 | 8,668 | 12.9 | - | 8,668 |
| | Unsecured creditors | 17.0 | 489 | 8,311 | - | - | - | 5.7 | 842 | 4,800 | 5.7 | - | 4,800 |
| Total fees estimate | | 4,866.9 | 716 | 3,484,265 | 5,170.4 | 720 | 3,722,426 | 321.2 | 710 | 228,212 | 5,491.6 | 1,430 | 3,950,638 |

# Remuneration and expenses
## Detailed information

### Category 2 Expenses

Category 2 Expenses - are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

**Joint Liquidators' Category 2 Expenses (including** disbursements)

As described on page 7, these are payments to us (as officeholder) or to our associates or payments which have an element of shared costs.

Specific approval is required before these costs and expenses can to be drawn from the liquidation estate and which was given in the earlier administration by creditors on 18 October 2021 other than in relation to the Deloitte LLP costs which are discussed further below and in the column opposite.

As discussed on page 7 prior to the Transaction, the work delivered by Deloitte service lines was charged to the estate to be recovered as part of the Joint Administrators' remuneration (from which an internal recharge would have then been made).

Following the Transaction, whilst all such costs will continue to be paid out of our approved remuneration (i.e. will not be an additional cost) we will provide you with a narrative summary of the work being delivered. We will also provide a summary rates table of the applicable charge out rates in force at the time of the report.

Further details regarding the ongoing Deloitte LLP services and summary charge-out rate table are provided opposite.

### Services being provided

We have detailed below the services which have been or continue to be provided by Deloitte LLP, the costs of which are included in our fee estimate and will thus be paid out of our approved remuneration:

- Deloitte Forensics – were engaged to assist with undertaking work in connection with data collection and storage. Their work, which is ongoing, is charged on a time costs basis. Their total costs incurred in the report period are c.£9.2k.

Deloitte LLP Charge out Rate Bands (£/hour)

| Grade | Rate (£/hour) |
|---|---|
| Partners | 1430 - 1475 |
| Directors | 1205 -1240 |
| Associate Directors | 1095 - 1130 |
| Managers/Assistant | 94 - 400 |
| Consultants | 565 - 845 |
| Associates | 135 - 340 |
| Administrators/Analy | 90 - 370 |
| Agent | 34 |

# Remuneration and expenses
## Detailed information

**Creditors' right to request information**

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

**Creditors' right to challenge remuneration and/or expenses**

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

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