

AM03

Notice of administrator's proposals



Companies House

THURSDAY



A15 *A7K93RLU* #361
06/12/2018
COMPANIES HOUSE

1 Company details

Company number 1 0 1 6 7 4 4 4

Company name in full Usio Energy Supply Limited

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

2 Administrator's name

Full forename(s) Jason Daniel

Surname Baker

3 Administrator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

4 Administrator's name ①

Full forename(s) Geoffrey Paul

Surname Rowley

① **Other administrator**
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London


County/Region

Postcode E C 4 N 6 E U

Country

② **Other administrator**
Use this section to tell us about
another administrator.

AM03
Notice of Administrator's Proposals

| | | | |
|------------------------------|---|-------------------------------------|--|
| 6 | Statement of proposals | | |
| | <input checked="" type="checkbox"/> I attach a copy of the statement of proposals | | |
| 7 | Sign and date | | |
| Administrator's Signature | <div>Signature</div> <div><input checked="" type="checkbox"/> </div> | <input checked="" type="checkbox"/> | |
| Signature date | <div><div><div>d</div><div>0</div></div><div><div>d</div><div>4</div></div></div> <div><div>m</div><div>1</div></div> <div><div>m</div><div>2</div></div> | | |

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AM03

Notice of Administrator's Proposals



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 | Louis Bailey |
| Company name | FRP Advisory LLP |
| | |
| Address | 2nd Floor |
| | 110 Cannon Street |
| | |
| Post town | London |
| County/Region | |
| Postcode | E C 4 N 6 E U |
| Country | |
| DX | |
| Telephone | 020 3005 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.



Further information

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

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Usio Energy Supply Limited (In Administration)
The Administrators' Proposals
4 December 2018

Contents and abbreviations



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The following abbreviations are used in this report:

| | |
|-----------------------------|--|
| FRP Advisory | FRP Advisory LLP |
| The Company / Usio | Usio Energy Supply Limited (In Administration) |
| The Administrators | Jason D. Baker and Geoffrey Paul Rowley of FRP Advisory LLP |
| The Director | Mr Vincent Tuk |
| The Parent | Usio Energy Limited |
| The Insolvency Rules | The Insolvency (England and Wales) Rules 2016 |
| CVL | Creditors' Voluntary Liquidation |
| CVA | Company Voluntary Arrangement |
| SIP | Statement of Insolvency Practice |
| QFCH | Qualifying Floating Charge Holder |
| Orgem | The Office of Gas and Electricity Markets |
| HMRC | HM Revenue & Customs |
| TUPE | Transfer of Undertakings (Protection of Employment) Regulations 2006 |
| First Utility | First Utility Limited |
| SOLR | Supplier of Last Resort |
| Mdr | Mishcon de Reya LLP |
| OEL | Octopus Energy Limited |

1. Introduction and circumstances giving rise to the appointment of the Administrators

On 19 October 2018, the Company entered administration and Jason D. Baker and Geoffrey Paul Rowley were appointed as Administrators.

This document, together with its appendices, forms the Administrators' statement of proposals to creditors in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules. The proposals are deemed delivered two business days after they are dated.

Certain statutory information about the Company and the administration is provided at **Appendix A**.

Background information regarding the Company

Usio commenced trading in the summer of 2017 as a retail energy supply business. By October 2018 the business had approximately 7,000 domestic customers and employed 24 members of staff from its head office premises in Central London. The latest management accounts showed turnover of £709k for the 7 months to 19 October 2018.

The Company had been loss making and was funded by way of shareholder loans from its Parent totalling £1.04m.

Events leading to the appointment of the Administrators

In September 2018, Usio came under financial pressure following receipt of a claim brought against it by one of its suppliers. The Company had entered into a Master Rental / Install Agreement dated 10 November 2017 (the "Agreement") with Access Install, a smart meter installation supplier, and following a dispute, it was claimed that Access Install was due approximately £9.3m due to a breach of the Agreement.

The Agreement had been terminated by Access Install on 4 September 2018, claiming the alleged breaches arose out of (i) Usio's failure to pay various invoices due under the Agreement, and (ii) Usio's failure to deliver the minimum contracted volume of installations in accordance with the Install Schedule of the Agreement.

Access Install threatened to issue a winding up petition against Usio in respect of an outstanding invoice which was unpaid for the sum of £38.6k. MrR, acting for the Company, wrote to the legal advisors acting for Access Install on 21 September 2018, confirming that they were investigating the allegations against Usio, as well as various concerns Usio had with Access Install. That letter also confirmed that Usio would make a payment to Access Install in respect of the outstanding invoice.

The payment was made and the legal advisors acting for Access Install confirmed that their client would not issue a winding up petition in respect of that invoice. Further correspondence took place between the legal advisors on a without prejudice basis to try and resolve the claim.

A best and final settlement offer was made to Access Install on 27 September 2018, based on the financial position of the Company, and the amount of funding available from the Parent. However, the offer was rejected, and an agreement was unable to be reached.

In view of the negative and substantial impact the outstanding dispute was having on the Company's recent fundraising efforts, and given the current financial position, the Company engaged FRP Advisory on 2 October 2018 to liaise with Ofgem, the industry regulator, and to provide professional advice on the Company's options, including the appointment of Administrators.

A Notice of appointment of an administrator by the directors of a company (where a notice of intention to appoint has not been given) was filed at court on 5 October 2018 and Ofgem were served with a copy on 8 October 2018.

Due to the relevant Provisions of the Energy Act 2004, the appointment of the Administrators would not take effect until the earlier of the revocation of the Company's energy supply license, or 14 days following service of the Notification of Appointment on Ofgem.

1. Introduction and circumstances giving rise to the appointment of the Administrators

During the intervening period (i.e. the period between the service of the notice of appointment and the date the appointment takes effect) and with the agreement of Ofgem, the Director sought to reach a commercial solution and transfer the customer base to another energy supplier with the aim of minimising disruption to the customers and maximising returns to creditors.

Despite the interest of several parties within the industry and following advanced discussions with certain of those parties, a commercial solution was unable to be reached. The Company therefore notified Ofgem to commence the SOLR process to protect the interests of the Company's customers.

Ofgem commenced the SOLR process and appointed First Utility on 18 October 2018 to continue customer supply. First Utility have no prior connection with the Director or the Company.

On 18 October 2018, Ofgem gave notice of the revocation of the Company's electricity supply licence. The revocation took effect from 00.01am on 19 October 2018.

On 18 October 2018, Ofgem gave notice of the revocation of the Company's gas supply licence. The revocation took effect from 05.01am on 19 October 2018.

At the point of the licence revocation all active customers were transferred to First Utility.

Appointment of the Administrators

Upon revocation of the Company's gas licence, the appointment of Jason Baker and Geoffrey Rowley as Administrators took immediate effect.

2. Conduct of the administration

The objective of the administration

The Administrators think that objective (a) of the administration, as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, being to rescue the Company as a going concern, will not be achieved as Ofgem had revoked the Company's electricity and gas supply licenses. Accordingly, there was no business to rescue and objective (a) could not be achieved.

Objective (b), being to achieve a better result for the Company's creditors as a whole than would be likely if the Company had been wound-up (without first being in administration) is unlikely to be achieved as the Company ceased trading upon appointment and therefore, it is unclear whether a material increase in asset values will be achieved than if the Company had been in liquidation.

As such, it is envisaged that objective (c) will be achieved, to realise property in order to make a distribution to one or more secured or preferential creditors. As detailed at section 4 of this report, it is anticipated that preferential creditors will be paid in full.

The Administrators' actions

Details of work already undertaken and anticipated is set out in the schedule of work attached at **Appendix B**.

Upon appointment the Administrators' staff visited the Company's principal place of business to close down any ongoing operations and make all 24 employees redundant.

