

# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House

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refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 9 8 4 4 9 9 0

Company name in full Goto Energy (UK) Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Court details

Court name The High Court of Justice

Court case number 0 0 1 9 4 2 2 0 2 1

### 3 Administrator's name

Full forename(s) Guy Robert Thomas

Surname Hollander

### 4 Administrator's address

Building name/number Mazars LLP

Street 30 Old Bailey

Post town London

County/Region

Postcode E C 4 M 7 A U

Country

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Notice of move from administration to creditors' voluntary liquidation

|                  |                               |  |  |
|------------------|-------------------------------|--|--|
| <b>5</b>         | <b>Administrator's name ①</b> |  | <b>① Other administrator</b><br>Use this section to tell us about another administrator. |
| Full forename(s) | Michael                       |  |  |
| Surname          | Pallott                       |  |  |

|                      |                                  |  |  |
|----------------------|----------------------------------|--|--|
| <b>6</b>             | <b>Administrator's address ②</b> |  | <b>② Other administrator</b><br>Use this section to tell us about another administrator. |
| Building name/number | Mazars LLP                       |  |  |
| Street               | 30 Old Bailey                    |  |  |
|                      |                                  |  |  |
| Post town            | London                           |  |  |
| County/Region        |                                  |  |  |
| Postcode             | E C 4 M 7 A U                    |  |  |
| Country              |                                  |  |  |

|                  |   |  |  |
|------------------|---|--|--|
| <b>7</b>         | <b>Appointor/applicant's name</b>   |  |  |
|                  | Give the name of the person who made the appointment or the administration application. |  |  |
| Full forename(s) | The Directors of the Company  |  |  |
| Surname          |   |  |  |

|                                |                                   |  |  |
|--------------------------------|-----------------------------------|--|--|
| <b>8</b>                       | <b>Proposed liquidator's name</b> |  |  |
| Full forename(s)               | Guy Robert Thomas                 |  |  |
| Surname                        | Hollander                         |  |  |
| Insolvency practitioner number | 0 0 9 2 3 3                       |  |  |

|                      |                                      |  |  |
|----------------------|--------------------------------------|--|--|
| <b>9</b>             | <b>Proposed liquidator's address</b> |  |  |
| Building name/number | Mazars LLP                           |  |  |
| Street               | 30 Old Bailey                        |  |  |
|                      |                                      |  |  |
| Post town            | London                               |  |  |
| County/Region        |                                      |  |  |
| Postcode             | E C 4 M 7 A U                        |  |  |
| Country              |                                      |  |  |

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**10** Proposed liquidator's name<sup>①</sup>

|                                |             |
|--------------------------------|-------------|
| Full forename(s)               | Michael     |
| Surname                        | Pallott     |
| Insolvency practitioner number | 0 2 3 6 5 0 |

**① Other liquidator**

Use this section to tell us about another liquidator.

**11** Proposed liquidator's address<sup>②</sup>

|                      |               |
|----------------------|---------------|
| Building name/number | Mazars LLP    |
| Street               | 30 Old Bailey |
| Post town            | London        |
| County/Region        |               |
| Postcode             | E C 4 M 7 A U |
| Country              |               |


**② Other liquidator**

Use this section to tell us about another liquidator.

**12** Period of progress report

|           |   |
|-----------|---|
| From date | <sup>d</sup> 2 <sup>d</sup> 5 <sup>m</sup> 1 <sup>m</sup> 0 <sup>y</sup> 2 <sup>y</sup> 0 <sup>y</sup> 2 <sup>y</sup> 1 |
| To date   | <sup>d</sup> 2 <sup>d</sup> 1 <sup>m</sup> 1 <sup>m</sup> 0 <sup>y</sup> 2 <sup>y</sup> 0 <sup>y</sup> 2 <sup>y</sup> 2 |

**13** Final progress report☒ I have attached a copy of the final progress report.**14** Sign and date

|                           |   |
|---------------------------|---|
| Administrator's signature | Signature<br>X  X |
| Signature date            | 2 1 1 0 2 0 2 2   |

**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 **Endris Talani**

Company name **Mazars LLP**

Address **30 Old Bailey**

Post town **London**

County/Region

Postcode **E C 4 M 7 A U**

Country

DX

Telephone **+44 (0)207 063 4000**

**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 and dated 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.

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**Goto Energy (UK) Limited  
– In Administration**

**Administrators' Final Report  
covering the period  
25 October 2021 to  
21 October 2022**

**21 October 2022**



**mazars**

Confidential

## Preface

### To all known creditors

#### Goto Energy (UK) Limited – in Administration (“the Company”)

This is the Joint Administrators’ final progress report in the Administration, prepared pursuant to Rule 3.53 of the Insolvency (England and Wales) Rules 2016. The purpose of which is to provide creditors with details of the progress of the Administration since the Joint Administrators’ last progress report.

The report should be read in conjunction with the Joint Administrators’ proposals issued to creditors on 6 December 2021 and 6 monthly progress report issued to creditors on 24 May 2022, which provide a comprehensive breakdown on the asset realisations made between 25 October 2021 and 24 April 2022. An additional report was issued on 22 September 2022 in support of the Joint Administrators’ fee increase request (further details of this approved request is included in section 6 of this report). Copies of all reports are available on the portal and a hard copy can be requested by emailing [Endris.Talani@mazars.co.uk](mailto:Endris.Talani@mazars.co.uk).

Michael Pallott was appointed Joint Administrator of the Company, together with Neil Mather, on 25 October 2021.

On 15 February 2022, I, Guy Hollander, replaced Neil Mather as Joint Administrator of the Company.

Michael Pallott and I are both authorised to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales.

The purpose of the Administration was to achieve a better result for the Company’s creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

As this purpose has now been achieved, in accordance with the Proposals, a notice to move the Administration to Liquidation pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986 (“the Act”), is to be filed at Companies House. No other nominations were received in respect of the appointment of the liquidators, therefore Mr M. Pallott and I, both of Mazars LLP, are to be appointed as Joint Liquidators. The liquidation will commence upon the registration of the notice at Companies House.

Identification details regarding the Company and the Administrators are attached at **Appendix A**.

Should you have any queries in relation to this matter, please do not hesitate to contact the Administrators or Endris Talani at this office.

Yours faithfully  
For and on behalf of  
Goto Energy (UK) Limited Ltd – In Administration



**Guy Hollander**  
Joint Administrator

21 October 2022

*Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: [www.mazars.co.uk/Legal-and-privacy](http://www.mazars.co.uk/Legal-and-privacy).*

*The affairs, business and property of the Company are being managed by the Joint Administrators.*

*The Joint Administrators act as agents of the Company and without personal liability.*

## Glossary of Terms

|                             |   |
|-----------------------------|---|
| <b>Directors</b>            | Evan Salway and Nikki Goode   |
| <b>EES</b>                  | Enigys Energy Services Limited  |
| <b>Enigys</b>               | Enigys Trading Limited  |
| <b>EOS</b>                  | Estimated Outcome Statement   |
| <b>Eversheds</b>            | Eversheds Sutherland  |
| <b>Evolve</b>               | Evolve IS Limited   |
| <b>Goto / Company</b>       | Goto Energy (UK) Limited – in Administration  |
| <b>HMRC</b>                 | HM Revenue & Customs  |
| <b>IA86</b>                 | The Insolvency Act 1986, as amended   |
| <b>Joint Administrators</b> | Guy Hollander and Michael Pallott of Mazars LLP   |
| <b>Kreston</b>              | Kreston Reeves LLP  |
| <b>LSH</b>                  | Lambert Smith Hampton   |
| <b>Mazars</b>               | Mazars LLP  |
| <b>Ofgem</b>                | Office of Gas and Electricity Markets   |
| <b>Pentins</b>              | Pentins Business Advisers Ltd   |
| <b>Proposals</b>            | The Joint Administrators' Statement of Proposals Pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 |
| <b>Shell</b>                | Shell Energy Retail Limited   |
| <b>SOLR</b>                 | Supplier of Last Resort   |

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01

**Administrators' Receipts & Payments and  
Estimated Outcome**

## Administrators' Receipts and Payments

I have now completed my administration of the Company. A summary of receipts and payments covering the period from 25 April 2022 to 21 October 2022, and cumulatively, from 25 October 2021 to 21 October 2022 is attached at **Appendix B**. A comparison of the estimates provided in the directors' statement of affairs to actual realisations made to date is also provided.

There is currently a balance in hand of £1,307,321 and further details of the realisations and expenses paid are provided throughout the report. These funds are held at Barclays Bank Plc in an interest-bearing account.

### Estimated Outcome

An estimate of the outcome of the Administration is included with the receipts and payments account at **Appendix B**.

Based on expected realisations and payments, it is expected that there will be sufficient funds to enable a return to unsecured creditors.

Based on claims received to date, it is anticipated that the return to creditors will be **13p in the £**.

The EOS is based on the following key assumptions:

- No additional costs or expenses are incurred or required to be incurred of which the Administrators are not currently aware; and
- The costs and expenses currently anticipated are in line with estimates provided.

