

AM03

Notice of administrator's proposals



Companies House

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


1	Company details	
Company number	1 0 6 1 1 0 8 2	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Simplicity Energy Limited	
2	Administrator's name	
Full forename(s)	Allan	
Surname	Kelly	
3	Administrator's address	
Building name/number	Suite 5, 2nd Floor	
Street	Bulman House	
Post town	Regent Centre	
County/Region	Newcastle Upon Tyne	
Postcode	N E 3 3 L S	
Country		
4	Administrator's name ①	
Full forename(s)	Matt	① Other administrator Use this section to tell us about another administrator.
Surname	Higgins	
5	Administrator's address ②	
Building name/number	Suite 5, 2nd Floor	② Other administrator Use this section to tell us about another administrator.
Street	Bulman House	
Post town	Regent Centre	
County/Region	Newcastle Upon Tyne	
Postcode	N E 3 3 L S	
Country		

AM03
Notice of Administrator’s Proposals

6 Statement of proposals

<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals	
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7 Sign and date

Administrator's Signature	Signature ✕  ✕									
Signature date	<table><tr><td>^d 2</td><td>^d 5</td><td>^m 0</td><td>^m 3</td><td>^y 2</td><td>^y 0</td><td>^y 2</td><td>^y 1</td></tr></table>	^d 2	^d 5	^m 0	^m 3	^y 2	^y 0	^y 2	^y 1	
^d 2	^d 5	^m 0	^m 3	^y 2	^y 0	^y 2	^y 1			

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	Allan Kelly				
Company name	FRP Advisory Trading Limited				
Address	Suite 5, 2nd Floor				
	Bulman House				
Post town	Regent Centre				
County/Region	Newcastle Upon Tyne				
Postcode	N	E	3	3	L S
Country					
DX	cp.newcastle@frpadvisory.com				
Telephone	0191 605 3737				



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

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

FRP

Simplicity Energy Limited (In Administration)

The Administrators' Proposals

25 March 2021

Contents and abbreviations



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B.	Administrators’ Receipts & Payments Account
C.	The Administrators’ remuneration, disbursements and costs information <ul style="list-style-type: none">▪ Estimated Outcome Statement▪ Schedule of work▪ FRP disbursement policy▪ Fee estimate▪ FRP charge out rates
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E.	Directors’ Statement of Affairs/Details of the financial position of the Company

The following abbreviations are used in this report:	
FRP	FRP Advisory Trading Limited
The Company	Simplicity Energy Limited (In Administration)
The Administrators	Allan Kelly and Matt Higgins of FRP Advisory Trading 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
HMRC	HM Revenue & Customs
SoLR	Supplier of Last Resort
Ofgem	Office for Gas and Electricity Markets
BGE	British Gas Evolve
CNG	Contract Natural Gas

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

FRP

On 4 February 2021, the Company entered administration and Allan Kelly and Matt Higgins 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 on 25 March 2021.

These proposals have been prepared from information available at the time of their preparation. Due to the global outbreak of Covid 19 and the UK's response to this, requiring working from home and necessarily a lack of access to physical files or other information, we should advise that we may not have all the information required to ensure these proposals are both complete and accurate. Where there are errors and/or omissions we will endeavour to correct these where possible in our next report to you.

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

The Company incorporated 09 February 2017 was Arizona Energy Ltd an energy provider. In 2018 the Company changed its name to Simplicity Energy Ltd. The Company's head office was located at Spaces, 100 Avebury Boulevard, Milton Keynes, MK9 1FH.

The Company was licensed by the Ofgem to supply gas and electricity to domestic and non-domestic customers ("the License"). At its peak the Company supplied energy to circa 50,000 customers.

The company employed approximately 51 people. The details of the Company's directors, including those who have resigned in the last three years, is provided in Appendix A.

Simplicity Energy Holdings Ltd is the sole shareholder.

Contract Natural Gas Ltd ("CNG") has the benefit a debenture incorporating fixed and floating charges (which constitutes a qualifying floating charge) created on 17 January 2020 and registered on 29 January 2020 in relation to monies owed under a master supply agreement for the supply of gas and gas shipping.

Allan Kelly and Matt Higgins of FRP were introduced to the company by CNG in January 2020 to discuss the Company's financial position. No formal engagement was entered into nor was any advice provided to any party.

Towards the end of January 2021, issues were identified with the Company's hedging. These issues presented the Company with a severe cash flow issue, the result of which the director identified that the Company could not pay their creditors as and when they fell due.

The Director and management entered into discussions with a competitor, Green Supplier Ltd regarding a sale of the Company's hedging products and a transfer of the Company's staff. The Administrators understand that the hedging products were sold for a nominal sum (as they represented a liability) but that the transfer of staff was not formally completed.

As a consequence of the financial issues, CNG re-introduced Allan Kelly and Matt Higgins of FRP. At the same time, the director notified Ofgem of the Company's financial position and as a consequence, on 27 January 2021, Ofgem commenced the Supplier of Last Resort process ("SoLR") to identify a new supplier for the Company's customers.

The SoLR process resulted in Ofgem obtaining a court order confirming the Company's insolvent financial position, the Company's licence to supply energy being withdrawn and the transfer of all of the Company's customers to British Gas Evolve on 30 January 2021.

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

FRP

Following completion of the SoLR process on 30 January 2021 and British Gas Evolve's appointment as SoLR, Ofgem revoked the Company's license to supply energy and the company ceased trading.