The Administrators' staff then proceeded to secure and realise the assets of the Company (further details are provided below).

Cash at bank

At the date of appointment, the Company held cash at bank of £160k with Lloyds Bank Plc which has since been transferred to the administration estate.

Direct debit collections held with intermediary

The Company had an agreement with GoCardless Limited to collect customer payments by direct debit on its behalf.

At the date of appointment, GoCardless Limited was holding £68k of customer payments on behalf of the Company.

The Administrators entered into a novation agreement with GoCardless and First Utility which enabled the transfer of the pre-appointment contract to First Utility and the release of all funds held (less GoCardless' costs) into the estate. Net funds of £65k have been received.

Sale of software

Prior to appointment, the Company had been developing a specialist piece of software which had artificial intelligence capabilities with the purpose of ingesting and storing smart meter readings, training and deploying machine learning models using smart meter data and to provide customer insights. The software asset is effectively a series of algorithms, source code, notes and other development outputs stored on a third-party online server ("Software").

The Administrators were advised that without ongoing and continued development, the Software had a depleting asset value and an immediate sale would be required to ensure maximum realisable value was achieved.

Accordingly, the Administrators began an accelerated marketing process approaching a targeted list of potentially interested purchasers who were either existing operators in the domestic energy market, or service providers in the energy sector.

Non-disclosure agreements were provided to potentially interested parties and, following receipt of 3 non-disclosure agreements the Administrators arranged various demonstrations and telephone calls to enable those interested parties to obtain relevant information and complete their due diligence.

2. Conduct of the administration

Two indicative offers for the Software were received.

The Administrators then sought best and final offers which are summarised below:

Offer 1:

Offer 1 was received from a newly incorporated company controlled by the Director ("Party 1") on the following terms:

- Payment of £10k on completion; plus
- Payment of £25k payable 6 months post completion; plus
- Payment of £25k payable 11 months post completion; plus
- Payment of a contingent uplift of £0.50 per meter point (i.e. consumer) utilising the Software as at 11 months post completion capped at £100k.

Party 1 was a non-trading entity with no assets.

Such a transaction would require a sale and purchase agreement and the professional fees to be incurred by the estate in relation to such a transaction were estimated in the amount of £10k.

The Administrators requested security or, in the absence of security, a personal guarantee from the Director, be provided in relation to the deferred consideration along with a profit-sharing clause should the asset be sold within 12 months of completion. Party 1 was not willing to meet any of these conditions.

Offer 2:

Offer 2 was received from an existing operator in the domestic energy market ("Party 2") on the following terms:

- Payment of £42.5k cash on completion for a *copy* of the software;
- Non-exclusive rights to the Software (enabling it to be sold again to other interested parties); and

- A profit-sharing clause between the Company and Party 2 should the Software be sold within 12 months of completion.

Party 2 had sufficient funds to complete immediately and such a transaction could complete with the issuance of an invoice (no contract required). Accordingly, transaction fees to the estate would be minimal.

After considering both offers in detail, the Administrators accepted Offer 2 on the basis that:

- it provided certainty to creditors with full payment on completion;
- the risk of accepting Offer 1 was too significant given no security or guarantees were provided and there was minimal visibility over the ability of Party 1 to pay (particularly given the significant duration of the deferred consideration period);
- after accounting for transaction costs of Offer 1, the net benefit to the estate on completion would be nil (effectively making the entire consideration deferred);
- there was further potential upside to the estate with respect to Offer 2, in that the Administrators retained the ability to sell additional copies of the Software to other interested parties; and
- With Offer 2, the estate would be protected, and benefit, from any onward sale of the Software within 12 months.

Accordingly, the Administrators completed a sale of the Software to OEL on 8 November 2018. OEL have no prior connection with the Company or the Director.

The Administrators are continuing discussions with further potential purchasers who have expressed interest in obtaining a non-exclusive copy of the Software.

Prepayments and security deposits

The Company provided various industry creditors with security deposits and/or prepayments with a book value totalling £248k.

2. Conduct of the administration

The Administrators have written to the respective creditors to request that any deposits are repaid to the Company. The majority of these creditors have counterclaims against the Company and the monies held will be subject to set off by the deposit holder. To date, net realisations amount to £8.9k.

A security deposit subject to a fixed charge in favour of Lloyds Bank Plc is likely to be recovered by the Company in the amount of approximately £2.7k.

The expected value of any future recoveries is uncertain, but they are not expected to be material.

Trade debtors

The Company's records identify a trade debtor in the amount of £9.7k. The Administrators have written to the party who has provided evidence of substantial counterclaims claiming set-off. Accordingly, the estimated realisable value is nil.

The Administrators' future actions

Following the approval of the Administrators proposals, the Administrators will continue to conduct the Administration to achieve the purpose of the administration. Key matters to be undertaken include:

- Continuing to realise the Company's book debts and any other assets available for the benefit of creditors;
- Investigating and, if appropriate, pursuing any claims that the Company may have against any person, firms or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company;
- Distributing realisations to the preferential creditors;
- Ensuring all statutory and compliance matters are attended to;
- Paying all administration expenses and bringing the administration to an end when deemed appropriate by the Administrators; and
- Moving the Company from administration to CVL.

The Administrators have yet to realise the following assets (insofar as they are not detailed above):

Pre-appointment VAT refund

Following appointment, the Administrators engaged former staff of the Company as contractors to bring the accounting records up to date as much as practicable.

The Company's records indicate a potential VAT refund of £94.5k, however, this is subject to VAT payable deductions which are yet to be recorded. This asset may be at risk of being set off against other crown liabilities owed by the Company to HMRC. Accordingly, it is uncertain whether there will be any refund payable to the Company.

Customer debtor balances

Customer debtor balances refer to debts due from the former customers of the Company as at 19 October 2018, being the date of transfer of the customers and subsequent supply to First Utility.

All data, including meter readings, relating to customer debit and credit balances are collected and stored with a third-party supplier to the Company, who is also a significant creditor in the estate. The costs to produce the final customer balances was quoted at £30k, in order to finalise and raise the debtor invoices.

Accordingly, the Administrators entered into an agreement with First Utility to share the costs to produce the final debtor balances. In the event that the final value of the debtor balances is less than £30k, a reduced fee would be charged to the estate and if balances are to be below £15k, no fee would be payable. Early estimates suggest that the final debtor balances are valued in excess of £30k.

Given the high quantity of individual debtors and anticipated low average outstanding amount, the Administrators have appointed debt collection agents, CDS, to collect the outstanding customer debtor balances on their behalf. The Administrators will continue to work with First Utility and CDS to calculate and collect the final debtor

2. Conduct of the administration



balances. An update on value and expected recovery will be provided in the next progress report.

Director loan account

The Company's balance sheet records an outstanding director loan account in debit in the amount of £138k.

The Director has advised that amounts have been incorrectly recorded to the loan account and his unpaid annual salary has not been applied to the balance. Should such salary and alleged mis-postings be credited to the loan account, the balance of the loan account would then be netted off in full.

The Administrators are investigating the postings within the financial records. The final position of the loan account and the expected value of future recoveries is unknown at this stage. Further update will be provided in the next progress report.

Fixtures, furniture and fittings and computer equipment

The Administrators agent's have attended the trading premises and estimated realisable value of the above in the amount of £2k and £1k respectively. Such assets will be sold in due course.

Receipts and payments account

A copy of the Administrators' receipts and payment account to date is attached as **Appendix C** detailing asset realisations and costs incurred to date.

The directors' Statement of Affairs

The Director was asked to submit a Statement of Affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986 and this was returned to the Administrators on 21 November 2018 who subsequently lodged the document with the Registrar of Companies. The Statement of Affairs, details the financial position of the Company at the latest practicable date, prepared from information available to the Director and

includes a list of creditor names and addresses. A copy of the Statement of Affairs is provided at **Appendix D**.