As advised previously, creditors should also note that the following factors will vary the outcome for creditors:

- The amount realised for assets marked in the EOS with an uncertain realisable value and the final agreed costs position relating to professional fees; and
- The total claims received and eventually agreed from suppliers, Ofgem and Shell, as well as the outcome of any legal review of those claims and the associated costs of that work.

Additionally, should the Administrators' investigation work identify any additional assets of which they are not currently aware, or any rights of action against any particular parties, these may lead to additional realisations in the Administration. Such recoveries are not accounted for in the EOS and will need to be considered separately, as there are likely to be additional cost implications in respect of their recovery.

Based on expected realisations and payments, it is expected that the funds available to be transferred to the liquidation will be £1,307,321, with an additional amount of £2,400 receivable from HMRC relating to outstanding net VAT Receivable at the date of this report.

Further details on the expected outcome for each class of creditor is provided in Section 4 of this report.

02

**Assets**

## Assets realised to date

The report should be read in conjunction with the Joint Administrators' Proposals dated 6 December 2021 and Progress Report issued to creditors on 24 May 2022, which provide a comprehensive breakdown on the asset realisations made between 25 October 2021 and 24 April 2022. A copy of these reports are available on the portal and a hard copy can be requested by emailing [Endris.Talani@mazars.co.uk](mailto:Endris.Talani@mazars.co.uk).

In our proposals, we stated that we were pursuing objective (b) of the statutory purpose of administration – achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration). We anticipated that this would be achievable by maintaining business operations for a short period, in order to reconcile both the debit and credit accounts of the Company, assist in the transfer of customer data to the new SOLR (thereby maximising realisations of customer accounts with debit balances) and to realise the remaining assets of the Company.

In order to achieve the purpose of the Administration, the following asset realisations have been concluded.

### i. Outset Legal – Client Account

As advised in the Proposals, the Company's parent, Enigys, held a licence with Gentrack UK limited ('Gentrack') for the use of a customer relationship management system known as Junifer. This system allowed for accurate and timely invoicing of customers and was used solely by the Company and not Enigys.

A dispute arose with Gentrack relating to support services that the Company argued Gentrack had not provided under the agreement dated 11 October 2018 (the 'Agreement'). As a result, the Company withheld payment of two invoices payable to Gentrack dated 31 March 2021 and 9 June 2021 until the dispute was settled.

Per the contractual dispute resolution mechanism set out in the Agreement, the matter was taken to mediation to be held on 14 October 2021. However, due to

the ongoing insolvency issues the Company faced at the time, the Company and Enigys were not represented at the mediation.

Prior to this and as part of a separate settlement agreement, the Company agreed to pay the sum of £171,600, representing the total of the disputed invoices, into the client account of its legal representatives, Outset Legal LLP ('Outset'). These funds were held as security pending the outcome of the dispute, or per a Final Court Order should mediation fail.

The Joint Administrators sought independent legal advice regarding this dispute, and it was confirmed that as the settlement agreement does not create any security over the funds held, Gentrack's claim would fall as an unsecured claim in the Administration and would be payable *pari passu* with other unsecured creditors. The Joint Administrators therefore requested Gentrack to provide their agreement to the funds being released to the Administration. Gentrack challenged the Administrators' position.

Since my last report, a settlement was reached with Gentrack that in return for their agreement to release the full funds held by Outset to the Administration, they would receive a payment equal to the sum of the estimated total dividend in the Administration. As per my last report, this was estimated to be 14p in the £ and would have resulted in a distribution amount of £24,024 being payable to Gentrack at a later date. Gentrack will not receive any further amounts and in the event that the eventual distribution is less than 14%, Gentrack are not required to repay any amount.

In addition, as the Company's shareholder, Enigys, was also a signatory to the agreement and a creditor of the Company, they also requested a payment equal to the value of the funds being paid to Gentrack. This would also constitute an early distribution against their claim in the Administration.

Under the advice of our instructed solicitors, Norton Rose Fulbright LLP, it was agreed to accept these terms on the basis that if an amicable agreement was not reached, then the Joint Administrators would need to apply to Court for the release of the funds. This could have resulted in additional legal fees in excess of £20,000 as an expense of the Administration.

Once a settlement agreement had been signed by all parties, on 9 September

## Assets realised to date

2022, £171,600 was received from Outset and since then, two equal payments of £24,024 have been made to Gentrack and Enigys.

### ii. GoCardless Receipts

I would remind creditors that GoCardless is the direct debit platform which was utilised by the Company to collect and manage their monthly direct debits paid by customers.

After negotiations with GoCardless and Shell, funds which had been received by GoCardless both pre and post our appointment were subsequently released to us. This was conditional on the Administrators agreeing (and approved by Shell) that GoCardless could retain monies to cover their fees and potential claims from customers (chargebacks) and these totalled £189,665.

Further to the legal agreements between the Administrators and Shell, Shell and GoCardless entered into an agreement to novate all customers direct debit mandates across to Shell.

The total funds received by GoCardless in this regard amounted to £2,300,476 of which £2,110,811 had been paid into the Administration. These receipts were analysed and broken down in the Proposals as follows:

| GoCardless Receipt                               | £                |
|--|------------------|
| Pre 21 October 2021                              | 303,175          |
| Between 21 October 2021 and 24 October 2021      | 124,985          |
| Relating to Debit Account as at 25 October 2021  | 221,517          |
| Sale of Customer Debit Balances to Shell         | 48,632           |
| Monies Held by GoCardless – Fees and Chargebacks | 189,665          |
| Funds Held on Trust for Shell                    | 1,345,243        |
| Retention for Potential VAT Liability            | 67,261           |
| <b>Total</b>                                     | <b>2,300,477</b> |

In the previous reporting period, further payments have been received from GoCardless totalling £357.06 relating to customer payments after the transfer.

These payments have been allocated to Funds Held on Trust for Shell.

The chargeback and invoice cover period, relating to the funds being held by GoCardless to cover for customer chargebacks and outstanding costs, has now expired. GoCardless has now remitted the net balance to the Joint Administrators and a breakdown of the deductions made are as follows:

| Final Payment to Shell      | £              |
|-----------------------------|----------------|
| Monies held on account      | 189,665        |
| Chargebacks                 | (5,448)        |
| GoCardless Fees             | (28,067)       |
| Further funds received      | 387            |
| Shell contribution to costs | (15,000)       |
| <b>Total</b>                | <b>141,537</b> |

With reference to the funds held in relation to the potential VAT liability, the Company's former accountants, Pentins, have now finalised the Company's pre-appointment VAT return for the period 1 October 2022 to 24 October 2022. Pentins calculated that the VAT payable by the Company for that period totals £120,814. Of this amount, the vast majority would relate to the final customer invoicing exercise, the benefit of which was transferred to Shell. As such, these funds will be retained in offset of the VAT liability that will be payable to HMRC, minus any associated deductions for VAT receivable in the same period.

Furthermore, after the migration of customer data to Shell, there were a large number of customer queries being directed to the Administrators but should have been managed and dealt with by Shell's customer service team, in line with the SOLR process. The result of this was Mazars being required to spend a considerable amount of time assisting customers, providing them with information and redirecting them back to Shell as necessary.

Accordingly, the Administrators requested that Shell allow a deduction of £15,000 from the funds held on behalf of Shell, as a contribution towards their own time costs in dealing with customer queries. This was agreed by Shell and so the net balance of £141,537 will be paid to Shell shortly.

## Assets realised to date

### iii. Cash at Bank

As reported in the Proposals, the Director's Statement of Affairs estimated that the Company's cash at bank as at the date the Company entered into Administration on 25 October 2021 was £461,341.

The sum of £501,760 was received from Barclays Bank Plc in this respect, which includes post-appointment credits received immediately after the date of Administration. These amounts were reconciled against customer accounts.

No further funds are expected to be received in this regard.

### iv. VAT Refund – Pre-Administration

£82,557 was received from HMRC in respect of a VAT return for September 2021 (submitted prior to the Administration).

In the reporting period, the Joint Administrators have continued to seek advice from Pentins regarding the treatment of pre and post appointment VAT. This has now concluded and all pre-appointment VAT returns have now been submitted.

A final VAT payable sum of £13,625 for the period 1 October 2021 to 24 October 2021 will be paid in the subsequent liquidation.

### v. Soldo Expense Account

As advised in our Proposals, the Company utilised a pre-paid company card with Soldo Software Limited ("Soldo") in order to pay general expenses for the Company. As we had anticipated, this account was in credit.

Following several requests to Soldo for the release of the credit balance, £2,753 was received on 18 January 2022.

### vi. Aged Debtor Ledger

The Company's aged debtor ledger, relating to former customers who were not transferred to Shell, were either being pursued or were subject to repayment plans with the assistance of Lovetts Solicitors ("Lovetts").

The value of debtors outstanding with Lovetts at the date of the Administration totalled £6,871.19.

The sum of £1,104 has been received in connection with the aged debtor ledger in the Administration, with £38 of this being in the period of this report. Unfortunately, as the remaining ledger relates to a large number of former customers with relatively small amounts, which have been outstanding for long periods of time, it was not considered commercially viable to continue pursuing the remaining debts. As such, the balance of the debtor ledger was written-off.

