

Return of Final Meeting in a Creditors' Voluntary Winding Up

S106

Pursuant to Section 106 of the Insolvency Act 1986

To the Registrar of Companies

Company number

3830179

Name of company

(a) Insert full name of
company

Enron Energy Services Engineering UK Limited

(b) Insert full name(s)
and address(es)

We, Ian Christopher Oakley Smith and Anthony Victor Lomas

of PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR

(c) Delete as applicable

(d) Insert date

(e) The copy account
must be authenticated by
the written signature(s) of
the liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~ [summoned for] 20 June 2012 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been disposed of and ~~[that the same was done accordingly]~~ [no quorum was present at the meeting],

2 give notice that a meeting of the creditors of the company was duly ~~held on~~ [summoned for] 20 June 2012 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company has been disposed of and ~~[that the same was done accordingly]~~ [no quorum was present at the meeting]

(f) Insert venue of the
Meeting

The meeting was held at PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR

The report covers the period from 20 February 2002 (commencement of winding up) to 20 June 2012 (close of winding up)

The outcome of the meeting (including any resolutions passed at the meeting) was as follows

The joint liquidators received their release

Signed



Presenter's name,
address and reference (if
any)

TH SATURDAY



A1CNHTGH

A17 07/07/2012 #29
COMPANIES HOUSE

A1C0ACL5

A23 28/06/2012 #440
COMPANIES HOUSE



Enron Energy Services Engineering UK Limited
Registered number 03830179

Report presented to final meeting of creditors held on 20 June 2012

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Eleventh and final report to members and creditors

PRIVATE AND CONFIDENTIAL

17 April 2012

Company Enron Energy Services Engineering UK Limited

Type of insolvency Creditors' voluntary liquidation

Date of insolvency 20 February 2002

Appointees I C Oakley Smith
A V Lomas

Address PricewaterhouseCoopers LLP
Hill House
Richmond Hill
Bournemouth
BH2 6HR

Dividend prospects	Final p in £	Previous estimate p in £
Preferential	100	100
Unsecured	29 6838	uncertain

Enron Energy Services Engineering UK Limited in liquidation ("EES")

Report to Members & Creditors

1 This is the liquidators' eleventh annual and final report to members and all known creditors. Attached at appendix A is a summary of the financial information relating to the liquidation.

Asset realisations

2 The company's assets have been realised as follows:-

	Estimated to realise per the statement of affairs £	Actual realisations £
Capital expenditure	uncertain	0
Book Debts	4,354,000	447,121
Cash at bank	1,852,000	6,116,663
Taxes	uncertain	0
Interest	0	1,298,269
Refunds	0	7,443
Chattel assets	0	250
Group tax loss relief	0	288,967
	<u>uncertain</u>	<u>8,158,713</u>

Capital expenditure

3 According to the director's statement of affairs, capital expenditure with a book value of £1,459,000 had an unascertained realisable value. This expenditure related to the development of software for EES. As advised previously, this software had no value to a third party and therefore no recovery was made from this source.

Book debts

4 In the director's statement of affairs, book debts were estimated to realise £4,354,000. This sum comprised of two debts. The first, from Guinness United Distillers & Vintners Limited ("Guinness"), was in respect of a termination settlement regarding the contract between Guinness and EES. The sum of £4,354,717 was received in respect of this settlement on 19 February 2002, and is reflected in the increased cash at bank detailed below.

5 The second debtor was Sainsburys, who owed £158,000. It was not anticipated that any recovery would be achieved in this respect due to the possibility of a counter claim being made by Sainsburys. In the event, however, a settlement of £50,000 was agreed and this sum was received in full.

6 An additional amount of £625 was recovered as a result of a dividend paid from an inter-company debtor company which is also in liquidation. No additional recoveries will be made from this source.