It is noted that the Director sought advice and incurred £3.8k in legal and professional fees in completing the Statement of Affairs. In accordance with Rule 3.34 of the Insolvency Rules, the Administrators authorised and reimbursed such expenses to the Director from the funds in the estate.

As at the date of this report £3k of such costs remains payable from the estate.

Matters requiring investigation

The Administrators are required as part of their duties to establish what assets the Company owns and to consider the way in which the Company's business has been conducted and are required under the provisions of the Company Directors Disqualification Act 1986 to report to the Secretary of State for Business Energy and Industrial Strategy on the conduct of the directors. If you have any information or concerns regarding the way in which the Company's business has been conducted, or have information regarding potential recoveries for the estate, please contact the Administrators of their staff as soon as possible.

The end of the administration

The administration will end automatically after 12 months from the date of appointment of the Administrators. This period can be extended with consent of the creditors for up to 12 months or longer by application to the Court as required.

If the Administrators think the Company has no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the administration into liquidation is not appropriate they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved.

2. Conduct of the administration



If the Administrators are of the view that a dividend will become available to the unsecured creditors it is appropriate for the Company to move from administration into CVL pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986. If applicable the Administrators will take steps to place the Company into CVL.

Should a dividend not become available to the unsecured creditors but it is still appropriate for the Company to enter liquidation, the Administrators will petition the Court pursuant to Paragraph 79 of Schedule B1 to the Insolvency Act 1986 for an order to bring the administration to an end with a consequential order for the compulsory winding up of the Company.

Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a Liquidator, the proposed Liquidators in a CVL are to be the Administrators or any successor office holder(s). Any act to be done by the Liquidators may be done by all or any one of them. Pursuant to Paragraph 83(7)(a) of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

The Liquidators in a compulsory winding up will be appointed by the Court and may be the Administrators, or any successor office holder(s).

If the Administrators are of the view that it is appropriate for the creditors to consider the approval of a CVA the proposed supervisors are to be the Administrators or any successor office holder(s). Creditors may nominate different supervisors when considering whether to approve the CVA proposals.

Decision of creditors by correspondence

The Administrators are required to seek a decision from the Company's creditors under Paragraph 51 of Schedule B1 to the Insolvency Act 1986 on the following matters:

- Approval of the Administrators' proposals, with or without modifications; and
- The appointment of a creditors' committee.

Usio Energy Supply Limited (In Administration)
The Administrators' Proposals

The decision is being sought by means of voting by correspondence, in accordance with the Insolvency Rules.

If, as a result of the vote, a creditors' committee is appointed, the following will require the determination of the creditors' committee:

- The basis of the Administrators' remuneration;
- Approval of the payment of the Administrators' disbursements for mileage costs;
- Approval of the Administrators' pre-appointment costs being met as an expense of the administration; and
- The approval of the Administrators' discharge from liability in accordance with Paragraph 98 of Schedule B1 to the Insolvency Act 1986.

If a creditors' committee is not appointed the above will be determined by the creditors.

To vote by correspondence creditors must lodge a completed Proof of Debt form which is accepted for voting either in whole or in part, and return the completed voting form by the decision date shown on that form. Creditors whose claims are wholly secured are not entitled to vote. A decision is made if, at the decision date, a majority in value of those who have responded have voted in favour. However, a decision is not made if those voting against it include more than half in value of creditors to whom notice of the vote by correspondence was sent and who are not connected with the Company. Notice of the decision will be sent to creditors after the decision date.

The Administrators must, however, summon a physical meeting if requested to do so by the required minimum number of creditors. The required minimum number is any one of the following:

- 10% in value of the creditors
- 10% in number of the creditors
- 10 creditors

2. Conduct of the administration

The request must be made in writing within 5 business days of the date on which the notice of decision by correspondence is delivered, in accordance with the Insolvency Rules.

3. The Administrators' remuneration, disbursements and pre-appointment costs

Administrators' remuneration

A schedule of the work to be undertaken during the administration is set out at **Appendix B** together with an estimated outcome statement which includes an estimate of the expenses likely to be incurred by the Administrators. Assumptions made in preparing the summary of work, estimated expenses and the fees estimate where a time cost resolution is proposed are set out in the schedule of work.

The Administrators' remuneration will be drawn from the Company's assets and it is proposed that it will be charged by reference to the time incurred in attending to matters arising. Further details of how this will be calculated is set out below. The basis of the Administrators' remuneration has not yet been approved by creditors, and the Administrators have accordingly not drawn any remuneration in this case.

Should the Company subsequently be placed into liquidation and the Administrators appointed as Liquidators, the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the basis of the Liquidators' remuneration, in accordance with the Insolvency Rules.

The Administrators' remuneration which is proposed to be charged by reference to time incurred is set out in the fee estimate attached at **Appendix B**.

Time costs incurred to 30 November 2018 total £109k. The time charged is based on computerised records capturing time charged by myself and my staff in dealing with the conduct of those aspect of the case being charged on a time cost basis. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and the experience required. Time is charged to the case in maximum units of six minutes. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters.

Charge out rates are reviewed at least annually, details of FRP Advisory's charge out rates are included at **Appendix B**.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the administration of the Company, are paid by FRP Advisory at the HMRC approved mileage rate. It is proposed mileage is recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

Pre-administration costs charged or incurred by the Administrators

Attached at **Appendix D** is a statement of pre-administration costs charged or incurred by the Administrators. I am seeking to obtain approval from creditors for the payment of this amount in accordance with the Insolvency Rules. A stand-alone separate resolution is included on the voting form attached.

Creditors' ability to challenge the Administrators' remuneration and expenses

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses under the Insolvency Rules following receipt of a progress report. Further details of these rights can be found in the Creditors' Guide to Fees which you can access by using the following link <https://creditors.frpadvisory.com/info.aspx> and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request.

4. Estimated outcome for the creditors

Estimated outcome statement

We attach at **Appendix B** an estimated outcome statement which has been prepared from the information provided by the Director, the Statement of Affairs, advice received in connection with the value of the Company's assets, estimated sums due to creditors and an estimate of our remuneration and other expenses that may be incurred during the course of this administration. The assumptions made in preparing the estimated outcome statement details are set out in the schedule of work.

Based on the information available to date and the assumptions made I set out below the anticipated the outcome for creditors:

Outcome for secured creditor

Lloyds Bank Plc had a fixed charge registered against the Company in relation to funds held as a credit card deposit. The funds held totalled £12k and the outstanding credit card balance was £9.3k. The Administrators reviewed the validity of the charge and considered it valid. Accordingly, Lloyds Bank Plc applied the funds held to the debt and shall remit the balance of £2.7k to the estate.

There are no other fixed or floating charges registered against the Company.

Outcome for preferential creditors

It is currently estimated that preferential creditor claims will total £42k, being the employees' preferential element for arrears of pay, unpaid pension contributions and holiday pay as calculated in accordance with legislation. It is anticipated that preferential creditors will be paid in full.

Outcome for unsecured creditors

Based on the assumptions made in the estimated outcome statement it is currently estimated that there will be sufficient funds available to make a distribution to unsecured creditors in due course. This distribution will be paid by a subsequently

appointed liquidator. The costs of the liquidation cannot at this stage be estimated and therefore it is not possible to estimate the level of distribution that may be made.

Under the SOLR process, First Utility agreed to honour any outstanding customer credit balances as at 19 October 2018. The total amount of these balances remains to be quantified, as the customers final balances are still being reconciled. To the extent First Utility have assumed any customer credit balances, subject to legal advice, First Utility will have a subrogated unsecured claim in the administration.