### vii. Sundry Refunds

Sundry refunds received in the period were £1,678 and total £12,372 cumulatively in the Administration. They are broken down as follows:

- A deposit for pre-appointment advisory costs was paid to Mazars by the Company prior to our appointment in the sum of £10,000. Upon appointment, Mazars paid these funds into the Administration estate account and sought approval from creditors to draw these funds against outstanding pre-appointment costs, which was received from creditors on 21 December 2021;
- A receipt of £272 was paid into the Administration estate account, the origin of which remains to be determined by the Administrators; and
- £422 was received into the Administration from MRA Service Company Limited ("MRASCo"), of which the Company was a shareholder. The MRASCo - Master Registration Agreement ("MRA") was an industry wide agreement between electricity distributors and suppliers in England, Wales and Scotland. As per the Master Registration Agreement, as MRASCo was winding down, the surplus funds held by MRASCo was distributed amongst

## Assets realised to date

MRA shareholders, resulting in the receipt of £422. No further funds are expected in this regard.

- £1,678.20 was received in the period in relation to a SPAA and a TRAS closure rebate received from SPAA Ltd. No further refunds are expected.

### viii. American Express ('Amex') Merchant Account

For customers who paid via an Amex card, these payments were held by Amex for a short period then remitted to the Company's bank account.

Amex have confirmed that they are not holding onto any Company funds, therefore, no further realisations are expected in this regard.

### ix. Other Debtors: Tomorrowfield Limited ('Tomorrowfield')

As detailed in the Proposals, an agreement was reached with the directors of Tomorrowfield for the settlement of an outstanding debt totalling £11,934.

The debt was in relation to the lease of an office located at Office 39, 2nd Floor, Innovation Way, Discovery Park, Sandwich, CT13 9FF, which had been leased in the name of Tomorrowfield, but was paid for by the Company and was later reconciled through the intercompany accounts. The Company also utilised Office 39 occasionally as part of its trading operations, particularly during the height of the Covid-19 outbreak in Q2 2021.

After a review undertaken by the Company's accountants, it was identified that an intercompany balance of £11,934 was owed to the Company in relation to this informal agreement.

The directors of Tomorrowfield, who are also the former directors of the Company, offered a 50% settlement of £5,967 in full satisfaction of this debt. As Tomorrowfield was a dormant company, there was no formal agreement in place and the Company also used this room, this offer was accepted and payment was received on 19 January 2022.

### x. Computer and Office Equipment

LSH who are RICS certified valuation agents, attended the Company's premises on 29 October 2021 and valued all chattel assets of the business.

Due to the surplus of computer and office equipment in the marketplace at that time, as a result of people working from home because of Covid-19, LSH only attributed a combined realisable breakup value of £3,400 for these assets.

After negotiations with the Directors of the Company, on behalf of Enigys, an offer of £5,000 was received in relation to both the computer equipment and office equipment, with an allocation of £2,000 and £3,000 respectively.

Under the recommendation of LSH, this offer was accepted and has been received in full.

In accordance with Statement of Insolvency Practice 13, I can confirm the following:

- The transaction concluded on 16 November 2021.
- No committee was consulted as the independent professional advice was clear as to the commerciality of this deal. Furthermore, there would have been a risk of losing this offer, if the Administrators had waited to see if a creditors' committee would be formed in order to seek their approval.
- Other alternatives were considered, such as putting the assets to auction, however due to the low value of the assets and the additional costs of marketing these items, it was unlikely that further realisations would be achieved.
- The name of the purchaser is Enigys.

## Assets realised to date

### **xi. Business Rates Refund**

An online application was submitted for a business rates refund of approximately £303 from Dover District Council. Unfortunately, this was set-off against their unsecured claim totalling £1,278.26, so no funds are expected.

### **xii. Insurance Refund**

On 27 June 2022, a cheque for £237.91 was received from AXA Health in relation to a group health subscription refund. No further realisations are expected in this regard.

### **xiii. HMRC Overpayment**

A VAT refund of £64,251.56 was recovered in the Administration for the period from 20 November 2021 to 25 August 2022. Unfortunately, in processing this refund, HMRC paid to the Administration estate account a further sum of £61,740.56 in error. We are in the process of refunding this sum to HMRC.

### **xiv. Prepay – National Grid**

The Director's Statement of Affairs attributed a value of £317,066 to amounts being owed by the National Grid, in relation to collateral for anticipated energy consumption. However, National Grid would also have a counter claim in the Administration for outstanding infrastructure, distribution and use of system costs.

National Grid have now advised the Administrators that the collateral funds held were drawn down and reduced to £295, however they will also have further costs relating to BSUoS and TNUoS charges that are still being calculated. National Grid believe they will likely have a debt in excess of £300,000 and so no funds will be payable to the Administration.



Assets

Assets

## Assets still to be realised

### i. VAT Refund – Period in Administration

As previously advised, Pentins calculated that a VAT refund will be payable into the Administration for £2,873 for the period 25 October 2021 to 19 November 2021.

A return has been submitted to HMRC and a refund is expected imminently.

### ii. SmartestEnergy ('SE')

SE previously provided electricity supplies to the Company until 31 July 2021. Following this, on 11 October 2021, a statutory demand was served by SE for outstanding sums in connection with a Supplier Energy Trading Services Agreement for £448,408.72.

The Directors disputed SE's claim and believed that the Company had a net legal claim against SE for £354,066. This figure was included in the Directors' Statement of Affairs included in the proposals.

Since the date of Administration, we have further investigated this claim and had regular correspondence with SE's legal advisors, Gowling WLG (UK) LLP, with regards to this dispute.

Mills and Reeve LLP have been instructed to act as solicitors and provide legal advice in relation to this dispute.

I am unable to provide further information with regard to the specifics of this ongoing matter, however I hope to settle the position in due course, without the need to go to Court.

03

**Investigations**

## Investigations

As advised in the Administrators' Proposals, under the Company Directors Disqualification Act 1986, the Joint Administrators are required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Administration. The Joint Administrators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 21 January 2022.

In accordance with Statement of Insolvency Practice 2, the Joint Administrators also carried out an initial assessment to identify any actions which may lead to recoveries in the Administration and to consider any further investigations which may be required.

In addition, due to the number of recent energy company failures, a letter was received from Ofgem advising that although they had no specific intelligence to indicate wrongdoing on the part of the Company, they had various overarching concerns around areas that they considered Administrators' investigations into potential misconduct should focus. These included:

- Lack of protection for credit balances/use of customer money;
- Failure to accrue sums in order to meet known industry financial obligations;
- Sale of the hedge or other assets prior to insolvency; and
- Payments to directors and inflated salary levels.

The Joint Administrators are continuing to investigate these matters and recover records and other information. This work has yet to be completed and therefore is to be concluded by the subsequently appointed liquidators.

Should creditors have any information which they consider may assist the appointed liquidators in carrying out their investigations or be aware of any matters which they believe should be brought to the attention of the liquidators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

04

**Liabilities**

## Liabilities

### Secured Creditors

There are no secured creditors on this case.

### Preferential Creditors

Preferential claims arise from arrears of wages and accrued, unpaid holiday pay due to the former employees of the Company who did not receive their full entitlements on redundancy, prior to the Administration.

The Company employed 40 employees, 18 of which were made redundant on our appointment. During the Administration, 22 employees were kept on for varying periods to assist the Joint Administrators with debt collection matters and to deal with customer issues.

According to the Directors' statement of affairs, preferential claims were estimated to total £46,312.

All employees had been paid up to 31 October 2021, therefore there were no claims for arrears of wages prior to the Administration.

Evolve IS Limited undertook a review of the Company's HR software called Breath, and calculated the employees' outstanding holiday entitlement up to the date of the Joint Administrators' appointment or their redundancy. This totalled £30,857.

As indicated in the Estimated Outcome Statement included at **Appendix B**, it was clear that all preferential creditors would be paid in full in the Administration. As such, in order to reduce payroll costs and the time spent dealing with a preferential distribution later on, it was decided to pay all employees their outstanding holiday pay at the same time the Administrators were paying employees their wages for the period of the Administration.

On 25 November 2021 all amounts that would represent preferential claims owed to employees were paid in full. No further claims are expected.

### Secondary Preferential Creditors

From 1 December 2020, certain debts owing to HMRC at the date of insolvency rank as a secondary preferential creditor. These debts include PAYE, Employee NIC, Student loan deductions and VAT. They are to be paid in priority to any prescribed part, any floating charge creditors and unsecured creditors.

The Joint Administrators have been advised by the Directors that there are no outstanding PAYE, Employee NIC or student loan deductions.

As stated previously, Pentins calculated an outstanding VAT liability owing to HMRC of £13,625 for the period 1 October 2022 to 24 October 2022. Based on the current Estimated Outcome Statement, HMRC will receive a preferential distribution in full for this amount.