7 The liquidators received dividends totalling £396,496 in respect of a debt due from a US based company, Owens Corning Sales Inc., which was subject to restructuring proceedings. This debt was not attributed a realisable value by the director in his Statement of Affairs but the liquidators established that the debt due to EESE totalled £1,315,950. The liquidators were advised that no further recoveries will be made from this source.

8 This brought the total debts recovered in the liquidation to £447,121.

Cash at bank

9 According to the director's statement of affairs, cash at bank was estimated to realise £1,852,000. In the event, £6,116,663 was received.

10 The money recovered represents £4,354,717 in respect of the Guinness termination settlement referred to above and £1,761,946 in respect of the cash at bank. The cash at bank sum was lower than the anticipated realisable value as a number of payments were made from the account shortly prior to liquidation. On reviewing these sums it was established that all payments were approved and appropriate.

Taxes

11 In the director's statement of affairs, deferred taxes had a book value of £3,672,000 as presented in the accounting records in accordance with accounting standards. Deferred taxes do not have any realisable value and no recoveries were made in the liquidation in this regard.

12 The liquidators' tax specialists reviewed the tax position of the company and other Enron Group companies, as a result of which the liquidators made a recovery in the liquidation for group tax relief, surrendered and utilised by other companies in the group of £288,967.

Other income

13 The liquidators have received refunds of £7,443, £250 from the sale of some chattel assets and bank interest on the above realisations of £1,298,269.

Preferential creditor

14 According to the director's statement of affairs, the claim of the preferential creditor, H M Revenue & Customs ("HMRC"), was £302,000.

15 HMRC originally submitted a claim in the sum of £265,306, which was subsequently revised to £488,164. EESE is part of a VAT group and, as a result, the claim submitted was complex in nature and required review by the liquidators' tax specialists to advise on the calculation of the claim. The claim was agreed and paid in full.

Unsecured creditors

16 In the directors' statement of affairs, unsecured creditors total £26,772,000. The liquidators have agreed claims amounting to £23,256,561. This includes the inter-company claims of Enron Europe Limited for £6,967,196 and Enron Power Operations Limited for £14,665,111. Following payment of the fourth interim dividend to creditors, two claims with a value of £111,802 were withdrawn. Therefore admitted claims in the liquidation total £23,144,759. The liquidators received a claim from Enron Corporation Inc in the sum of

£3,288,092. The claim was complex in nature and required detailed review as it would have had a material impact on the final dividend paid to the other creditors. After lengthy correspondence with their Enron contact in the USA, Enron Corporation Inc withdrew its claim.

17 To date, four interim dividends totalling 27.8 pence in the pound have been paid to unsecured creditors. The liquidators are pleased to advise that there are sufficient funds available in the liquidation to declare a fifth and final dividend of 1.8838 pence in the pound.

18 This represents formal notice of declaration of the dividend in accordance with Rule 11.6 of the Insolvency Rules 1986. A cheque in respect of the dividend due on your admitted claim will follow shortly.

19 Consequently, total dividends paid to unsecured creditors will be 29.6838 pence in the pound.

Investigations

20 The liquidators have reviewed the affairs of the company prior to liquidation and have also considered the points raised by creditors in discharging their duties under the Company Directors' Disqualification Act 1986.

21 Creditors are reminded that the liquidators have a statutory obligation to consider the directors' conduct and to submit a return/report to the Insolvency Service. The liquidators can confirm that they have complied with this requirement.

Professional Advisers

22 On this assignment the liquidators have used the professional adviser listed below.

<u>Name of professional adviser</u>	<u>Nature of work</u>	<u>Basis of fee arrangement</u>
Linklaters	Legal advice	Time costs

23 The liquidators' choice was based upon their perception of the adviser's experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

Liquidators' remuneration

24 You may recall that at the first meeting of creditors, held on 20 February 2002, a resolution was passed to enable the joint liquidators to draw remuneration by reference to the time properly given by the liquidators and their staff in attending to the matters arising in the winding up. Fees have been drawn pursuant to that resolution.