As noted above, Roger Stoney the director of the Company, sought advice from FRP on 25 January 2021.

On 3 February 2021 date, the director filed a notice of intention to appoint an Administrator. On 4 February 2021 date, CNG provided their consent to the appointment of Administrators. On 4 February 2021 the director filed a notice of appointment of Administrators and Allan Kelly and Matt Higgins were subsequently appointed as Joint Administrators on the same date.

2. Conduct of the administration

FRP

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 the Company's licence to supply energy was revoked by Ofgem on 30 January 2021 and British Gas Evolve were appointed as the new supplier by Ofgem, meaning that the Company has no business to continue trading.

As such, it is envisaged that objective (b) will be achieved, 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). We believe this will be possible as the administrators have been able to retain staff and systems to assist with the finalisation of customer accounts, which will enable the collection of book debts which would not have been possible in Liquidation.

Details of work already undertaken since appointment or anticipated will be undertaken is set out in the schedule of work attached at **Appendix C**.

Highlights to date include:

- Liaising with BGE and Ofgem regarding BGE's appointment as Supplier of last resort.
- Commencement of final billing exercise in conjunction with the team at Simplicity.
- Liaising with Go Cardless, the Company's direct debit provider, regarding funds they hold on account and bulk transfer of mandates to BGE.
- Consideration of the most appropriate strategy for realising the Company's book debts following final invoicing including initial discussions regarding the Administrators retaining Simplicity staff and systems to collect the ledger, a sale of the whole ledger, part ledger or collection through the instruction of specialist debt collection agents.

Following 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:

- Recover credit balances from the Company's pre-appointment bank accounts
- Undertake an initial review and commence negotiation for release of funds held by third parties (direct debits retained by service agent)
- Finalise customer account reconciliations and deal with customer queries
- Continue to liaise with BGE to transfer information relating to credit balances and customers transferred under Ofgem's SoLR process
- Recover monies owed to the Company by debtors
- Realise the Company's remaining assets
- Investigate and, if appropriate, pursue 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
- Calculate and finalise the VAT and other tax liabilities for the Administration period
- Distribute realisations to the secured and preferential creditors where applicable
- Seek an extension of the administration if needed
- Agree the claims of the unsecured creditors and distribute the Prescribed Part, if applicable
- Ensure all statutory and compliance matters are attended to
- Pay all administration expenses and bring the administration to an end when deemed appropriate by the Administrators

A copy of the Administrators' receipts and payment account to date is attached as **Appendix B**.

2. Conduct of the administration

FRP

The director of the Company has been asked to submit a Statement of Affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986 and this is awaited. Details of the financial position of the Company at the latest practical date, prepared from information available to the Administrators and including a list of creditors' names and addresses is provided at **Appendix E**. As and when the director's Statement of Affairs is received it will be filed with the Registrar of Companies.

Debtors

The book value of debtors is an estimate of the value of the debtor ledger as the final billing exercise is not yet complete. The estimated to realise balance is based on the Administrators' views taken from past experience of realisations of debts in insolvent domestic energy suppliers.

Funds held by GoCardless

GoCardless is the Company's direct debit supplier. It currently holds funds of circa £2.8m which relate to direct debits drawn on behalf of the Company. Approximately £850k of the balance held relates to payments drawn after the Administrators' appointment which have created or increased credit balances. These monies are client monies held in trust for the benefit of the clients and the Administrators are working with GoCardless to facilitate the return of these monies to customers. A balance of approximately £1.95m relates to payments taken prior to the Administrators' appointment which will be paid to the Administrators in due course and this is the amount shown on the face of the statement of financial position.

Credit balances

The credit balances noted as owed to British Gas Evolve are an estimate as the final billing exercise is not yet complete.

I am required as part of my duties to establish what assets the Company owns and to consider the way in which the Company's business has been conducted, and am 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 me as soon as possible.

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.

If the Administrators are of the view that a dividend will become available to the unsecured creditors (other than by virtue of the prescribed part) 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

2. Conduct of the administration

FRP

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.

In this administration it is proposed that the administrators will take the necessary steps to move the Company into a CVL to enable a distribution to unsecured creditors, however this is dependant upon level of realisations from the debtor ledger.

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.

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;
- 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 (which requires 50% of the creditors voting by value to vote in favour of it together with the nomination of at least 3 members entitled to sit on the committee) the above will be determined by the creditors.

To vote by correspondence creditors must have lodged a completed Proof of Debt form, which is considered by the Administrators and accepted for voting purposes, either in whole or in part, and return with 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

FRP

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

FRP

A schedule of the work to be undertaken during the administration is set out at **Appendix C** 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. The Administrators' fees for dealing with any assets subject to a fixed charge will be agreed with Contract Natural Gas Ltd.

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 Liquidators' will seek further creditor approval for the quantum of fees to be drawn in the liquidation where necessary.

The Administrators' remuneration which is proposed to be charged by reference to time incurred is set out on the fee estimates attached at Appendix C. Time costs incurred to date total c£61,827. 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's charge out rates are included at **Appendix C**.

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 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.

The Company agreed to pay FRP's costs for assisting with the placing of the Company into administration on a time costs basis. £18,958 plus VAT has been incurred.

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 and a stand-alone separate resolution is included on the proxy form attached.