Prescribed part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10k.

A prescribed part is not appropriate because there are no holders of floating charges in this case.

| COMPANY INFORMATION: | | ADMINISTRATION DETAILS: | |
|---|--|--|--|
| Other trading names: | - | Names of Administrators: | Jason Daniel Baker and Geoffrey Paul Rowley |
| Date of incorporation: | 6 May 2016 | Address of Administrators: | FRP Advisory 2nd Floor, 110 Cannon Street, London, EC4N 6EU |
| Company number: | 10167444 | | |
| Registered office: | 2nd Floor 110 Cannon Street London EC4N 6EU | Date of appointment of Administrators: | 19 October 2018 |
| Previous registered office: | Techhub 20 Ropemaker street London EC2Y 9AR | Court in which administration proceedings were brought and reference number: | The High Court of Justice 008425 of 2018 |
| Business address: | Techhub 20 Ropemaker street London EC2Y 9AR | Date of notice of intention to appoint Administrators presented to Court: | n/a |
| Director: | Mr Vincent Thomas Tuk | Administration appointment made by: | Directors |
| Company secretary: | - | there is no Qualifying Floating Charge registered against the Company | |
| The Director does not have any direct shareholding in the Company, however, is listed as a person with significant control of the Parent. | | | |

Appendix B

The Administrators' estimated remuneration, disbursements and costs information



Usio Energy Supply Limited
(In Administration)
Joint Administrators' Estimated Outcome Statement
To 04/12/2018

| Statement of Affairs £ | | Realised / Paid | Projected | Total £ |
|---------------------------|---|--------------------|-----------------------|-----------------------|
| | ASSET REALISATIONS | | | |
| 3,000.00 | Furniture & Equipment | NIL | 3,000.00 | 3,000.00 |
| 19,263.00 | Book Debts | NIL | 19,263.00 | 19,263.00 |
| 50,000.00 | AI/Software Asset | 42,500.00 | 7,500.00 | 50,000.00 |
| 159,445.00 | Cash at Bank | 159,536.41 | NIL | 159,536.41 |
| 2,679.00 | Deposits and Prepayments | 25,000.00 | 2,679.00 | 27,679.00 |
| 64,665.00 | Direct Debit Collections (intermediary) | 64,664.95 | NIL | 64,664.95 |
| | Bank Interest Gross | 61.77 | NIL | 61.77 |
| | | 291,763.13 | 32,442.00 | 324,205.13 |
| | COST OF REALISATIONS | | | |
| | Bordereau | NIL | (350.00) | (350.00) |
| | Preparation of S. of A. | (750.00) | (3,010.00) | (3,760.00) |
| | Administrators' Remuneration (Pre) | NIL | (40,094.75) | (40,094.75) |
| | Administrators' Remuneration (Post) | NIL | (140,000.00) | (140,000.00) |
| | Administrators' Disbursements | NIL | (112.28) | (112.28) |
| | Prepayment and deposit charges | (13,440.00) | NIL | (13,440.00) |
| | Contractor Fees (non VAT) | (4,695.00) | NIL | (4,695.00) |
| | Agents/Valuers Fees (1) | NIL | (500.00) | (500.00) |
| | Legal Fees (1) | NIL | (15,000.00) | (15,000.00) |
| | Legal fees - Pre-Administration | NIL | (4,867.50) | (4,867.50) |
| | Re-Direction of Mail | (204.00) | NIL | (204.00) |
| | Statutory Advertising | (69.93) | NIL | (69.93) |
| | | (19,158.93) | (203,934.53) | (223,093.46) |
| | PREFERENTIAL CREDITORS | | | |
| (41,953.00) | Preferential Creditors | NIL | 41,953.00 | 41,953.00 |
| | | NIL | (41,953.00) | (41,953.00) |
| | UNSECURED CREDITORS | | | |
| (3,534,664.00) | Unsecured Creditors | NIL | 3,534,664.00 | 3,534,664.00 |
| | | NIL | (3,534,664.00) | (3,534,664.00) |
| | DISTRIBUTIONS | | | |
| (100.00) | Ordinary Shareholders | NIL | 100.00 | 100.00 |
| | | NIL | (100.00) | (100.00) |
| <u>(3,277,665.00)</u> | (Shortfall) / Surplus to Creditors | <u>272,604.20</u> | <u>(3,748,209.53)</u> | <u>(3,475,605.33)</u> |
| | REPRESENTED BY | | | |
| | Vat Recoverable - Floating | 2,851.99 | NIL | 2,851.99 |
| | IB Current Floating | 278,252.21 | NIL | 278,252.21 |
| | Vat Payable - Floating | (8,500.00) | NIL | (8,500.00) |
| | | 272,604.20 | NIL | 272,604.20 |

Usio Energy Supply Limited (In Administration)

Schedule of Work

The table below sets out a detailed summary of the work undertaken by the office holder to date and details of the work it is anticipated will be undertaken by the office holder throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below. The fee basis for the different categories or work are set out in this table together with an estimate of the estimated fee for each category of work where this can be estimated.

Where the fee basis proposed is time costs, further details of the estimated time costs to be incurred are set out in the fee estimate accompanying this schedule.

Where work undertaken results in the realisation of funds (e.g. from the sale of assets, enhanced recoveries and recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

| GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK | |
|--|--|
| <ul style="list-style-type: none">• The records received are complete and up to date;• There are no matters to investigate or pursue;• The work that may be undertaken by any subsequently appointed Liquidator has been excluded;• No unsecured dividend is payable while the Company is in administration;• There are no significant costs in collecting customer debtors (as collection is outsourced);• No financial irregularities are identified;• A committee of creditors is not appointed;• There are no exceptional queries from stakeholders;• Full co-operation of the Director and other relevant parties is received as required by legislation;• There are no health and safety or environmental issues to be dealt with;• The case will be moved to creditors' voluntary liquidation within 12 months of the date of administration. | |

Usio Energy Supply Limited (In Administration)

Schedule of Work

| Note | Category | |
|------|--|--|
| 1 | ADMINISTRATION AND PLANNING Work undertaken to date | ADMINISTRATION AND PLANNING Future work to be undertaken |
| | Regulatory Requirements | |
| | Completion of money laundering risk assessment procedures and Know your client checks in accordance with the Money Laundering Regulations. | Continued consideration and monitoring of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act and others. |
| | Completion of take on procedures, which include consideration of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act and others. | Continued consideration and monitoring of case specific matters including health and safety, environmental concerns, particular licences or registrations, tax position, social media, profile of the client or its stakeholders. |
| | In addition to the above take on procedures to consider if there are any other case specific matters be aware of prior to or on appointment, including health and safety, environmental concerns, particular licences or registrations, tax position, social media, profile of the client or its stakeholders. | |
| | Case Management Requirements | |
| | Determine case strategy and to document this. Regular meetings between case staff to ensure matters are progressed effectively. | Regularly reviewing the conduct of the case and the case strategy and updating as required as required by the insolvency practitioners' regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing. This aids efficient case management. |
| | Setting up and administering insolvent estate bank accounts throughout the duration of the case. | |
| | Assisting the Director where needed in producing the Company's Statement of Affairs and considering and approving expenses incurred in producing the Statement of Affairs. | Continued administration of insolvent estate bank accounts for the duration of the administration and closing the account upon completion of the administration. The Administrators will continue to process all receipts, payments and journals and undertake regular reconciliations of the bank accounts. |
| | Compiling a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulating this to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee bases proposed. | Consider any ongoing liaison with third parties (e.g. Ofgem, First Utility, etc.) that may be required. |

Usio Energy Supply Limited (In Administration)