25 To 19 February 2012, the liquidators have incurred time costs of £324,709. This represents 1,641.18 hours at an average hourly rate of £197.85. This compares with the average hourly rate at the time of the liquidators last annual report of £194.42. The liquidators estimate that further costs of £11,333 will be incurred to closure. Against this £298,750 has been drawn and the balance will be drawn in due course. These figures include a change in charge out rates effective from 1 May 2011.

26 It has been the liquidators' policy to delegate the routine administration of the liquidation to junior staff in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the liquidators.

27 Details of the time costs incurred for the period 20 February 2011 to 19 February 2012, by work category, are attached at appendix B.

28 In common with all professional firms, scale rates increase from time to time over the period of the administration of each insolvency case. PricewaterhouseCoopers LLP or any successor firm reserves the right to change the rates and grade structure. Full details of the charge out rates currently charged to this case are also included at appendix B. Specialist departments within PricewaterhouseCoopers LLP, such as tax, VAT, property and pensions, sometimes charge a small number of hours should the liquidators require their expert advice. Their rates vary however, the figures given provide an indication of the maximum rate per hour.

Liquidators' disbursements

29 The liquidators' disbursements policy, as approved by the creditors, is as follows:

1. Photocopying for circulars or any other bulk copying is charged at 3p per sheet;
2. Mileage – this is reimbursed at a maximum of 57p per mile (up to 2,000cc) and 79p per mile (over 2,000cc).

30 All other disbursements are reimbursed at cost.

31 The liquidators have not drawn any sums in respect of photocopying or mileage since their last report.

Annual and final meetings of members and creditors

32 The liquidators are now in a position to close the liquidation. In order to keep reporting costs to a minimum, and comply with the statutory requirement to convene annual meetings by 19 May 2012, the liquidators are taking the opportunity to enclose a notice of both the annual and final meetings of members and creditors.

33 The annual meetings will be held on 15 May 2012, a formal notice is attached together, with a proxy form. The final meetings will be held on 20 June 2012, again, a notice is attached, together with a proxy form. Please note that the information contained in this report will provide all the information to be presented at the meetings.

34 The purpose of the meetings is to present the report enclosed herewith and determine whether the liquidators have their release. If any creditor requires further explanations on any aspect of our report and does not wish to attend the meeting, then they should please telephone or write to Rachel Kwong who will be pleased to deal with such enquiries.

35 Should any creditor wish to attend the meeting, it would be helpful for administration reasons if they could telephone Rachel Kwong so that the appropriate arrangements can be made.

Re-location of meetings

36 Insolvency Rule 4.60 requires us to have regard to the convenience of creditors when convening any general meeting. In the liquidators' experience, creditors seldom attend such meetings and this meeting is therefore being convened at PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth, BH2 6HR in order to minimise costs. Should any creditor wishing to attend, consider that the proposed venue is inconvenient, the meeting will be reconvened at an alternative venue to be agreed. Any request to reconvene the meeting should be made within the next seven days so that the liquidators may ensure all creditors are aware of the revised arrangements.

Voting at the meeting

37 Should creditors propose a resolution against the joint liquidators' release the following paragraphs will apply.

Creditors

38 Votes at the meeting are based on the value of your debt as evidenced by a written statement of your claim.

39 If you are not a limited company, you may vote if

- (a) you attend the meeting and have either submitted or bring with you a statement of your claim, or
- (b) you do not attend the meeting but nominate someone else to attend on your behalf and return the proxy form by midday on the business day before the meeting. You can nominate the chairman of the meeting to act as your proxy and vote in accordance with your wishes. You must submit a statement of claim either at or before the meeting.

40 If you are a limited company, you must ensure the enclosed proxy is received no later than midday on the business day before the meeting. It may be posted or sent by facsimile. You must also provide a written statement of claim.