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.frpadvisor.com/info.aspx> and

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

FRP

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

FRP

We attach at **Appendix C** an estimated outcome statement which has been prepared from the information provided by the directors, 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:

We anticipate that the secured creditor will be paid in full.

It is currently estimated that preferential creditors will total £27,594, 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. The Administrators expect that HMRC's secondary preferential claim will be £NIL.

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.

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 £10,000.

The prescribed part, based on net property estimated to be £4,722,106 has been calculated to be approximately £547,421. The prescribed part is available for all unsecured creditors and where there are only sufficient funds to enable a dividend to be paid to unsecured creditors from the prescribed part, this will be paid by the Administrators.

Appendix A

Statutory information about the Company and the administration

FRP**COMPANY INFORMATION:**

Other trading names:	None
Date of incorporation:	09 February 2017
Company number:	10611082
Registered office:	C/O FRP Advisory Trading Ltd Suite 5 Bulman House Gosforth Newcastle upon Tyne NE3 3LS
Previous registered office:	Spaces 100 Avebury Boulevard Milton Keynes MK9 1FH
Business address:	Spaces 100 Avebury Boulevard Milton Keynes MK9 1FH
Directors:	Roger Stoney
Directors resigned in last 3 years:	Andrew Dyball
Company secretary:	None
None of the directors nor Company secretary have a following shareholdings in the Company	

ADMINISTRATION DETAILS:

Names of Administrators:	Allan Kelly and Matt Higgins
Address of Administrators:	FRP Advisory Trading Limited Suite 5, 2nd Floor, Bulman House, Regent Centre, Newcastle Upon Tyne , NE3 3LS
Date of appointment of Administrators:	4 February 2021
Court in which administration proceedings were brought:	High Court of Justice Business & Property Courts Insolvency & Companies List (ChD)
Court reference number:	CR-2021-000198
Date of notice of intention to appoint Administrators presented to Court:	03 February 2021
Administration appointment made by:	Directors
Consent to the notice to appoint an Administrator provided by the qualifying charge holder as follows:	

Appendix A

Statutory information about the Company and the administration

FRP

Holder of Qualifying Floating Charge	Date of consent
1. Contract Natural Gas Ltd	03 February 2021

The appointment of the Administrators included a declaration that they are acting jointly and severally as Administrators of the Company in accordance with Paragraph 100 of Schedule B1 to the Insolvency Act 1986.

The director has confirmed the Company's centre of main interest has been in the UK and accordingly the proceedings will be COMI proceedings as defined in the Insolvency Rules.

Extracts from the financial statements available are summarised below:

Period Ended	Turnover	Gross Profit	Net Profit/(Loss)	Dividend paid	P & L a/c c/fwd
	£'000	£'000	£'000	£'000	£'000
Mgmt - 9m to 31/12/20	36,021	2,272	(271)	-	-
Mgmt – 12m to 31/03/2020	52,065	2,694	(862)	-	-

Appendix B

Administrators' Receipts & Payments Account

FRP

Simplicity Energy Limited
(In Administration)
Joint Administrators' Trading Account
To 25/03/2021

S of A £	£	£
OTHER DIRECT COSTS		
Sub Contractors	5,632.00	
Direct Wages	86,639.04	
		(92,271.04)
TRADING EXPENDITURE		
Professional Fees	295.26	
IT Costs	20,562.11	
		(20,857.37)
TRADING SURPLUS/(DEFICIT)		(113,128.41)

Simplicity Energy Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 25/03/2021

S of A £		£	£
	SECURED CREDITORS		
(1,618,191.67)	Contract Natural Gas Ltd	NIL	NIL
	ASSET REALISATIONS		
11,500.00	Furniture & Equipment	NIL	
2,200,000.00	Book Debts	363,992.85	
690,000.00	Cash at Bank	674,713.02	
2,000,000.00	Funds in transit	NIL	
	Trading Surplus/(Deficit)	(113,128.41)	925,577.46
	COST OF REALISATIONS		
	Administrators' Disbursements	1,155.00	
	Statutory Advertising	81.00	
	Insurance of Assets	1,532.16	
	Bank Charges - Floating	124.00	(2,892.16)
	PREFERENTIAL CREDITORS		
(27,594.69)	Preferential Creditors	NIL	NIL
	SECONDARY PREFERENTIAL CREDITORS		
(151,799.00)	HMRC	NIL	NIL
	UNSECURED CREDITORS		
(391,452.96)	Trade Creditors	NIL	
(135.00)	Customer Compensation Creditors	NIL	
(3,584.46)	Employees & RPO	NIL	
(32,717.00)	HM Revenue & Customs	NIL	
(5,200,000.00)	Consumer Credit Balances	NIL	NIL
	DISTRIBUTIONS		
(10.00)	Ordinary Shareholders	NIL	NIL
(2,523,984.78)			922,685.30
	REPRESENTED BY		
	Vat Recoverable - Floating		6,618.68
	Current Floating Int Bearing		916,066.62
			922,685.30

Allan Kelly
Joint Administrator

Appendix C

The Administrators' estimated remuneration, disbursements and costs information

FRP

Simplicity Energy Limited
(In Administration)
Joint Administrators' Trading Account
To 25/03/2021