### Unsecured Creditors

According to the Directors' Statement of Affairs ("SOA"), unsecured creditors were estimated to total £3,329,838. Of this amount, £2,014,573 is owed to Enigys via an intercompany loan.

As at the date of this report, claims have been received from 36 creditors totalling £7,809,197. This excludes the now settled claim of Gentrack, as detailed in section 2 of this report. The largest claim received is from Ofgem relating to renewable obligations totalling £4,146,662 in respect of 2020/21 and 2021/22.

Although no formal claim has been received from the Redundancy Payments Service yet, the Joint Administrators anticipate that the total amount paid to employees in relation to notice pay and redundancy pay will be £51,331 and £40,995 respectively. This claim estimate has been included in the above total.

The Joint Administrators have not adjudicated on any creditor's claim at this time, as that will be for a subsequently appointed liquidator.

## Liabilities

Creditors will note from the Estimated Outcome Statement, included at **Appendix B**, assuming that realisations and expenses are as anticipated, there will be sufficient funds to enable a return to creditors, currently estimated at **13 pence in the £**.

Creditors should note that this figure is given as a guide only, as the below factors will affect the final distribution figure payable to creditors:

- The amount realised for assets marked in the EOS with an uncertain realisable value and the final agreed costs position relating to professional fees;
- The total claims received and eventually agreed from suppliers, Ofgem and Shell, as well as the outcome of any legal review of those claims and the associated costs of that work; and
- The outcome of ongoing legal disputes between the Company and its former suppliers.

### Prescribed Part

In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.

As there is no floating charge, the prescribed part does not apply in this instance.

05

**Other key information**

Other key information

Other key information

## Other key information

### Creditors' Rights

#### Further information

I would advise you that, pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the Court, may, within 21 days of receipt of this progress report, ask the Administrators for further information about the remuneration and expenses set out in this progress report.

#### Apply to Court

Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:

- That the remuneration charged by the Administrators, or
- That the basis fixed for the Administrators' remuneration, or
- That the expenses incurred by the Administrators,

is in all of the circumstances, excessive or inappropriate.

#### Further guidance

Creditors can find additional information on their rights relating to Administrators' fees in a copy of the publication "A creditors guide to Administrators' Fees", which is available to download from <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/> or alternatively will be provided free of charge upon written request to this office.

### Data Protection

Where the Administrators hold or require personal data from you we will only do so in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: [www.mazars.co.uk/Legal-and-privacy](http://www.mazars.co.uk/Legal-and-privacy).

### Ending the Administration

The Administration is now complete.

The Joint Administrators will now place the Company into Creditors' Voluntary Liquidation by filing a copy of this report, along with Form AM22, at Companies House.

As previously stated, the proposed Joint Liquidators are to be Guy Hollander and Michael Pallott. In accordance with section 231 of the Insolvency Act 1986, the Joint Liquidators are to act jointly and severally.

The Joint Liquidators' will then continue to realise assets and pay distributions as set out in this report.



# 06

## **Administrators' remuneration & expenses**

## Administrators' remuneration

### Pre-Administration costs

The pre-administration costs totalled £11,066 plus VAT as set out below. These costs were incurred before the Company entered Administration but with a view to it doing so. Confirmation and approval of the costs was obtained from the Creditors on 21 December 2021 via decision by correspondence. Following approval, these costs were paid as an expense of the Administration.

| Recipient  | Nature of work provided  | Amount incurred (£) | Amount paid (£) |
|------------|--|---------------------|-----------------|
| Mazars LLP | Advice to the Company and work required to place the Company in Administration | 18,004              | 10,000          |
| Mazars LLP | Administrators' Disbursements  | 52                  | -               |
| Eversheds  | Legal advice   | 800                 | 800             |
| Eversheds  | Legal disbursements  | 214                 | 214             |

Mazars were engaged by the Company on 21 October 2021 to assist in relation to the Company's affairs, in attending meetings with the Directors to explain the

Administration procedure, in dealing with the formalities of placing the Company into Administration and liaising with the solicitors instructed to assist in completing such formalities.

Further work was also undertaken in respect of contacting relevant parties on behalf of the Company with a view to carrying out these functions, consenting to act, reviewing statutory paperwork in relation to the Administration appointment and preparing to carry out immediate post-appointment duties. The disbursement incurred relates to travel costs for the initial meeting and the initial visit to site.

Mazars' time costs in relation to the above described pre-appointment work totalled £18,004. However, per the engagement letter agreed with the Directors on 21 October 2021, Mazars capped their costs at a fixed fee of £10,000 plus VAT. As such, Mazars only sought to recover the agreed fixed fee plus disbursements.

Eversheds were engaged based on their experience of work in restructuring and insolvency matters. Work carried out by Eversheds included taking initial instructions, setting up file, AML checks, drafting and reviewing appointment documents including board minutes and resolution, reviewing the articles of association, filing appointment documents at Court and serving appointment documents.

## Administrators' remuneration

I can confirm that a resolution was passed by the creditors by correspondence on 21 December 2021 enabling the Joint Administrators to draw remuneration by reference to the time properly spent by the Administrators and their staff in dealing with the matters arising during the Administration, subject to the Fees Estimate of £270,071.50 plus VAT, which was issued to creditors on 6 December 2021.

An additional decision procedure by correspondence was convened by the Joint Administrators on 22 September 2022, where an increase to the Fees Estimate was sought from creditors. The Revised Fees Estimate totalled £359,809.50 plus VAT and was set out in detail in a report issued to creditors on 22 September 2022. On 10 October 2022, the requisite resolution was passed agreeing to the increase in the Joint Administrators' remuneration.

Attached at **Appendix C** is a comparison of the Administrators' Revised Fees Estimate to actual time costs for the period from 25 October 2021 to 20 October 2022, which totals £335,894.50 representing 925.60 hours at an average hourly rate of £362.89.

Attached at **Appendix D** is a narrative summary of the Administrators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.

As the date of this report, an amount of £270,071.50 has been drawn against the Administrators' time costs in respect of the Administration.

Based on the current level of time costs and expected future work for the completion of the Administration, the Administrators' total time costs are expected to be within the approved Fees Estimate of £359,809.50 plus VAT.

Details of the future work anticipated to be carried out by the joint liquidators includes:

- Finalising the remaining matters as detailed in Section 2 of the report;
- Finalising the pre-appt VAT position with HMRC and reclaiming VAT incurred in the Administration;
- Further investigations as detailed in Section 3 of the report;
- Reporting and statutory and compliance functions;
- Completing appointment formalities once the Administration has converted to a Creditors' Voluntary Liquidation; and
- Agreeing creditor claims before paying a distribution to unsecured creditors.

### Charge out rates

Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team members and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6-minute units with supporting narrative to explain the work undertaken.

The charge out rates of the team members employed on the assignment during the period covered by this report are enclosed at **Appendix F**.

### Narrative summary

Attached at **Appendix D** is a narrative summary of the Administrators' work undertaken during the period of this report and future work required. The summary provides information on why the work was necessary and whether the work has provided a financial benefit to creditors.

## Administrators' expenses

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

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

- **Category 1 expenses:** These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
- **Category 2 expenses:** These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at **Appendix E**, together with an explanation as to why the expenses have been or will be incurred. This also includes details of the previous Expenses Estimate, for comparison purposes.

Further details of expenses paid during the period of the report are shown in the receipts and payments account at **Appendix B**.

We have reviewed the expenses incurred to date and we are satisfied that they are fair and reasonable and proportionate in the circumstances of the case.

### Category 2 Expenses

As noted above, Category 2 Expenses require approval in the same manner as an Administrators' remuneration before being paid.

Creditors will recall that a decision was made on 21 December 2021 by correspondence in agreement of the anticipated Category 2 expenses. Details of the expenses incurred in the period is available in the attached Expenses Estimate.