Schedule of Work

| | | |
|----------|---|--|
| | <p>Arranging for insurance on the assets in the estate.</p> <p>Correspondence with the former advisors to the Company requesting third party information to assist in general enquiries.</p> | <p>Continued correspondence with the former advisors to the Company, where appropriate.</p> <p>Ensuring adequate insurance remains in place as required.</p> |
| 2 | <p>ASSET REALISATION</p> <p>Work undertake to date</p> <p>Liaise with Lloyds Bank Plc to realise cash at bank.</p> <p>Liaise with, and enter into novation agreement with GoCardless Limited to secure release of funds held by intermediary.</p> <p>Take various actions to secure and preserve the Software. Enter into accelerated marketing process, review and consider indicative and best and final offers, negotiate to obtain best value for the estate and accept best offer for the estate. Take action to transfer of copy of the Software to the purchaser and continue to secure the asset and market the Software to other potential purchasers.</p> <p>Work with Company employees to calculate the amount of pre-payments and deposits paid by the Company. Liaise with parties to determine if set-off applicable and amounts due to the Company.</p> <p>Liaise with a trade debtor in relation to outstanding invoice. Consider set-off provision and write off debt.</p> <p>Work with employees to bring financial records up to date and produce draft pre-appointment VAT return.</p> <p>Liaise with First Utility and pre-appointment service providers to calculate the final debtor balances of Company customers. Enter into data sharing agreement, regular discussion regarding logistics and negotiate cost sharing agreement.</p> | <p>ASSET REALISATION</p> <p>Future work to be undertaken</p> <p>Monitor pre-appointment bank account for any further receipts and close the account when necessary.</p> <p>Await and account for funds received from GoCardless.</p> <p>Continue to market the Software and seek to realise non-exclusive copy. Liaise with various potential purchasing parties.</p> <p>Continue to determine final pre-payments and deposits position and realise funds as available.</p> <p>Finalise pre-appointment VAT return and lodge with HMRC.</p> <p>Seek to realise pre-appointment customer debtors, including instructing and liaising with debt collection agent (CDS) and deal with any debtor related queries.</p> <p>Continue to consider set off provisions and seek advice on the matter. Take actions to realise the loan account should set-off not apply.</p> <p>Process receipt of sale proceeds from agent. Take action necessary to recover remaining laptop computers in possession of employees.</p> <p>Identify and secure any other assets of the Company</p> |

Usio Energy Supply Limited (In Administration)

Schedule of Work

| | | |
|--|---|--|
| | <p>Instruct debt collection agents in respect of the customer debit balances.</p> <p>Review Director loan account and consider set off provisions.</p> <p>One of the main purposes of an insolvency process is to realise the insolvency assets and to ensure a fair distribution of the proceeds to the creditors in the correct order of priority as set out by legislation.</p> <p>Insurance will be arranged by the IP to ensure available assets are protected until such time as they are realised.</p> <p>Liaise with agents to remove furniture and equipment from the Company's premises. Actions to recover laptop computers in the possession of the employees.</p> <p>Identify and secure any other assets of the Company</p> | |
|--|---|--|

Usio Energy Supply Limited (In Administration)

Schedule of Work

| 3 | STATUTORY COMPLIANCE AND REPORTING |
|--|---|
| <p>Work undertaken to date</p> <p>Following the Administrators' appointment there are certain statutory tasks, which although have no direct benefit to creditors, must be undertaken in accordance with legislation. Examples of these include:</p> <ul style="list-style-type: none"> • Notifying the Registrar of Companies of the appointment of the Administrators; • Advertising the appointment of the Administrators in the London Gazette; • Notifying HM Revenue & Customs of the Company's administration; and • Identifying and notifying relevant pension schemes. <p>The Administrators have notified creditors of their appointment and subsequently drafted a report setting out the proposals for the conduct of the Administration in accordance with legislation.</p> <p>The Administrators have calculated and provided for a bond to protect the value of assets that are not subject to a charge.</p> <p>Liaise with internal GDPR compliance team and seek legal advice in respect of customer personal data and other potential GDPR issues to ensure compliance with GDPR legislation.</p> | <p>Future work to be undertaken</p> <p>To provide a statutory reports to various stakeholders at regular intervals and manage any queries arising therefrom. Copies of these reports are required to be filed at the Registrar of Companies.</p> <p>To place legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims</p> <p>Dealing with post appointment VAT and other tax returns as required.</p> <p>To deal with the statutory requirements in order to bring the case to a close and for the office holders(s) to obtain their release from office; this includes preparing final reports for stakeholders, convening final meetings, statutory advertising and filing the relevant documentation with the Registrar of Companies.</p> <p>To obtain creditor approval for the basis on which the office holder's fees will be calculated.</p> <p>Continue to liaise with internal GDPR compliance team and seek legal advice where necessary in respect of customer personal data and other potential GDPR issues to ensure compliance with GDPR legislation.</p> |
| 4 | STATUTORY COMPLIANCE AND REPORTING |
| <p>Work undertaken to date</p> <p>N/A</p> | <p>Future work to be undertaken</p> <p>N/A</p> |
| 5 | STATUTORY COMPLIANCE AND REPORTING |
| <p>Work undertaken to date</p> <p>The Administrators have sought to collate the relevant books, records, information and data to enable completion of statutory investigations into the failure of the Company and the conduct of the Director to a suitable standard as required under legislation.</p> | <p>Future work to be undertaken</p> <p>The Administrators will continue to collate and review the necessary information to enable the completion of their statutory investigations.</p> |

Usio Energy Supply Limited (In Administration)

Schedule of Work

| | | |
|----------|--|---|
| | <p>A directors' questionnaire was sent to all directors who have held office in the 3 years preceding the insolvency of the Company.</p> <p>Creditors have been invited to make the Administrators aware of any misconduct by current or former directors.</p> | <p>A report on the conduct of all directors who have held office in the 3 years preceding the insolvency of the Company will be submitted to the Department for Business, Innovation and Skills</p> <p>Continued consideration of whether any matters have come to light which require notification to the Secretary of State or National Crime Agency.</p> <p>Pursue actions should there be a likely benefit to creditors and consult with creditor should such action be necessary.</p> |
| 6 | <p>CREDITORS</p> <p>Work undertaken to date</p> <p>Issuing correspondence to the body of creditors including notification of appointment and proposals report.</p> <p>Receive preferential and unsecured creditor claims and record in the Administrators' case management system.</p> <p>Assisting employees with their claims and other queries arising in relation to their contracts.</p> <p>Notifying employees of administration, making employees redundant and consulting thereafter.</p> <p>General correspondence with preferential and unsecured creditors to address queries. Liaising with the Redundancy Payments Office in respect of preferential and unsecured employee claims.</p> <p>Take advice and consider any potential subrogated claim by First Utility.</p> <p>Review, consider and process proof of debt forms received from unsecured creditors.</p> | <p>CREDITORS</p> <p>Future work to be undertaken</p> <p>Continue to issue correspondence and updates to the body of creditors as necessary.</p> <p>Continue to receive preferential and unsecured creditor claims and record in the Administrators' case management system.</p> <p>Continue to correspond with preferential and unsecured creditors and address queries.</p> <p>Continue to assist employees with their claims and other queries arising in relation to their contracts.</p> <p>Pay a distribution to preferential creditors once claims are agreed and sufficient realisations are available.</p> <p>Continue to consider and process proof of debt forms received from unsecured creditors.</p> |
| | Total Estimated Fees sum to £140,000 | |

Usio Energy Supply Limited (In Administration)
Joint Administrators' fee estimate as at 4 December 2018

| Activity | Hours | Total Cost (£) | Average hourly rate £ |
|------------------------------------|--------------|-------------------|-----------------------------|
| ADMINISTRATION | 57.8 | 26,135 | 452 |
| ASSET REALISATION | 128.9 | 48,575 | 377 |
| STATUTORY COMPLIANCE AND REPORTING | 60.0 | 21,550 | 359 |
| TRADING | 0.0 | 0 | 175 |
| INVESTIGATION | 25.0 | 10,725 | 429 |
| CREDITORS | 73.0 | 24,595 | 337 |
| LEGAL AND LITIGATION | 20.0 | 8,420 | 421 |
| TOTAL | 364.7 | 140,000 | |

| | |
|---------------------------------|----------------|
| Hourly Charge out rates: | £ |
| Appt taker/partner | 450-545 |
| Managers/directors | 340-465 |
| Other professional | 200-295 |
| Junior Professional/support | 125-175 |

The above fee estimate is based on the assumptions contained in the accompanying schedule of work.