Statement of Affairs £	Realised / Paid	Projected	Total £
OTHER DIRECT COSTS			
Sub Contractors	5,632.00	NIL	5,632.00
Direct Wages	86,639.04	30,000.00	116,639.04
	(92,271.04)	(30,000.00)	(122,271.04)
TRADING EXPENDITURE			
Rents	NIL	(10,000.00)	(10,000.00)
Insurance	NIL	(5,000.00)	(5,000.00)
Professional Fees	(295.26)	(1,204.74)	(1,500.00)
IT Costs	(20,562.11)	(14,437.89)	(35,000.00)
	(20,857.37)	(30,642.63)	(51,500.00)
TRADING SURPLUS/(DEFICIT)	(113,128.41)	(60,642.63)	(173,771.04)

Simplicity Energy Limited
(In Administration)
Joint Administrators' Estimated Outcome Statement
To 25/03/2021

Statement of Affairs £		Realised / Paid	Projected	Total £
	SECURED CREDITORS			
(1,618,191.67)	Contract Natural Gas Ltd	NIL	1,618,191.67	1,618,191.67
		NIL	(1,618,191.67)	(1,618,191.67)
	ASSET REALISATIONS			
11,500.00	Furniture & Equipment	NIL	11,500.00	11,500.00
2,200,000.00	Book Debts	363,992.85	1,836,007.15	2,200,000.00
690,000.00	Cash at Bank	674,713.02	15,286.98	690,000.00
2,000,000.00	Funds in transit	NIL	2,000,000.00	2,000,000.00
	Trading Surplus/(Deficit)	(113,128.41)	(60,642.63)	(173,771.04)
		925,577.46	3,802,151.50	4,727,728.96
	COST OF REALISATIONS			
	Bordereau	NIL	(500.00)	(500.00)
	Administrators' Pre appointment costs	NIL	(18,958.00)	(18,958.00)
	Administrators' Remuneration	NIL	(246,000.00)	(246,000.00)
	Administrators' Disbursements	(1,155.00)	(845.00)	(2,000.00)
	Agents/Valuers Fees (1)	NIL	(1,000.00)	(1,000.00)
	Legal Fees (1)	NIL	(30,000.00)	(30,000.00)
	Legal fees - Pre-Administration	NIL	(10,118.46)	(10,118.46)
	Statutory Advertising	(81.00)	(160.00)	(241.00)
	Insurance of Assets	(1,532.16)	(500.00)	(2,032.16)
	Bank Charges - Floating	(124.00)	(150.00)	(274.00)
		(2,892.16)	(308,231.46)	(311,123.62)
	PREFERENTIAL CREDITORS			
(27,594.69)	Preferential Creditors	NIL	27,594.69	27,594.69
		NIL	(27,594.69)	(27,594.69)
	SECONDARY PREFERENTIAL CREDITORS			
(151,799.00)	HMRC	NIL	151,799.00	151,799.00
		NIL	(151,799.00)	(151,799.00)
	UNSECURED CREDITORS			
(391,452.96)	Trade Creditors	NIL	391,452.96	391,452.96
(135.00)	Customer Compensation Creditors	NIL	135.00	135.00
(3,584.46)	Employees & RPO	NIL	3,584.46	3,584.46
(32,717.00)	HM Revenue & Customs	NIL	32,717.00	32,717.00
(5,200,000.00)	Consumer Credit Balances	NIL	5,200,000.00	5,200,000.00
		NIL	(5,627,889.42)	(5,627,889.42)
	DISTRIBUTIONS			
(10.00)	Ordinary Shareholders	NIL	10.00	10.00
		NIL	(10.00)	(10.00)
<u>(2,523,984.78)</u>	(Shortfall) / Surplus to Creditors	<u>922,685.30</u>	<u>(3,931,564.74)</u>	<u>(3,008,879.44)</u>
	REPRESENTED BY			
	Vat Recoverable - Floating	6,618.68	NIL	6,618.68
	Current Floating Int Bearing	916,066.62	NIL	916,066.62
		<u>922,685.30</u>	<u>NIL</u>	<u>922,685.30</u>

Simplicity Energy 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 of 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 (from the sale of assets; enhanced recoveries and potentially a reduction in creditor claims if the business has continued to trade and/or is sold following appointment; 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. In this case, work undertaken will include the scrutiny and agreement of creditor claims.

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/debtor, 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

- 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 financial irregularities are identified
- A committee of creditors is not appointed
- There are no exceptional queries from stakeholders
- Full co-operation of the directors 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 closed within 2 years

Simplicity Energy 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	
	<ul style="list-style-type: none"> Completion of money laundering risk assessment procedures and Know your client checks in accordance with the Money Laundering Regulations. We have considered if there are any other case specific matters to be aware of prior to or on appointment, for example health and safety; environmental concerns; particular licences or registrations; tax position profile of the client or its stakeholders. As the Company ceased to trade. No health and safety issues were identified. There were no environmental concerns. Liaised with and provided updates to Ofgem in relation to progress of the supplier of last resort procedure. 	<ul style="list-style-type: none"> Regularly reviewing the conduct of the case and the case strategy and updating 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. Assisting employees with their claims and liaising with the Redundancy Payments office as required. Consider any ongoing liaison with third parties eg FCA etc that may be required Cancelling insurance cover over assets as they are realised to control insurance costs.
	<ul style="list-style-type: none"> Completion of take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act. 	<ul style="list-style-type: none"> Ascertaining the online presence of the insolvent and taking appropriate measures to control or close it as required.
	<ul style="list-style-type: none"> This work does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow. 	
	General Matters	
	<ul style="list-style-type: none"> Regularly reviewed the conduct of the case and the case strategy and updating as required by the insolvency practitioners' regulatory professional body to ensure all 	<ul style="list-style-type: none"> Regularly reviewing the conduct of the case and the case strategy and updating as required by the insolvency practitioners regulatory professional body to ensure all