Further details on the nature of the expense is provided below:

| Type of Category 2 Expense | Description  |
|----------------------------|--|
| Mileage                    | <p>This expense represents the costs of travelling in respect of the office holder and their staff.</p> <p>Mileage expenses are a reimbursement to the office holders' staff and are deemed as payments to associates. Such payments require approval in the same manner as the office holders' remuneration and I can confirm that approval was sought, as noted above.</p> |

# Appendices

- A** Identification Details
- B** Administrators' Receipts and Payments Account and Estimated Outcome Statement
- C** Analysis of the Administrators' time costs and comparison to the Revised Fee Estimate
- D** Narrative summary of work undertaken in the Period
- E** Statement of Expenses incurred in the Period
- F** Charge-out Rates & Expenses Policy

Appendix A: Identification details

| Details relating to the Company |   |
|---------------------------------|---|
| Company name                    | Goto Energy (UK) Limited  |
| Previous names                  | Queensbury Energy Limited   |
| Trading name                    | As above  |
| Company number                  | 09844990  |
| Registered office               | 30 Old Bailey, London, EC4M 7AU   |
| Previous registered office      | Office 23, 2nd Floor<br>Innovation Way Discovery Park<br>Sandwich<br>CT13 9FF   |
| Trading address                 | Office 23, 2nd Floor<br>Innovation Way Discovery Park<br>Sandwich<br>CT13 9FF   |
| Court                           | The High Court of Justice Business and<br>Property Courts of England and Wales<br>Insolvency and Companies List (ChD) |
| Court reference                 | 001942 of 2021  |

| Details relating to the Joint Administrators   |   |
|--|---|
| Date of appointment                            | 25 October 2021   |
| Current Joint Administrators                   | G R T Hollander and M Pallott of<br>Mazars LLP<br>30 Old Bailey<br>London<br>EC4M 7AU                                   |
|  | IP No(s) 009233 and 023650  |
| Former Joint Administrators                    | N J Mather of Mazar<br>IP No 008747   |
| Joint Administrators' functions                | All acts required to be done by the joint<br>administrators, may be done by either<br>or both, acting jointly or alone. |
| Joint Administrators' address                  | 30 Old Bailey<br>London<br>EC4M 7AU   |
| Appointed by                                   | The Directors   |
| Joint Administrator's contact telephone number | 020 7063 4000   |

## Appendix B: Administrators' Receipts and Payments Account and Estimated Outcome Statement

### Goto Energy (UK) Ltd - In Administration Joint Administrators' Summary of Receipts & Payments and Estimated Outcome Statement As at 21 October 2022

|   | Book value       | Receipts & Payments from 25 October 2021 to 24 April 2022 | Receipts & Payments from 25 April 2022 to 21 October 2022 | Receipts & Payments from 25 October 2021 to 21 October 2022 | Estimated Future Receipts & Payments | Estimated Final Outcome |
|---|------------------|---|---|---|--------------------------------------|-------------------------|
|   | £                | £   | £   | £   | £                                    | £                       |
| <b>Uncharged Assets</b>   |                  |   |   |   |                                      |                         |
| Cash at Bank  | 461,341          | 501,760   | -   | 501,760   | -                                    | 501,760                 |
| VAT Refund - Pre Appointment                                      | 82,557           | 82,557  | -   | 82,557  | -                                    | 82,557                  |
| Computer Equipment  | 2,000            | 2,000   | -   | 2,000   | -                                    | 2,000                   |
| Office Equipment  | 3,000            | 3,000   | -   | 3,000   | -                                    | 3,000                   |
| GoCardless Receipts pre 21 October 2021                           | 303,175          | 303,175   | -   | 303,175   | -                                    | 303,175                 |
| GoCardless Receipts Between 21 October 2021 and 24 October 2021   | -                | 124,985   | -   | 124,985   | -                                    | 124,985                 |
| GoCardless Receipts Relating to Debit Accounts at 25 October 2021 | -                | 221,516   | -   | 221,516   | -                                    | 221,516                 |
| Sale of Customer Debit Balances to Shell                          | -                | 48,632  | -   | 48,632  | -                                    | 48,632                  |
| Monies Held by GoCardless - Fees and Chargebacks                  | -                | 189,665   | (156,150)   | 33,515  | -                                    | 33,515                  |
| Funds Received on Trust for Shell                                 | -                | 1,345,600   | 156,150   | 1,501,751   | -                                    | 1,501,751               |
| Retention for VAT Liability                                       | -                | 67,261  | -   | 67,261  | -                                    | 67,261                  |
| Sundry Refunds  | -                | 10,694  | 1,678   | 12,372  | -                                    | 12,372                  |
| Outset Legal - Client Account                                     | 171,600          | -   | 171,600   | 171,600   | -                                    | 171,600                 |
| Prepay - National Grid  | 317,066          | -   | -   | -   | -                                    | -                       |
| SmartestEnergy  | 354,066          | -   | -   | -   | Uncertain                            | -                       |
| Other Debtors: Tomorrowfield Limited                              | 11,934           | 5,967   | -   | 5,967   | -                                    | 5,967                   |
| Soldo Expense Account   | -                | 2,753   | -   | 2,753   | -                                    | 2,753                   |
| American Express Merchant Account                                 | -                | -   | -   | -   | -                                    | -                       |
| Aged Debtor Ledger  | -                | 1,066   | 38  | 1,104   | -                                    | 1,104                   |
| Insurance Refund  | -                | -   | 238   | 238   | -                                    | 238                     |
| HMRC Overpayment  | -                | -   | 61,741  | 61,741  | (61,741)                             | -                       |
| VAT Refund - Period in Administration                             | -                | -   | -   | -   | 2,861                                | 2,861                   |
| Bank Interest   | -                | 39  | 73  | 113   | 50                                   | 163                     |
| VAT Payable   | -                | 1,000   | -   | 1,000   | (1,000)                              | -                       |
|   | <b>1,706,739</b> | <b>2,911,670</b>  | <b>235,369</b>  | <b>3,147,039</b>  | <b>(59,830)</b>                      | <b>3,087,209</b>        |

## Appendix B: Administrators' Receipts and Payments Account and Estimated Outcome Statement

Goto Energy (UK) Ltd - In Administration  
 Joint Administrators' Summary of Receipts & Payments and Estimated Outcome Statement  
 As at 21 October 2022

|  | Book value       | Receipts & Payments from 25 October 2021 to 24 April 2022 | Receipts & Payments from 25 April 2022 to 21 October 2022 | Receipts & Payments from 25 October 2021 to 21 October 2022 | Estimated Future Receipts & Payments | Estimated Final Outcome |
|--|------------------|---|---|---|--------------------------------------|-------------------------|
|  | £                | £   | £   | £   | £                                    | £                       |
| <b>Costs of realisation</b>                              |                  |   |   |   |                                      |                         |
| Administrators' Remuneration - Pre Appointment           | -                | 10,000  | -   | 10,000  | -                                    | 10,000                  |
| Administrators' Expenses - Pre Appointment               | -                | -   | -   | -   | 52                                   | 52                      |
| Administrators' Remuneration - Post Appointment          | -                | 259,897   | 10,175  | 270,072   | 89,738                               | 359,810                 |
| Administrators' Expenses - Post Appointment              | -                | -   | 2,380   | 2,380   | 1,142                                | 3,522                   |
| Legal Fees - Pre Appointment                             | -                | 800   | -   | 800   | -                                    | 800                     |
| Legal Expenses - Pre Appointment                         | -                | 214   | -   | 214   | -                                    | 214                     |
| Legal Fees - Post Appointment                            | -                | 27,393  | 17,000  | 44,393  | 23,000                               | 67,393                  |
| Agents' Fees - ERA                                       | -                | 2,025   | -   | 2,025   | 750                                  | 2,775                   |
| Agents' Fees - Valuation of Business                     | -                | 2,067   | -   | 2,067   | -                                    | 2,067                   |
| Employee Expenses  | -                | 111   | -   | 111   | -                                    | 111                     |
| Employee Wages   | -                | 16,910  | -   | 16,910  | -                                    | 16,910                  |
| HM Revenue & Customs - PAYE & NI                         | -                | 22,872  | -   | 22,872  | -                                    | 22,872                  |
| Pension Contributions                                    | -                | -   | -   | -   | 1,892                                | 1,892                   |
| Accountancy Fees - Payroll                               | -                | -   | -   | -   | 570                                  | 570                     |
| Accountancy Fees - VAT                                   | -                | 6,250   | -   | 6,250   | -                                    | 6,250                   |
| Monies Held by GoCardless - Fees and Chargebacks         | -                | 189,665   | (156,150)   | 33,515  | -                                    | 33,515                  |
| Funds Received on Trust for Shell                        | -                | 1,345,213   | -   | 1,345,213   | 141,537                              | 1,486,751               |
| Gentrack Dispute Settlement Payments                     | -                | -   | 48,048  | 48,048  | -                                    | 48,048                  |
| Insurance of Assets                                      | -                | 562   | -   | 562   | -                                    | 562                     |
| Bank Charges   | -                | 30  | -   | 30  | -                                    | 30                      |
| VAT Receivable   | -                | -   | 3,400   | 3,400   | (3,400)                              | -                       |
|  | -                | <b>1,884,009</b>  | <b>(75,148)</b>   | <b>1,808,861</b>  | <b>255,281</b>                       | <b>2,064,142</b>        |
| <b>Net floating charge realisations</b>                  | <b>1,706,739</b> | <b>1,027,662</b>  | <b>310,516</b>  | <b>1,338,178</b>  | <b>(315,111)</b>                     | <b>1,023,067</b>        |
| Preferential creditors - holiday pay                     | 46,312           | 30,857  | -   | 30,857  | -                                    | 30,857                  |
| HMRC secondary preferential creditors - VAT              | -                | -   | -   | -   | 13,625                               | 13,625                  |
| <b>Net realisations available to unsecured creditors</b> | <b>1,660,428</b> | <b>996,805</b>  | <b>310,516</b>  | <b>1,307,321</b>  | <b>(328,736)</b>                     | <b>978,584</b>          |
| Unsecured creditors                                      |                  |   |   |   | 7,809,197                            | 7,809,197               |
| <b>Estimated recovery to unsecured creditors (%)</b>     |                  |   |   |   |                                      | <b>13%</b>              |



## Appendix C: Analysis of the Administrators' time costs and comparison to the Revised Fee Estimate

The following table provides details of the Joint Administrators' actual time costs incurred in the current reporting period, compared to the estimated costs as per the Fees Estimate.