The office holder anticipates that it will not be necessary to seek further approval.

Time costs are maintained on computerised records of all time spend on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frpadvisor.com/fees-guide.html>. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

FRP ADVISORY LLP ("FRP Advisory")**HOURLY CHARGE OUT RATES**

| Grade | £/hour |
|-----------------------------|---------------|
| Appointment taker/Partner | 450-545 |
| Managers/Directors | 340-465 |
| Other Professional | 200-295 |
| Junior Professional/Support | 125-175 |

Time costs are maintained on computerised records of all time spent on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory's charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frpadvisor.com/fees-guide.html>. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

DISBURSEMENT POLICY

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

There are two types of disbursements; direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

Category 1 disbursements:

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance.

Category 1 disbursements can be drawn without prior approval

Category 2 disbursements

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

Appendix C

Administrators' Receipts & Payments Account



Usio Energy Supply Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 04/12/2018

| S of A £ | | £ | £ |
|-----------------------|---|------------|-------------------|
| | ASSET REALISATIONS | | |
| 3,000.00 | Furniture & Equipment | NIL | |
| 19,263.00 | Book Debts | NIL | |
| 50,000.00 | AI/Software Asset | 42,500.00 | |
| 159,445.00 | Cash at Bank | 159,536.41 | |
| 2,679.00 | Deposits and Prepayments | 25,000.00 | |
| 64,665.00 | Direct Debit Collections (intermediary) | 64,664.95 | |
| | Bank Interest Gross | 61.77 | |
| | | | 291,763.13 |
| | COST OF REALISATIONS | | |
| | Preparation of S. of A. | 750.00 | |
| | Prepayment and deposit charges | 13,440.00 | |
| | Contractor Fees (non VAT) | 4,695.00 | |
| | Re-Direction of Mail | 204.00 | |
| | Statutory Advertising | 69.93 | |
| | | | (19,158.93) |
| (41,953.00) | PREFERENTIAL CREDITORS | | |
| | Preferential Creditors | NIL | |
| | | | NIL |
| (3,534,664.00) | UNSECURED CREDITORS | | |
| | Unsecured Creditors | NIL | |
| | | | NIL |
| (100.00) | DISTRIBUTIONS | | |
| | Ordinary Shareholders | NIL | |
| | | | NIL |
| (3,277,665.00) | | | 272,604.20 |
| | REPRESENTED BY | | |
| | Vat Recoverable - Floating | | 2,851.99 |
| | IB Current Floating | | 278,252.21 |
| | Vat Payable - Floating | | (8,500.00) |
| | | | 272,604.20 |

Appendix D

Schedule of pre-administration costs



| Note | Fees | | Expenses |
|--|---------|-----------|----------|
| | Charged | Incurring | |
| | (£) | (£) | |
| FRP Advisory LLP | 1 | 40,094.75 | - |
| Mishcon de Reya LLP | 2 | 4,867.50 | - |
| Amounts paid | | - | - |
| Unpaid pre-administration costs for which approval is being sought | 3 | 44,962.25 | - |

Notes

1. Prior to their appointment the Administrators entered into a letter of engagement dated 2 October 2018 with the Company in respect of pre-appointment advice. The pre-appointment work carried out by the Administrators included preparing for the administration of the Company by providing advice and assistance to the Director in seeking a commercial solution for the customer base and subsequently the Supplier of Last Resort process, regular discussions and updates to the regulator Ofgem, developing and communicating a winding down trading strategy prior to formal appointment, advising the director in relation to cash flow and his fiduciary duties, preparing a post appointment administration strategy in advance of the formal appointment and regular discussions and updates with the Director. The Administrators spent 98 hours in dealing with pre-appointment matters as detailed above.

The Administrators advised the Director prior to the date of appointment that given the cash flow of the business at the time advice was sought, payment of such fees would be sought from the estate post-appointment (following the requisite approval).

These costs represent a fair and reasonable reflection of the work undertaken prior to the appointment of Administrators and the time charged is based on computerised records capturing time incurred in dealing with the pre-appointment matters.
2. Mishcon de Reya LLP advised on placing the Company into administration, which included drafting the statutory appointment documents and filing them in the Court.
3. The payment of these unpaid costs as an expense of the administration is subject to approval in accordance with the Insolvency Act 1983 and is not part of the proposals subject to approval in accordance with Paragraph 53 of Schedule B1 to the Insolvency Act 1983.

Appendix E

Directors' Statement of Affairs



Statement of affairs

Name of Company
Usio Energy Supply Limited

Company number
10167444

In the
THE HIGH COURT OF JUSTICE

Court case number
008425 OF 2018

(a) Insert name and address of
registered office of the company

Statement as to the affairs of (a) Usio Energy Supply Limited, 2nd Floor, 110 Cannon Street, London,
EC4N 6EU

(b) Insert date

on the (b) 19 October 2018, the date that the company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of
the affairs of the above named company as at (b) 19 October 2018 the date that the company
entered administration.

Full name Vincent Thomas Tuk

Signed 

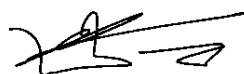
Dated 20/11/18

Usio Energy Supply Limited
A – Summary of Assets
As at 19 October 2018

Assets

| | Book Value £ | Estimated to Realise £ |
|---|--------------------|------------------------------|
| Assets subject to fixed charge: | | |
| Lloyds Credit Card Security Deposit | 12,000 | |
| <u>Less: Outstanding Credit Card Balance</u> | <u>(9,111)</u> | |
| Balance of Deposit | 2,889 | 2,889 |
| Assets subject to floating charge: | | |
| Nil | Nil | Nil |
| Uncharged assets: | | |
| Cash at Bank | 159,445 | 159,536 |
| Software/AI | Nil | 50,000 |
| Prepayments and Accrued Income | 248,119 | 8,872 |
| Director Loan Account | 71,871 | Nil |
| Trade Debtors | 9,730 | Nil |
| VAT | 94,521 | Nil |
| Computer Equipment | 24,304 | 2,000 |
| Fixtures, Fittings and Equipment | 2,943 | 1,000 |
| Customer Debtors Balances | 248,801 | 64,210*30% = 19,263 |
| Direct Debit Collections held with Intermediary | Nil | 64,665 |
| Estimated total assets available for preferential creditors | 862,623 | 307,225 |

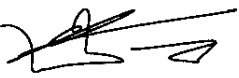
Signature



Date 20/11/18

Usio Energy Supply Limited
A1 – Summary of Liabilities
As at 19 October 2018

| | |
|---|----------------------------------|
| | Estimated to realise £307,225 |
| <hr/> | |
| Estimated total assets available for preferential creditors (carried from page A) | |
| Liabilities | |
| Preferential creditors: - | (41,953) |
| Estimated deficiency/surplus as regards preferential creditors | 265,272 |
| Debts secured by floating charges pre 15 September 2003 | Nil |
| Other Pre 15 September 2003 Floating Charge Creditors | Nil |
| <hr/> | |
| Estimated prescribed part of net property where applicable (to carry forward) | Nil |
| Estimated total assets available for floating charge holders | N/A |
| Debts secured by floating charges post 14 September 2003 | Nil |
| Estimated deficiency/surplus of assets after floating charges | 265,272 |
| Estimated prescribed part of net property where applicable (brought down) | N/A |
| Total assets available to unsecured creditors | 265,272 |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders) | 3,534,664 |
| Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of floating charges post 14 September 2003) | (3,269,392) |
| <hr/> | |
| Estimated deficiency/surplus as regards creditors | (3,269,392) |
| Issued and called up capital | 100 |
| <hr/> | |
| Estimated total deficiency/surplus as regards members | (3,269,492) |
| <hr/> | |