Simplicity Energy Limited (IN ADMINISTRATION)**Schedule of Work**

	<p>statutory matters are attended to and to ensure the case is progressing. This aids efficient case management.</p> <ul style="list-style-type: none"> • Dealt with all routine correspondence and emails relating to the case. • Overseeing and controlling the work done on the case by case administrators. • Liaising with the Redundancy Payments office on behalf of the employees as required. <p>This work does not give direct financial benefit to the creditors but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.</p>	<p>statutory matters are attended to and to ensure the case is progressing. This aids efficient case management.</p> <ul style="list-style-type: none"> • Ongoing liaison with third parties that may be required. • Reviewing the adequacy of the specific penalty bond on a quarterly basis. • Dealing with all routine correspondence and emails relating to the case. • Maintaining and managing the office holders' estate bank account. • Undertaking regular bank reconciliations of the bank account containing estate funds. • Undertaking periodic reviews of the progress of the case. • Overseeing and controlling the work done on the case by case administrators. • Preparing and issuing progress reports to creditors and members (as applicable). • Filing final returns at Companies House and /or Court (as applicable).
	Ethical Requirements	
	<ul style="list-style-type: none"> • Prior to the Joint Administrator's appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment over the Review Period. 	<ul style="list-style-type: none"> • Ongoing review of ethical issues.
	Case Management Requirements	
	<ul style="list-style-type: none"> • Monitored case strategy and documented this. • Maintained the office holder's estate bank account. • Maintained the office holder's cashbook. 	<ul style="list-style-type: none"> • Regularly reviewing the conduct of the case and the case strategy and updating as required by the insolvency practitioners' regulatory professional body to ensure all

Simplicity Energy Limited (IN ADMINISTRATION)**Schedule of Work**

	<p>This work does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.</p>	<p>statutory matters are attended to and to ensure the case is progressing. This aids efficient case management.</p> <ul style="list-style-type: none"> • Maintaining the office holder's estate bank account. • Maintaining the office holder's cashbook. • Undertaking regular bank reconciliations of the bank account containing estate funds. • Reviewing the adequacy of the specific penalty bond on a quarterly basis.
2	<p>ASSET REALISATION Work undertaken to date</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 has been arranged by the IP to ensure available assets are protected until such time as they are realised.</p> <p>The Company was a domestic energy supplier with c 50,000 customers and as noted in our report it ceased trading on 30 January 2021. Restarting trade was not possible due to:</p> <ul style="list-style-type: none"> - Supply licenses being revoked by Ofgem on 30 January 2021 - All customers transferring to British Gas Evolved under the SoLR process at this time - The Company was cashflow insolvent and ongoing trading was not viable nor would lead to any recovery for creditors <p>We retained back office functions including 23 staff in order to maintain the Company's IT platform and operate customer service functions with a view to finalising customer accounts to crystallise credit and debit balances. At the date of these proposals two</p>	<p>ASSET REALISATION Future work to be undertaken</p> <p>The Administrators will consider whether a VAT bad debt relief claim is appropriate at conclusion of the debt collection exercise.</p> <p>The Administrators will finalise calculation of the customer accounts and facilitate the transfer of debtor information to Credit Style Ltd, as well as providing ongoing support and assistance to Credit Style where there are queries / issues with customer accounts.</p> <p>As the book debts are collected and queries received, the Joint Administrators will continue to liaise with Credit Style to review any queries with a view to maximising the return to creditors. This will involve the review of</p> <ul style="list-style-type: none"> • Full and final settlements for accounts with disputes • Tracing customers who have left premises where appropriate • Reviewing the success of the collection campaigns

Simplicity Energy Limited (IN ADMINISTRATION)

Schedule of Work

<p>members of the team have been retained on a subcontract basis to aid with ongoing queries.</p> <p>The Simplicity team have sought final meter reads from customers in order to finalise these accounts, issue final bills, notify customers of outstanding balances and provide credit balance information to BGE. The exercise has required the ongoing use of Simplicity's IT systems (which are primarily cloud based and subject to payment of licence fees) and use of the Company's premises.</p> <p>The Company's accountants, Cartwrights, have continued to provide payroll services during the period as the Administrators believed this would be the most cost-efficient way of processing payroll in this matter. Costs associated with this exercise are shown in the 'Trading Account' section of the R&P.</p> <p>The exercise has required close co-ordination with BGE to facilitate a successful transfer of the customers and to deal with customer issues arising as a consequence of the SoLR process.</p> <p>The Administrators have further liaised with the Company's Direct Debit provider regarding the release of some £2.8m of funds they are currently holding. Following investigation c£850k relates to monies drawn after the Administrators' appointment that has created or increased a credit balance. The Administrators continue to work with Go Cardless to return these monies and anticipate that the remaining funds will be transferred to the Administrators in due course.</p> <p>Whilst the final billing exercise is not yet complete (but is due to complete before the end of March) the Administrators currently</p>	<ul style="list-style-type: none"> • Reviewing Change of Tenancy Cases (COT) implementing tracing and a separate campaign to reflect the varying levels of data for these cases • Instigation of legal action to collect book debts as and when appropriate <p>The Administrators will review what other assets may be available to realise for the benefit of creditors.</p> <p>The Administrators will continue to liaise with Go Cardless regarding the return of monies they hold in trust for customers and then payment to the estate of the net balance of funds they hold of c£2m.</p>
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Simplicity Energy Limited (IN ADMINISTRATION)**Schedule of Work**