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors is provided within the narrative summary of work undertaken at **Appendix D**. Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge-out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

| Description of Work   | Fees Estimate      |                   |                         | Actual time costs for the period 25/04/2022 to 20/10/2022 |                  |                         | Cumulative time costs for the period 25/10/2021 to 20/10/2022 |                   |                         |
|-----------------------|--------------------|-------------------|-------------------------|---|------------------|-------------------------|---|-------------------|-------------------------|
|                       | Total Time (hours) | Total Costs (£)   | Blended Hourly Rate (£) | Time incurred (hours)                                     | Total Costs (£)  | Blended Hourly Rate (£) | Time incurred (hours)   | Total Costs (£)   | Blended Hourly Rate (£) |
| Admin & Planning      | 164.00             | 70,220.00         | 428.17                  | 20.60   | 6,972.00         | 338.45                  | 148.40  | 59,412.00         | 400.35                  |
| Taxation              | 41.80              | 13,648.00         | 326.51                  | 15.40   | 3,616.00         | 234.81                  | 38.90   | 10,495.00         | 269.79                  |
| Investigations        | 75.90              | 25,290.00         | 333.20                  | 27.90   | 9,912.00         | 355.27                  | 106.00  | 35,812.00         | 337.85                  |
| Realisation of Assets | 92.00              | 39,698.00         | 431.50                  | 16.90   | 6,470.00         | 382.84                  | 89.30   | 35,824.00         | 401.16                  |
| Trading               | 145.90             | 65,170.00         | 446.68                  | 37.60   | 10,660.00        | 283.51                  | 158.50  | 68,006.00         | 429.06                  |
| Employees             | 71.20              | 23,812.00         | 334.44                  | 6.60  | 1,626.00         | 246.36                  | 73.50   | 23,570.00         | 320.68                  |
| Creditors             | 84.70              | 32,164.00         | 379.74                  | 19.40   | 9,486.00         | 488.97                  | 84.10   | 35,692.00         | 424.40                  |
| Reporting             | 145.40             | 48,692.00         | 334.88                  | 39.40   | 12,964.00        | 329.04                  | 119.00  | 38,292.00         | 321.78                  |
| Distributions         | 30.00              | 12,040.00         | 401.33                  | -   | -                | -                       | -   | -                 | -                       |
| Cashiering            | 55.00              | 15,834.00         | 287.89                  | 26.40   | 6,860.00         | 259.85                  | 69.70   | 17,904.00         | 256.87                  |
| Statutory compliance  | 43.30              | 13,241.50         | 305.81                  | 11.40   | 3,874.00         | 339.82                  | 38.20   | 10,887.50         | 285.01                  |
| <b>Totals</b>         | <b>949.20</b>      | <b>359,809.50</b> | <b>379.07</b>           | <b>221.60</b>   | <b>72,440.00</b> | <b>326.90</b>           | <b>925.60</b>   | <b>335,894.50</b> | <b>362.89</b>           |

## Appendix D: Narrative summary of work undertaken in the Period

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been carried out during the period, why it was done and whether the work provides a financial benefit to creditors.

There are some areas of our work that will derive no financial benefit for creditors (for example, Administration and planning, Reporting, Cashiering and Statutory and Compliance). However, the work is required in order to comply with legislative requirements and to ensure that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case and there are specific requirements for officers to record decisions taken how the case has been administered in accordance with regulatory requirements.

### Work carried out during the period of this report

### Administration and Planning

To date, the Administrators have undertaken the following work in this Category:

- Case acceptance and ethical reviews;
- Completing case strategy notes;
- Filing of key documents and correspondence associated with the Administration;
- Initial planning & strategy meetings with the Administrators and their staff regarding all matters generally in the Administration;
- Holding strategy meetings and engaging in correspondence with solicitors & directors;
- Researching key matters which will affect the Administration, such as claims from Ofgem/Shell, the effect of mutualisation in an Administration and other key issues.
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system; and
- Calculating values for bordereau de case.

Future work in this category is expected to include:

- Ongoing strategy meetings between the Administrators, their staff and advising solicitors;
- Documenting decisions; and
- Managing and maintaining the case on the firm's client systems and specialist insolvency software systems.

This work is necessary to ensure that the case is administered correctly and in line with statutory requirements.

It is not expected that this work will result in a direct financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Appendix D: Narrative summary of work undertaken in the Period

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|--|
| <p><b>Taxation</b></p> <p>To date, the Administrators have undertaken the following work in this category:</p> <ul style="list-style-type: none"><li>• Notifying HM Revenue &amp; Customs ("HMRC") of our appointment and establishing whether they have any outstanding claims or ongoing investigations. Such enquires will assist with our own investigations;</li><li>• Liaising with accountants and former directors to further to understand position;</li><li>• Deregistering the Company for VAT once appropriate, in line with VAT regulations; and</li><li>• Reviewing VAT computations prepared by the Company's former accountants for both the pre and post appointment periods.</li></ul> <p>Future work in this category is expected to include:</p> <ul style="list-style-type: none"><li>• Distributing a second class preferential dividend to HMRC once their claim has been agreed;</li><li>• Receiving the pre post Administration VAT; and</li><li>• Seeking tax clearance from HMRC..</li></ul> <p>The majority of this work derived no direct financial benefit for creditors; however, it is required to ensure the Company is administered in line with legislative requirements. Further work regarding HMRC's claim will assist with the adjudication process for when the time is appropriate for a preferential distribution to be.</p> |
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Appendix D: Narrative summary of work undertaken in the Period

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| <div><div>Investigations</div><p>To date, the Administrators have undertaken the following work in this category;</p><ul style="list-style-type: none"><li>Initial review of Company information and documentation regarding the affairs of the Company and the conduct of its Directors;</li><li>Preparing and issuing questionnaires to the directors and former directors in accordance with statutory requirements;</li><li>Liaising with solicitors, directors and former directors in respect of the Company's background and financial position;</li><li>Reporting to the Insolvency Service on the Directors as required;</li><li>A review of the Company's books and records, to identify any potential transactions that were outside the ordinary course of business;</li><li>Reviews of the creditor questionnaires received and investigation into any matters notified; and</li><li>Correspondence with Ofgem and review of their concerns into the Administrations of energy companies generally.</li></ul><p>Further work in this category is expected to include:</p><ul style="list-style-type: none"><li>Ongoing investigation into the affairs of the Company and the conduct of its Directors; and</li><li>Recovery of further books and records outstanding.</li></ul><p>This work is required by statute, and unless any assets or rights of action are identified by the Administrators, there is generally no financial benefit to creditors in carrying out the work. However, should the Administrators' investigations reveal additional assets or rights of action, then these may lead to additional realisations but the costs of pursuing these actions are likely to increase. In this case, further information will be provided to creditors under separate cover in due course.</p></div> |
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Appendix D: Narrative summary of work undertaken in the Period

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| <p><b>Realisation of Assets</b></p> <p>The Company's assets are as stated in section 4. To date, the Administrators have undertaken the following work in this category:</p> <ul style="list-style-type: none"><li>• Email insurers upon appointment to arrange open cover on the assets until the asset position has been confirmed;</li><li>• Liaising with the directors to understand the asset position of the Company;</li><li>• Contacting Banks, expense account operators and merchant service providers regarding funds being held;</li><li>• Instructing asset valuation agents to attend site and value assets;</li><li>• Reviewing and agreeing sale of chattel assets;</li><li>• Liaising with GoCardless regarding customer debit balances and funds held;</li><li>• Calculation and analysis of funds provided by GoCardless to ensure appropriate funds are maintained in the Administration;</li><li>• Agree voluntary surrender of leased offices to landlord;</li><li>• Review legal dispute with Gentrack with directors, solicitors and Gentrack;</li><li>• Liaise with directors of Tomorrowfield Limited to negotiate settlement of outstanding debt;</li><li>• Discussions with director regarding all potential refunds due to the Company from suppliers; and</li><li>• Review of aged debtor ledger and associated correspondence with Bank.</li></ul> <p>Further work in this category is expected to include:</p> <ul style="list-style-type: none"><li>• Further liaise with SmartestEnergy and solicitors regarding ongoing disputes and potential claims.</li></ul> <p>This work is anticipated to result in a financial benefit for the Administration estate, due to the realisation of the assets of the Company and reduction in creditor claims.</p> |
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Appendix D: Narrative summary of work undertaken in the Period

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| <p><b>Trading</b></p> <p>To date, the Administrators have undertaken the following work in this category:</p> <ul style="list-style-type: none"><li>• Held strategy meetings with the director's regarding maintaining staff and operations while discussions with Shell were held;</li><li>• Attendance on site by the Administrator and his staff to oversee operations;</li><li>• General trading related work, such as dealing with day to day employee, customer and other issues;</li><li>• Ensuring the Administrators details are included on the website and correspondence;</li><li>• Meetings and correspondence with Shell, GoCardless, Eversheds, Company employees and the directors regarding the transfer of data in line with the SOLR process;</li><li>• Working with employees to understanding the company software and process for producing final invoices and reconciling customer balances;</li><li>• Negotiations with Shell regarding the sale of the customer debit balances;</li><li>• Reviewing and dealing with email queries and calls from former customers;</li><li>• Correspondence with Shell regarding contact from a large volume of former customers, who had incorrectly been told by Shell to make contact with the Administrators; and</li><li>• Assessing former customer queries in accordance with responsibility for payment in accordance with the SOLR process.</li></ul> <p>Further work in this category is expected to include:</p> <ul style="list-style-type: none"><li>• Dealing with any further outstanding issues resulting from the data transfer;</li><li>• Continue receiving and forwarding calls from former customers to Shell, in line with SOLR transfer; and</li><li>• Forwarding funds from GoCardless to Shell in line with agreement.</li></ul> <p>This work has resulted in a financial benefit for the Administration estate, due to the realisation of the outstanding customer debit balances. The work has also resulted in the smooth transition of customer information to Shell, in line with the expectations of Ofgem.</p> |
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## Appendix D: Narrative summary of work undertaken in the Period

### Employees

To date, the Administrators have undertaken the following work in this category.