Signature  Date 20/11/18

B COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession.

| Name of creditor or Claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|---|--|------------------|--|---------------------|---------------------|
| Various Accounts Payable See "Annexure A" | Various | 855,703 | - | - | - |
| Cleanreturns | 22F Moorhouse Road, W2 5DJ London | 140,592 | - | - | - |
| Usio Energy Limited | 22F Moorhouse Road, W2 5DJ London | 1,041,699 | - | - | - |
| Other Accrued Liabilities | Various | 1,446,387 | - | - | - |
| Unsecured Employee Claims See "Annexure B" | Various | 50,283 | - | - | - |
| Access Install Ltd claim | C/o Fieldfisher, 5th Floor, Free Trade Exchange, 37 Peter Street, Manchester, M2 5GB | 01 | - | - | - |
| | | | | | |
| | | | | | |
| | | | | | |

I/No proceedings had been issued and no judgement or order of the court had been obtained in respect of a potential claim against the Company by Access Install Ltd. A letter before action dated 6 August 2018 was received by the Company which alleged a claim up to £9,300,000, this figure is grossly overstated and the Company had instructed solicitors to dispute the claim prior to entering administration.

Signature



Date 20/11/18

B2 COMPANY CREDITORS (CONSUMER CREDITORS)

[illegible]

* It is my understanding that in accordance with the OFGEM SOLR process - all customer credit balances have been transferred to the SOLR - First Utility. The SOLR process was however managed by the administrator FRP therefore I do not have any documentation to confirm this. Furthermore, FRP have obtained legal advice and concluded that it was prudent to include the sum of the credit balances under the accrued liabilities in this SOA.

Signature

~~1~~

Date 20/11/18

Aged Payables
 USIO Energy Supply Limited
 October 2018

| Contact Information | Current | September | August | July | Other | Annexure A Total |
|--|-------------|-------------|-------------|-----------|------------|---------------------|
| Payables | | | | | | |
| Access Install Ltd | £0.00 | £0.00 | £398,610.00 | £2,317.60 | £0.00 | £40,927.60 |
| Amber Spares Limited | £2,954.58 | £0.00 | £0.00 | £0.00 | £0.00 | £2,954.58 |
| Apple Distribution International | £0.00 | £0.00 | £3,241.20 | £0.00 | £0.00 | £3,241.20 |
| Apocoe Solutions Ltd (Ultigroup) | £0.00 | £0.00 | £0.00 | £0.00 | £29,543.12 | £29,543.12 |
| bbccoc | £0.00 | £14,400.00 | £0.00 | £0.00 | £0.00 | £14,400.00 |
| Black Rotterdam | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 |
| C&C Group Holdings Limited | £1,048.44 | £2,457.00 | £4,500.00 | £0.00 | £0.00 | £2,862.00 |
| Calvin Capital | £1,867.08 | £0.00 | £4,467.57 | £0.00 | £0.00 | £5,005.44 |
| Capital Markets Limited | £321.71 | £0.00 | £0.00 | £0.00 | £0.00 | £5,324.65 |
| Consult Energy Limited | £0.00 | £7,140.00 | £0.00 | £0.00 | £0.00 | £321.71 |
| Contract Natural Gas Ltd | £566,821.76 | £150,443.79 | £189.11 | £4,500.00 | £0.00 | £11,640.00 |
| Digital Product Group | £0.00 | £7,279.20 | £0.00 | £0.00 | £0.00 | £217,454.66 |
| Eastern Power Networks Plc | £5,354.43 | £0.00 | £47.81 | £0.00 | £0.00 | £7,279.20 |
| EctraLink | £348.31 | £0.00 | £57.59 | £0.00 | £0.00 | £5,412.24 |
| Electricity North West Limited | £5,537.66 | £0.00 | £0.00 | £0.00 | £0.00 | £405.90 |
| Electricity Settlements Company Ltd | £0.00 | £97.43 | £0.00 | £0.00 | £0.00 | £3,637.66 |
| Elxion | £73,060.68 | £0.00 | £0.00 | £0.00 | £0.00 | £97.43 |
| Energistics | £235.62 | £0.00 | £0.00 | £0.00 | £0.00 | £73,060.68 |
| Ensek | £0.00 | £94,718.10 | £0.00 | £0.00 | £0.00 | £235.62 |
| E-on | £199.28 | £0.00 | £2,199.28 | £0.00 | £0.00 | £163,601.10 |
| ERC Search Ltd | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 |
| Esp Electricity Limited | £13,200.00 | £0.00 | £0.00 | £0.00 | £0.00 | £3,358.55 |
| Fieyflux Ltd | £350.84 | £249.17 | £0.00 | £0.00 | £0.00 | £13,200.00 |
| Foresight Metering management Ltd | £0.00 | £0.00 | £1,100.00 | £0.00 | £0.00 | £680.01 |
| Go Cardless | £0.00 | £1,677.33 | £1,404.00 | £0.00 | £0.00 | £1,100.00 |
| Haritaxion Energy Networks | £0.00 | £2,084.35 | £0.00 | £0.00 | £0.00 | £3,081.33 |
| Harper James Solic | £48.02 | £19.20 | £0.00 | £0.00 | £0.00 | £2,084.35 |
| Haven Power | £698.14 | £0.00 | £0.00 | £0.00 | £0.00 | £67.22 |
| Hidebrand Technology Ltd | £73.94 | £0.00 | £0.00 | £0.00 | £0.00 | £698.14 |
| Independent Power Networks Ltd | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £73.94 |
| Knowfour | £0.00 | £0.00 | £180.00 | £0.00 | £0.00 | £3,811.19 |
| Langston Engineering Limited | £208.09 | £133.85 | £0.00 | £0.00 | £0.00 | £0.00 |
| London Power Networks PLC | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £18,000.00 |
| Low Carbon Contracts Company Ltd | £3,378.98 | £89.48 | £0.00 | £0.00 | £0.00 | £743.90 |
| Macquarie | £72.25 | £1,177.13 | £1,641.86 | £1,500.00 | £0.00 | £3,508.66 |
| Magnum | £0.00 | £5,993.76 | £7,230.35 | £2,258.25 | £0.00 | £7,149.71 |
| Maple Co | £-70.98 | £0.00 | £0.00 | £0.00 | £0.00 | £13,224.11 |
| Mason Frank International | £0.00 | £0.00 | £1,200.00 | £0.00 | £0.00 | £-70.98 |
| Microsoft Ireland Operations | £113.81 | £0.00 | £0.00 | £0.00 | £0.00 | £1,200.00 |
| MoneySupermarket | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £113.81 |
| National Grid | £0.00 | £0.00 | £-25,000.00 | £0.00 | £0.00 | £-25,000.00 |
| National Grid - Cust | £5,771.59 | £0.00 | £0.00 | £0.00 | £0.00 | £5,771.59 |
| National Grid - TNUoS | £0.00 | £0.00 | £0.00 | £0.00 | £-5603.14 | £-5603.14 |
| Northern Powergrid (Malenn) Limited | £23,648.75 | £0.00 | £0.00 | £0.00 | £0.00 | £23,648.75 |
| Northern Powergrid (Northeast) Limited | £1,058.66 | £147.64 | £731.28 | £0.00 | £0.00 | £1,937.58 |
| Northern Powergrid (Yorkshire) plc | £4,309.11 | £0.00 | £34.01 | £0.00 | £-454.53 | £4,288.59 |
| Nuvera Consulting Limited | £5,778.61 | £0.00 | £66.11 | £0.00 | £0.00 | £5,844.72 |
| Osado | £3,160.00 | £5,880.00 | £6,000.00 | £0.00 | £0.00 | £17,040.00 |
| Opus RS | £0.00 | £197.64 | £246.98 | £0.00 | £0.00 | £444.62 |
| PB Recruitment Consultants | £15,309.00 | £0.00 | £0.00 | £0.00 | £0.00 | £15,309.00 |
| PMC Telecom | £0.00 | £5,400.00 | £0.00 | £0.00 | £0.00 | £5,400.00 |
| Priel a Manager | £0.00 | £142.74 | £188.34 | £0.00 | £0.00 | £331.08 |
| Scottish & Southern Energy - Group N | £0.00 | £0.00 | £34.63 | £0.00 | £0.00 | £34.63 |
| Scottish & Southern Energy Power - Group A | £0.00 | £51.95 | £0.00 | £0.00 | £0.00 | £51.95 |
| Scottish & Southern Energy Power - Group B | £0.00 | £6.72 | £0.00 | £0.00 | £0.00 | £6.72 |
| | £0.00 | £7.00 | £0.00 | £0.00 | £0.00 | £7.00 |