<p>forecast that the debtor ledger will total c£4m. c£900k of this relates to change of tenancy customers, which in our experience can be difficult to collect in an Administration. The remaining balance of c£3.1m remains outstanding over c15,000 accounts.</p> <p>The Administrators considered retaining some of the Company's staff to facilitate the collection, however the Administrators did not believe that the Company had sufficient resources to manage a collection exercise of this type and the exposure to fixed costs not linked to realisations could result in costs incurred being in excess of realisations. The Administrators have therefore concluded that the instruction of a third party debt collection agent is appropriate. The Administrators have instructed Credit Style Ltd to assist in this regard. Credit Style has provided debt collection services to a large number of insolvent energy companies and the Administrators are satisfied that they have the necessary systems, experience and expertise to efficiently manage the collection of the debtors. Credit Style will be paid 14% of realisations they make plus VAT plus certain tracing / legal fees as are agreed and may be appropriate from time to time. This ensures that creditors will have certainty that the estate will benefit from the debt collection exercise without it having to bear the burden of fixed IT, wages and other costs.</p> <p>During the period of their appointment the Administrators have received payments of £340k from debtors, and £675k of cash at bank.</p> <p>The Company's plant and machinery (primarily office and IT equipment) with a book value of £39k has been sold on behalf of the Administrators' by agents Gordon Brothers for £11k, which has been received in full by Gordon Brothers. The purchaser was Smart</p>	
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Simplicity Energy Limited (IN ADMINISTRATION)**Schedule of Work**

	IBS Ltd which should be treated as a connected party for the purpose of SIP13 as it is a company under the control of the Company's Director. Gordon Brothers valued the assets at £9k on an ex situ basis and £20k on an in situ basis. Gordon Brothers advised accepting the offer. The administrators are not aware that the purchaser received any independent advice.	
3	STATUTORY COMPLIANCE AND REPORTING Work undertaken to date	STATUTORY COMPLIANCE AND REPORTING Future work to be undertaken
	<ul style="list-style-type: none"> Dealt with creditors' correspondence, emails, telephone conversations regarding their claim. Post appointment notice to all relevant parties. As part of the Ofgem's SoLR process BGE is obliged to absorb the credit balances for domestic customers so the customer has no detrimental impact. Time spent calculating and liaising with BGE in this regard is reported under the 'Trading' heading. 	<ul style="list-style-type: none"> Ensure that all known creditors are on the case management data base, Dealing with creditor correspondence, emails and telephone conversations, Providing statutory reports to all creditors, employees and stakeholders, Dealing with creditor correspondence, emails, and telephone conversations, regarding claims, Agreement of creditors' claims and liaising with creditors, Agreement of the claims of the preferential creditors and payment of dividend to the preferential creditors, <p>Providing statutory reports to creditors, employees and stakeholders. Filing progress reports with Companies House and Court, if appropriate.</p>
4	TRADING Work undertaken to date	TRADING Future work to be undertaken
	<ul style="list-style-type: none"> The Administrators have retained certain of the Company's employees to assist with finalisation of customer accounts and to assist with reviewing and resolving customer queries. The administrators have therefore had to spend time dealing with suppliers, landlords and other parties necessary to 	<ul style="list-style-type: none"> The administrators will finalise and settle the costs and expenses of trading and withdraw any undertakings given in this regard.

Simplicity Energy Limited (IN ADMINISTRATION)**Schedule of Work**

	continued trade, along with payment of review, approval and payment of relevant invoices for services used by the administrators following their appointment.	<ul style="list-style-type: none"> The administrators will continue to liaise with British Gas to finalise credit balance transfers and any issues relating to the same in accordance with the SoLR process.
5	INVESTIGATIONS Work undertaken to date	INVESTIGATIONS Future work to be undertaken
	<ul style="list-style-type: none"> The Administrators have considered whether any matters have come to light in the period that require further investigation. No matters have been identified, however our initial investigation is not yet complete. 	<ul style="list-style-type: none"> Requesting all directors of the Company both current and those holding office within 3 years of the insolvency to complete a questionnaire to assist in preparing the statutory return to the Department of Business Energy and Industrial Strategy ("DBEIS") in accordance with the Company Directors Disqualification Act. <p>Information provided to DBEIS is confidential but can be used to assist DBEIS in identifying conduct that should be investigated further and could result in individuals being disqualified from acting as a director.</p> <ul style="list-style-type: none"> Considering information provided all stakeholders that might identify further assets or lines or enquiry for the office holder to explore if benefit to the estate is possible. <p>Consideration of whether any matters have come to light which require notification to the Secretary of State or National Crime Agency</p> <ul style="list-style-type: none"> If any matters arise that require investigation then these will be carried out.
6	CREDITORS Work undertaken to date	CREDITORS Future work to be undertaken
	<ul style="list-style-type: none"> Notice of appointment sent to all known creditors. Liaising with British Gas Evolve regarding calculation of and transfer of customer credit balances they are honouring under the SoLR process 	<ul style="list-style-type: none"> Ensure that all known creditors are on the case management data base. Dealing with creditor correspondence, emails and telephone conversations.