- Undertaking a S120 search for relevant pension schemes;
- Requesting further details from directors regarding pension schemes;
- Writing to employees and dealing with any queries they may have in respect of their claims;
- Reviewing employment contracts;
- Dealing with general employee issues and queries;
- Arranging the payment of employee expenses;
- Establishing any amounts owed to employees and liaising with external payroll providers;
- Instructing agents to deal with redundancies, outstanding pension matters and assisting employees submit claims to the RPO;
- Liaising with the Pensions Protection Fund and the Pensions Regulator and issuing statutory forms;
- Instructing accountants to process staff payroll and produce P45's for all employees;
- Calculating and arranging payment of employees outstanding holiday pay, as well as for wages accrued during Administration; and
- Liaising with the Redundancy Payments Service and agreeing forms RP14, RP14a in relation to the employee's claims.

Further work in this category is expected to include:

- Assessing and adjudicating unsecured claims received by the Redundancy Payments Service and employees in the subsequent liquidation; and
- Investigating potential claims in respect of unpaid pension contributions and making the relevant pension submissions.

The majority of this work derived no direct financial benefit for creditors; however, it is required to ensure the Company is administered in line with legislative requirements.

### Creditors

To date, the Administrators have undertaken the following work in this category in order to deal with creditors appropriately:

- Requesting an initial list of creditors for initial notification purposes;
- Writing to creditors notifying of the Administration and requesting for creditor questionnaires to be completed to assist with our investigations; and
- Dealing with creditor and customer queries.

Future work in this category is expected to include:

- General correspondence with creditors & responding to queries that arise;
- Logging creditor claims; and
- Requesting further information from creditors in support of their claims as required.

This work derived no financial benefit for creditors, however, it is necessary to comply with the regulations placed upon the Administrators.

Appendix D: Narrative summary of work undertaken in the Period

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| <p><b>Reporting</b></p> <p>To date, the Administrators have undertaken the following work in this category:</p> <ul style="list-style-type: none"><li>• Issuing the initial notification to all known creditors and members; and</li><li>• Drafting and issuing the Administrators' Statement of Proposals to creditors</li><li>• Arranging and reporting the outcome of any decision procedures;</li><li>• Preparing and issuing six monthly and general progress reports as required by statute;</li><li>• Drafting and issuing the final progress report in the Administration; and</li></ul> <p>Future work in this category is expected to include:</p> <ul style="list-style-type: none"><li>• Drafting and issuing progress reports in the subsequent liquidation.</li></ul> <p>It is not expected that this work will result in a direct financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.</p> |
| <p><b>Distributions</b></p> <p>As part of the subsequent liquidation, the following work is anticipated in this category:</p> <ul style="list-style-type: none"><li>• Adjudication of creditor claims and reviewing of support documentation;</li><li>• Seeking legal advice on complex and disputed claims;</li><li>• Calculations of dividend amounts;</li><li>• Writing to creditors providing notice of an intended dividend, agreeing claims, rejecting claims and payments of dividends;</li><li>• Advertising for creditors to submit claims and notice of intended dividends; and</li><li>• Preparation of paperwork to control and facilitate payment of dividends.</li></ul> <p>This work is required in order to ensure that creditors are paid the correct amount outstanding to them in a timely manner.</p>  |



Appendix D: Narrative summary of work undertaken in the Period

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| <p><b>Cashiering</b></p> <p>To date, the Administrators have undertaken the following work in this category:</p> <ul style="list-style-type: none"><li>• Set up of case details on our insolvency software system;</li><li>• Setting up bank accounts;</li><li>• Analysing receipts to ensure appropriate reconciliation with our receipts and payments account; and</li><li>• Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.</li></ul> <p>Future work in this category is expected to include:</p> <ul style="list-style-type: none"><li>• Bank account maintenance, including monthly reconciliations; and</li><li>• Issuing payments and banking receipts and preparing the appropriate paperwork for such transactions.</li></ul> <p>The majority of this work derived no financial benefit for creditors, however, it is required in order to ensure that the estate bank account is operated in accordance with the guidance issued by our regulatory bodies.</p>  |
| <p><b>Statutory and Compliance</b></p> <p>To date, the Administrators have undertaken the following work in this category:</p> <ul style="list-style-type: none"><li>• Preparation and lodgement of statutory appointment documents;</li><li>• Initial notices following appointment;</li><li>• Advertising the appointment of Administrators in the London Gazette;</li><li>• Considering the proposals and appropriate decision processes;</li><li>• Submitting Statement of Affairs to Companies House;</li><li>• Case bordereau submissions; and</li><li>• Requesting submission of a Statement of Affairs from the director; liaising with the Director with regards to its completion.</li></ul> <p>Future work in this category is expected to include:</p> <ul style="list-style-type: none"><li>• Case monitoring and statutory compliance, including internal case reviews.</li></ul> <p>It is not expected that this work will result in a direct financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.</p> |

Appendix E: Statement of Expenses incurred in the Period

| Type of Expenditure                          | Requirement for Expenditure  | Original<br>Expense<br>Estimate<br>(£) | Paid to date<br>(£) | Incurred/<br>Likely future<br>expenses<br>(£) | Revised<br>Expenses<br>estimate<br>(£) |
|--|--|--|---------------------|---|--|
| Category 1 Expenses                          |  |  |                     |   |  |
| Professional advisors' costs                 |  |  |                     |   |  |
| Legal fees and expenses -<br>Pre-Appointment | Eversheds were instructed to provide assistance and prepare the necessary paperwork to place the Company into Administration and further details can be found at Section 8 of the report. Their time costs in this regard were £800 and their disbursements totalled £214.   | 1,014.00                               | 1,014.00            | -   | 1,014.00                               |
| Legal fees –<br>Post-Appointment (Eversheds) | Eversheds were instructed to provide advice and assistance with the preparation of agreements relating to the transfer of customer data and sale of customer debit balances with Shell, as part of the SOLR process. Their fees have been agreed on a time costs basis and they did not incur any disbursements. This firm of lawyers was chosen based on their experience in insolvency matters   | 27,393.00                              | 27,393.00           | -   | 27,393.00                              |
| Legal fees –<br>Post-Appointment (Other)     | <p>Further legal fees will need to be incurred should there be a requirement to:</p> <p>Adjudicate creditor claims received from Ofgem or other suppliers in the subsequent liquidation, or assist in the recovery of funds held by the National Grid and SmartestEnergy.</p> <p>For the above services, an appropriate legal advisor who is either already involved in the current matter (on behalf of the Company) or who is experienced in similar issues will be instructed. For this, the amount of £40,000 plus VAT was provisioned.</p> <p>Included in the above provision are the following incurred and paid legal costs:</p> <p>Norton Rose Fulbright LLP were instructed to provide advice in relation to the now settled dispute with Gentrack. Their unbilled WIP totalled £10,963.80 plus VAT, but their agreed final costs were capped at £9,000 plus VAT. This has been paid.</p> <p>Mills and Reeve LLP were instructed to provide advice in relation to the ongoing dispute with SE. Their agreed costs are £8,000 plus VAT and have been paid.</p> | 40,000.00                              | 17,000.00           | 23,000.00                                     | 40,000.00                              |