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| Scottish & Southern Energy Power - Group C | Distribution Income, PO BOX 6458, Basingstoke, Hampshire, RG24 8QQ | £0.00 | £30.01 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £30.01 |
| Scottish & Southern Energy Power - Group F | Distribution Income, PO BOX 6458, Basingstoke, Hampshire, RG24 8QQ | £0.00 | £17.60 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £17.60 |
| Scottish & Southern Energy Power - Group J | Distribution Income, PO BOX 6458, Basingstoke, Hampshire, RG24 8QQ | £0.00 | £27.38 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £27.38 |
| Scottish & Southern Energy Power - Group L | Distribution Income, PO BOX 6458, Basingstoke, Hampshire, RG24 8QQ | £0.00 | £0.97 | £0.00 | £0.00 | £0.00 | £0.00 | £0.97 | £0.97 |
| Scottish & Southern Energy Power Distribution - Group F | Distribution Income, PO BOX 6458, Basingstoke, Hampshire, RG24 8QQ | £0.00 | £4,393.92 | £0.00 | £0.00 | £0.00 | £0.00 | -£333.91 | £4,060.01 |
| Scottish & Southern Energy Power Distribution - Group F | Distribution Income, PO BOX 6458, Basingstoke, Hampshire, RG24 8QQ | £0.00 | £4.96 | £0.00 | £0.00 | £0.00 | £0.00 | £4.96 | £4.96 |
| Scottish & Southern Energy Power Distribution - Group F | Distribution Income, PO BOX 6458, Basingstoke, Hampshire, RG24 8QQ | £0.00 | £1,464.49 | £0.00 | £0.00 | £0.00 | £0.00 | -£79.48 | £1,385.01 |
| Scottish Power | 10TH FLOOR, 320 ST VINCENT STREET GLASGOW, G2 5AD | £0.00 | £0.00 | £419.26 | £0.00 | £0.00 | £0.00 | £419.26 | £156.82 |
| Scottish Southern Energy SSE | No 1 Forbury Place 43 Forbury Road Reading RG1 3JH | £78.41 | £78.41 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £156.82 |
| Secure SMSO Limited | Unit 57, Basepoint Business Centre 1 Wincal Valley Road, Winchester Hampshire, SO23 0L | £2,578.88 | £2,308.46 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £4,887.35 |
| Seetrs | Churchill House 142-146 Old Street London EC1V 9BW | £0.00 | £0.00 | £6,000.00 | £0.00 | £0.00 | £0.00 | £0.00 | £6,000.00 |
| Smart Meter Assets | Energy House Woodpit Business Park, Woodpit, Suffolk, IP20 5UP | £0.00 | £1,329.50 | £1,101.26 | £0.00 | £0.00 | £0.00 | £0.00 | £2,430.86 |
| South Eastern Power Networks PLC | Energy House Hazelwick Plaza Three Bridges Crawley, West Sussex RH10 1EX | £3,747.98 | £48.03 | £54.40 | £0.00 | £0.00 | £0.00 | £0.00 | £3,850.41 |
| SP Distribution plc | 1st Floor 55 Fullarton Dr Cambuslang G32 8FR | £78.59 | £6,061.60 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £6,140.19 |
| SP Marweb plc | 1st Floor 55 Fullarton Dr Cambuslang G32 8FR | £2,482.82 | £37.21 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £2,519.83 |
| STX Next | STX Next Sp z o o, sp k, Morawskiego 125 60-239 Poznan, Polska / Poland | £2,971.00 | £0.00 | £8,530.00 | £10,539.00 | £0.00 | £0.00 | £6,777.00 | £29,817.00 |
| Switow | 15 & 17 Church Street Stroudridge West Midlands DY8 1LU | £0.00 | £3,268.80 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £3,268.80 |
| Syndicate Room | The Pitt Building Trumpington Street Cambridge CB2 1RP | £300.00 | £300.00 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £600.00 |
| Techhub Europe Limited | 20 Ropemaker Street London EC2Y 9AR | £15,960.00 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £15,960.00 |
| Teis8 | 89 Beechcroft Road, London, SW17 7BN | £0.00 | £0.00 | £5,709.00 | £0.00 | £0.00 | £0.00 | £0.00 | £5,709.00 |
| The Electricity Network Company Ltd | Energy House Woodpit Business Park Woodpit Bury St, Edmunds Suffolk IP20 5UP | £0.00 | £529.76 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £529.76 |
| The Orbudsman Service | 3300 Danesbury Park WARRINGTON W44 4HS | £0.00 | £452.40 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £452.40 |
| Timely Recruit | The Dover House, 108 High Street Berkhamsted Hertfordshire HP4 2BL | £0.00 | £0.00 | £10,800.00 | £5,400.00 | £0.00 | £0.00 | £0.00 | £21,060.00 |
| UVA Data Management Limited | 100 London Road Kingston-Upon-Thames Surrey, KT2 6QJ United Kingdom | £1,174.62 | £0.00 | £933.50 | £0.00 | £0.00 | £0.00 | £0.00 | £2,108.12 |
| Utility Metering Services Ltd (OnStream) | Suites 3 & 4 Warrnes Mill Silks Way Braintree Essex CM17 3GB | £933.64 | £0.21 | £507.19 | £0.00 | £0.00 | £0.00 | £0.00 | £1,441.04 |
| Western Power Distribution (All Regions Combined) | | £13,130.00 | £6,973.88 | -£2,981.52 | £0.00 | £0.00 | £0.00 | £0.00 | £17,122.36 |
| xoserve Ltd | | £4.51 | £0.00 | £4.51 | £0.00 | £0.00 | £0.00 | £0.00 | £9.02 |
| Total Payables | | £288,019.31 | £328,554.67 | £119,260.67 | £71,248.15 | £48,620.25 | £85,703.05 | | |

| Total Expense Claims | Current | September | August | July | Older | Total |
|----------------------|---------|-----------|--------|-------|-------|-------|
| | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 | £0.00 |

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| Total | £288,019.31 | £328,554.67 | £119,260.67 | £71,248.15 | £48,620.25 | £85,703.05 |
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33.6588% 38.3959% 13.9372% 8.3253% 5.6819%