Simplicity Energy Limited (IN ADMINISTRATION)**Schedule of Work**

	<ul style="list-style-type: none"> Liaising with employees regarding any claims they have 	<ul style="list-style-type: none"> Providing statutory reports to all creditors, employees and stakeholders. Dealing with creditor correspondence, emails, and telephone conversations, regarding claims. Agreement of creditors' claims and liaising with creditors. Agreement of the claims of the preferential creditors and payment of dividend to the preferential creditors. <p>Providing statutory reports to creditors, employees and stakeholders. Filing progress reports with Companies House and Court, if appropriate.</p>
7	LEGAL AND LITIGATION Work undertaken to date	LEGAL AND LITIGATION Future work to be undertaken
	Liaised with Womble Bond Dickinson on advice including but not limited to, the SoLR process, the transfer of credits to British Gas Evolve, review of the debt collection agreement and drafting of a service agreement for British Gas Evolve for the Administrators to provide assistance to BGE in calculation of certain customer balances.	None known at present.
	TOTAL ESTIMATED FEES	£246,320

Simplicity Energy Limited (In Administration)
Joint Administrators' fee estimate as at 25.03.2021

Activity	Hours	Total Cost (£)	Average hourly rate £
ADMINISTRATION	199.0	53,315	268
ASSET REALISATION	200.0	55,650	278
STATUTORY COMPLIANCE AND REPORTING	146.0	39,620	271
TRADING	6.0	1,945	324
INVESTIGATION	120.0	32,300	269
CREDITORS	237.0	63,490	268
LEGAL AND LITIGATION	-	-	#DIV/0!
TOTAL	908.0	246,320	

Hourly Charge out rates:	
	£
Appt taker/partner	320-345
Managers/directors	230-320
Other professional	135-210
Junior Professional/support	75-105

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 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.

FRP ADVISORY LLP ("FRP")

HOURLY CHARGE OUT RATES WITH EFFECT FROM 1 MAY 2016

Grade	£/hour
Appointment taker/Partner	345
Managers/Directors	230-320
Other Professional	135-210
Junior Professional/Support	75-105

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.frpadvisory.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 D

Schedule of pre-administration costs

FRP

	Note	Fees Charged (£)	Expenses Incurred (£)
Pre-administration costs:	1&2		
FRP		18,958	-
Womble Bond Dickinson		6,900	-
Vanderpump & Sykes		2,968.46	250
Amounts paid	3	(-)	(-)
Unpaid pre-administration costs for which approval is being sought		28,826.46	250.00

Notes

- FRP's fees were charged under an agreement dated 29 January 2021. Vanderpump & Sykes had existing engagements in place with the Company prior to the Administrators' instruction and were instructed by the director. WBD were instructed by the Administrators to oversee the appointment process to ensure that the appointment was valid. The Administrators' fees were charged on a time costs basis. 67.1 hours at an average rate of £282 per hour have been charged. Vanderpump & Sykes' fees were charged on a time costs basis. 15 hours at an average rate of £195 per hour have been charged. Womble Bond Dickinsons fees were charged on a time costs basis. These costs represent a fair and reasonable reflection of the work undertaken prior to the appointment of Administrators which is further explained below.
- These costs relate to assisting the Company with its discussions with Ofgem regarding the insolvency of the Company, liaising with the secured creditor, and dealing with the practicalities of the Company being placed into Administration. This work helped achieve the purpose of the administration by helping facilitate the successful completion of the SoLR process in a shorter timescale and accelerated the appointment of the Administrators thereby allowing immediate control to be taken and collation of customer information without undue delay or overlap with the new utility provider(s). Thus assisting the administrators to achieve a better result for creditors than if the Company was first wound up.
- The payment of these unpaid costs as an expense of the administration is subject to approval in accordance with the Insolvency Rules and is not part of the proposals subject to approval in accordance with Paragraph 53 of Schedule B1 to the Insolvency Act 1986.

Appendix E

Details of the financial position of the Company

Prepared in accordance with Rules 3.35 of the Insolvency (England and Wales) Rules 2016

FRP

Insolvency Act 1986

Simplicity Energy Limited
Company Registered Number: 10611082

Statement Of Financial Position as at 4 February 2021

	Book Value £	Estimated to Realise £
ASSETS		
Contract Natural Gas Ltd	(1,618,191.67)	
Deficiency c/d	<u>(1,618,191.67)</u>	
Furniture & Equipment	53,656.00	11,500.00
Book Debts	3,600,000.00	2,200,000.00
Cash at Bank	690,000.00	690,000.00
Funds in transit	2,000,000.00	<u>2,000,000.00</u>
		4,901,500.00
LIABILITIES		
PREFERENTIAL CREDITORS:-		
Preferential Creditors		27,594.69
		<u>27,594.69</u>
		4,873,905.31
2nd PREFERENTIAL CREDITORS:-		
HMRC		151,799.00
		<u>151,799.00</u>
		4,722,106.31
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003		
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		
		<u>NIL</u>
		4,722,106.31
Estimated prescribed part of net property where applicable (to carry forward)		<u>547,421.26</u>
		4,174,685.05
DEBTS SECURED BY FLOATING CHARGES POST 14 SEPTEMBER 2003		
Deficiency b/d	1,618,191.67	
		<u>1,618,191.67</u>
		2,556,493.38
Estimated prescribed part of net property where applicable (brought down)		<u>547,421.26</u>
		3,103,914.64
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade Creditors	391,452.96	
Customer Compensation Creditors	135.00	
Employees & RPO	3,584.46	
HM Revenue & Customs	32,717.00	
Consumer Credit Balances	<u>5,200,000.00</u>	
		5,627,889.42