Appendix E: Statement of Expenses incurred in the Period

| Type of Expenditure                     | Requirement for Expenditure  | Original<br>Expense<br>Estimate<br>(£) | Paid to date<br>(£) | Incurred/<br>Likely future<br>expenses<br>(£) | Revised<br>Expenses<br>estimate<br>(£) |
|---|--|--|---------------------|---|--|
| Category 1 Expenses                     |  |  |                     |   |  |
| Professional advisors' costs            |  |  |                     |   |  |
| Agent's fees –<br>Valuation of Business | Lambert Smith Hampton ('LSH') were instructed to provide an independent professional valuation of the chattel assets of the Company, due to their experience in providing such valuations in an insolvency scenario. LSH has confirmed their independence to this firm and also to the Company.  | 2,067.00                               | 2,067.00            | -   | 2,067.00                               |
| Agent's fees –<br>ERA                   | Evolve IS Limited were instructed to assist with employee redundancies, calculating employee claims, the preparation of RP14 and RP14a forms, as well as the work associated with the Company's pension scheme (completing statutory notifications and completing an RP15 form). Their outstanding fee relates to the latter work associated with the Company's pension scheme.                            | 2,775.00                               | 2,025.00            | 750.00  | 2,775.00                               |
| Accountancy Fees – Payroll              | Kreston Reeves ('KR') previously acted for the Company in preparing their monthly payroll. As such, in order to reduce the costs of onboarding a new accountancy firm, KR were instructed to process the payroll in relation to the staff wages accrued during the Administration and the outstanding holiday pay for all staff. In addition, KR have also prepared the P45's for all employees.           | 570.00                                 | -                   | 570.00  | 570.00                                 |
| Accountancy Fees – VAT                  | Pentins Business Advisors Ltd ('Pentins') previously acted for the Company by processing their financial management data and preparing the quarterly VAT returns. As such, the Joint Administrators have instructed Pentins to prepare the Company's pre and post appointment VAT returns, along with providing advice in relation to the treatment of VAT on invoices produced during the Administration. | 6,000.00                               | 6,250.00            | -   | 6,250.00                               |

Appendix E: Statement of Expenses incurred in the Period

| Type of Expenditure        | Requirement for Expenditure   | Original<br>Expense<br>Estimate<br>(£) | Paid to date<br>(£) | Incurred/<br>Likely future<br>expenses<br>(£) | Revised<br>Expenses<br>estimate<br>(£) |
|----------------------------|---|--|---------------------|---|--|
| Category 1 Expenses        |   |  |                     |   |  |
| Other expenses             |   |  |                     |   |  |
| Corporation tax            | It is likely that corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.  | Uncertain                              | -                   | Uncertain                                     | -                                      |
| Employee Expenses          | Certain staff members, key to the trading of the business, were allowed to reclaim personal mileage from the Company as part of their employment. Two mileage receipts were received and have been paid in full.                        | 111.00                                 | 111.00              | -   | 111.00                                 |
| Employee Wages             | This expense relates to the staff wages incurred during the period of the Administration, as set out in detailed previously in this report. All staff wages have now been paid in full.   | 16,910.00                              | 16,910.00           | -   | 16,910.00                              |
| HM Revenue & Customs -PAYE | RTI submissions in relation to the payments to employees for outstanding holiday pay, and wages incurred during the Administration, have been made to HMRC. Further to this, the amount of £22,872 is now outstanding to HMRC for PAYE. | 22,872.00                              | 22,872.00           | -   | 22,872.00                              |
| Pension Contributions      | Pension contributions were also deducted from the payments to employees listed above. These will be payable to the Company's pension provider in due course.  | 1,892.00                               | -                   | 1,892.00                                      | 1,892.00                               |
| Insurance of Assets        | Upon the Administrators appointment, open cover insurance was put in place to cover the assets of the company, employee liability and public liability of the Company's Offices. The costs associated with this have been paid in full. | -                                      | 562.00              |   | 562.00                                 |

Appendix E: Statement of Expenses incurred in the Period

| Type of Expenditure                 | Requirement for Expenditure  | Original<br>Expense<br>Estimate<br>(£) | Paid to date<br>(£) | Incurred/<br>Likely future<br>expenses<br>(£) | Revised<br>Expenses<br>estimate<br>(£) |
|-------------------------------------|--|--|---------------------|---|--|
| Category 1 Expenses                 |  |  |                     |   |  |
| Other expenses                      |  |  |                     |   |  |
| Joint Administrators' disbursements | <p>Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds.</p> <p>Expenses incurred or expected to be incurred in this manner incl. v : :</p> <p><b>Postage</b> - costs payable to a third party provider, PostWorks Limited, for postage charges re circulars to creditors<br/>Estimated to date: £200.00</p> <p><b>Specific bond</b> - a legal requirement to take out a specific bond in respect of the value of the assets<br/>Estimated to date £743.00</p> <p><b>Accommodation</b> – Hotels for staff who worked on site<br/>Cost Incurred to date: £844.12</p> <p><b>Travel Costs</b> – Train fares and parking<br/>Cost Incurred to date: £128.93</p> <p><b>Subsistence</b> – Food for staff who worked while on site<br/>Cost Incurred to date: £303.13</p> <p><b>Statutory Advertising</b> – Appointment and any subsequent decision procedure<br/>Cost Incurred to date: £99.45<br/>Revised estimate: £298.35</p> | 2,205.00                               | 1,375.63            | 1,141.90                                      | 2,517.53                               |
| Total Category 1 Expenses           |  | 123,809.00                             | 80,579.63           | 44,353.90                                     | 124,933.53                             |

## Appendix E: Statement of Expenses incurred in the Period

| Type of Expenditure   | Requirement for Expenditure   | Original Expense Estimate (£) | Paid to date (£)  | Incurred/ Likely future expenses (£) | Revised Expenses estimate (£) |
|---|---|-------------------------------|-------------------|--------------------------------------|-------------------------------|
| <b>Category 2 Expenses</b>  |   |                               |                   |                                      |                               |
| These expenses require approval in the same manner as the office holder's remuneration. |   |                               |                   |                                      |                               |
| Mileage<br>(Joint Administrators' disbursements continued)                              | This expense represents the costs of the office holder and their staff in travelling to the Company's office. These expenses have been incurred as a disbursement by this firm and are to be re-charged to the estate.  | 857.00                        | 1,004.37          | -                                    | 1,004.37                      |
| <b>Total Category 2 Expenses</b>  |   | 857.00                        | 1,004.37          | -                                    | 1,004.37                      |
| <b>Mazars LLP Remuneration</b>  |   |                               |                   |                                      |                               |
| Joint Administrators' Pre-appointment costs   | The Joint Administrators' pre-appointment time costs total £18,004, plus VAT, however they are proposing to draw a fixed fee of £10,000 plus VAT.   | 10,052.00                     | 10,000.00         | 52.00                                | 10,052.00                     |
| Joint Administrators' remuneration  | <p>The Joint Administrator's post-appointment remuneration relates to their management of the Company's affairs, in order to achieve the objective of the Administration. Realising and distributing the Company's assets and performing those tasks required as dictated by statute, best practice and ethical requirements.</p> <p>As at 21 October 2022, an amount of £270,071.50 plus VAT has been drawn against the Administrators' post-appointment time costs of £270,071.50</p> <p>The Joint Administrators total time costs have exceeded the approved Fees Estimate of £270,071.50 plus VAT. Therefore, the Joint Administrators sought an increase to their fee estimate in the period and this was agreed by creditors on 10 October 2022. The revised fees estimate totals £359,809.50 plus VAT.</p> | 270,071.50                    | 270,071.50        | 89,738.00                            | 359,809.50                    |
| <b>Total Mazars LLP Remuneration</b>  |   | <b>280,123.50</b>             | <b>280,071.50</b> | <b>89,790.00</b>                     | <b>369,861.50</b>             |
| <b>Total</b>  |   | <b>404,789.50</b>             | <b>378,655.50</b> | <b>117,143.90</b>                    | <b>495,799.40</b>             |

## Appendix E: Statement of Expenses incurred in the Period

### Professional advisors

The office holder's choice of the professional advisors listed above was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them. The office holders have reviewed the costs incurred to date and are satisfied that they are reasonable in the circumstances of the case.

### Category 2 Expenses

The office holders have reviewed the expenses which have been or are likely to be incurred in this matter and do not consider that there are any instances where payments could reasonably be perceived as presenting a threat to the office holders' objectivity or independence by virtue of a professional or personal relationship, including to an associate, and which require approval as a Category 2 Expense, other than those listed above.

Appendix F: Charge-out Rates & Expenses Policy

Charge-out rates

Details of the current charge-out rates of the personnel working on this case are set out below:

|  | Partner | Director | Associate<br>Director /<br>Manager | Senior<br>Executive /<br>Executive | Cashier /<br>Support Staff |
|--|---------|----------|------------------------------------|------------------------------------|----------------------------|
| Charge-out rate per hour effective from 1 September 2021 - Range (£)         | 640     | 520      | 400-460                            | 200 - 360                          | 140 - 160                  |
| Current charge-out rate per hour effective from 1 September 2022 - Range (£) | 660     | 540      | 420 - 460                          | 220 - 280                          | 160 - 180                  |

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Specialist departments within our Firm, (Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

Expenses

Expenses are any payments from the estate which are neither an office holder’s remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

- Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
- Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder’s remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

The following Category 2 expenses have been incurred in administering this case :

- Mileage will be charged at relevant HM Revenue & Customs prevailing rates, currently 45p per mile.



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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services\*. Operating in over 90 countries and territories around the world, we draw on the expertise of more than 42,000 professionals – 26,000+ in Mazars' integrated partnership and 16,000+ via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

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