Insolvency Act 1986

Simplicity Energy Limited

Company Registered Number: 10611082

Statement Of Financial Poision as at 4 February 2021

	Book Value £	Estimated to Realise £
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		<u>(2,523,974.78)</u> (2,523,974.78)
Issued and called up capital Ordinary Shareholders		10.00 10.00
TOTAL SURPLUS/(DEFICIENCY)		<u><u>(2,523,984.78)</u></u>

FRP Advisory Trading Limited
Simplicity Energy Limited
Company Registered Number: 10611082
B - Company Creditors

Key	Name	Address	£
CA01	AES Smart Metering	94 Silver Street , Enfield, EN1 3EP	73,652.59
CA05	Aztech IT Solutions Ltd	Libra House Sunrise Parkway, Linford Wood Business Park, Milton Keynes, MK14 6PH	12,806.58
CB07	British Gas Evolve		5,200,000.00
CC01	Cartwrights	Regency House, 33 Wood Street, Barnet, EN5 4BE	911.98
CC03	Cloud50 Limited	Stirling House, Denny End Road, Waterbeach, CB25 9PB	70.80
CC05	Contract National Gas Ltd	2 Victoria Avenue, Harrogate, HG1 1EL	1,618,191.67
CD02	DCUSA LTD	Northumberland House, 303 - 306 High Holborn, London, WC1V 7JZ	1,123.86
CE03	Elxon Clear Limited	Unilever House, The Office Park, Springfield Drive, Leatherhead, K, T22 7GR.	27,526.49
CE04	ElectraLink Ltd	Northumberland House, 303 - 306 High Holborn, London, WC1V 7JZ	541.06
CE09	E.ON Energy Solutions Limited	Westwood Way, Westwood Business Park, Coventry, CV4 8LG	8,222.20
CE0C	eUKhost Ltd	Suite 2 7 Commercial Street, Morley, Leeds, LS27 8HX	37.60
CH04	HMRC	EIS Cardiff, BX9 1SH	184,516.00
CI00	Indeed Ireland Operations Ltd	20 Farringdon Road, London, EC1M 3HE	187.61
CL03	Lowri Beck Services Ltd	Building B, Swan Meadow Road, Wigan, WN3 5BB	169.40
CM00	Macquarie Metering Limited	Suites 3 & 4 Warners Mill, Silksway, Braintree, Essex, CM7 3GB	11,518.64
CM01	Maple Co		7,349.48
CM03	Meter Fit 10 Ltd	5th Floor 1 Marsden Street, Manchester, M2 1HW	8,632.79
CM05	Meter Fit 20 Ltd	5th Floor 1 Marsden Street, Manchester, M2 1HW	7,009.32
CM06	Meter Fit 3 Ltd	5th Floor 1 Marsden Street, Manchester, M2 1HW	233.23
CM07	Meter Fit 4 Ltd	5th Floor 1 Marsden Street, Manchester, M2 1HW	5,299.36
CM08	Meter Fit 5 Ltd	5th Floor 1 Marsden Street, Manchester, M2 1HW	13,689.99
CM0B	ME Expert (Money Expert)		127,050.00
CN03	National Grid Smart Limited	1 - 3 Strand, London, WC2N 5EH	1,715.02
CP01	PayPoint Network Limited	Paypoint Plc, Shire Park, 1 The Boulevard, Welwyn Garden City, AL7 1EL	1,507.22
CS03	Scottish and Southern MAP		1,869.95
CS04	Secure Meters (SMSO)		11,846.07
CS0C	SMS Energy Services Ltd.	Prennau House Copse Walk, Cardiff Gate Business Park, Pontprennau, Cardiff, CF23 8XH	148.60
CT02	The Ombudsman Service Ltd	3300 Daresbury Park, Daresbury, Warrington, WA4 4HS	12,240.00
CT04	TMA Data Management Ltd	100 London Road, Kingston Upon Thames, KT2 6QJ	1,622.81

FRP Advisory Trading Limited
Simplicity Energy Limited
Company Registered Number: 10611082
B - Company Creditors

Key	Name	Address	£
CU01	Utility Metering Services/on stream	Suites 3 & 4 Warners Mill, Silksway, Braintree, Essex, CM7 3GB	49.90
CV01	Vantage Meters	82 Heathfield North, Twickenham, TW2 7QW	54,217.62
CX00	XOserve Ltd	Lansdowne Gate, 65 New Road, Solihull, B91 3DL	202.79
32 Entries Totalling			7,394,160.63

FRP Advisory Trading Limited
Simplicity Energy Limited
Company Registered Number: 10611082
C - Shareholders

Key	Name	Address	Type	Nominal Value	No. Of Shares	Called Up per share	Total Amt. Called Up
HS00	Simplicity Energy Holdings Ltd	Exchange House, 494 Midsummer Boulevard, Milton Keynes, MK9 2EA	Ordinary	1.00	10	1.00	10.00
1 Ordinary Entries Totalling					10		

Signature _____