Enron Energy Services Engineering UK Limited**Summary of financial information**

	20 February 2002 to 20 June 2012 £	Directors' Statement of Affairs £
Asset realisation		
Capital expenditure	0	uncertain
Book debts	447,121	4,354,000
Cash at bank	6,116,663	1,852,000
Taxes	0	uncertain
Interest	1,298,269	0
Refunds	7,443	0
Chattel assets	250	0
Group tax loss relief	288,967	0
	8,158,713	uncertain
Less: Costs of realisation		
First meeting fee	10,030	
Statutory advertising	707	
DTI fees	13,345	
Specific bond	1,988	
Wages and salaries	22,122	
Legal fees	8,458	
Liquidators' remuneration	336,041	
Liquidators' disbursements - travel	369	
Corporation tax	375,469	
Re-direction of post	21	
Courier	96	
Photocopying	114	
Postage	355	
Company searches	48	
Transfer of appointment	53	
Bank charges	20	
	769,236	
Payment of 100p in the £ to preferential creditors	(488,164)	(302,000)
Available to unsecured creditors	6,901,313	
First, second, third and fourth interim dividends totalling 27.8p in £ to unsecured creditors	(6,465,324)	
Fifth and final dividend to unsecured creditors of 1 8838p in £	(435,989)	
Funds in hand	0	
Unsecured creditors		(26,772,000)

Liquidator's signature



Appendix B

Category of work

<u>Category of work</u>	<u>Partner</u>	<u>Director</u>	<u>Senior Manager</u>	<u>Manager</u>	<u>Associate</u>	<u>Senior Associate</u>	<u>Practice support</u>	<u>Total Hours</u>	<u>Time costs £</u>	<u>Average hourly rate £</u>
Strategy, planning and general administration	-	0 30	1 70	2 65	0 40	0 40	1 50	6 95	2,500 35	359 76
Creditors' claims / distributions	-	-	-	0 42	0 65	1 20	0 30	2 57	697 55	271 42
Accounting and treasury	-	-	-	1 00	7 80	13 90	1 20	23 90	6,219 20	260 22
Reporting to appointor / committee / creditors	-	-	2 10	0 90	0 90	13 25	0 60	17 75	4,522 00	254 76
Statutory and compliance	-	-	0 50	-	4 80	5 20	0 50	11 00	3,081 10	280 10
Tax / VAT / Pensions	-	-	0 50	-	9 80	20 88	-	31 18	6,364 90	204 13
Case closure	-	-	-	0 30	0 70	8 60	-	9 60	2,268 00	236 25
Total for period to 19 February 2012	-	0 30	4 80	5 27	25 05	63 43	4 10	102 95	25,653 10	249 18
Brought forward at 20 February 2011								1,538.23	299,055.56	
Total								1,641.18	324,708 66	197 85
Estimated costs to closure		0 50	1 50	3 90	11 50	20 60	1 70	39 70	11,333 00	
Total								1,680 88	336,041 66	199 92
Charge out rate per hour from 1 May 2011										
- insolvency	£ 730 00	641 00	494 00	415 00	347 00	221 00	110 00			
- specialist	£		655 00		280 00	152 00				

Enron Energy Services Engineering UK Limited - In Liquidation

NOTICE IS HEREBY GIVEN, pursuant to Section 105 of the Insolvency Act 1986 that general meetings of members and creditors of the above named company will be held at the offices of PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR on Tuesday 15 May 2012 at 10 30am and 10 45am, respectively, for the purpose of receiving an account of the liquidators' acts and dealings and of the conduct of the winding up to date

Dated this 17th day of April 2012

I C OAKLEY SMITH and A V LOMAS

Joint Liquidators

Enron Energy Services Engineering UK Limited - In Liquidation

NOTICE IS HEREBY GIVEN, pursuant to Section 106 of the Insolvency Act 1986 that final meetings of members and creditors of the above named company will be held at the offices of PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR on Wednesday 20 June 2012 at 10.30am and 10.45am, respectively, for the purpose of receiving an account of the liquidators' acts and dealings and of the conduct of the winding up to date.

If you are not attending the meetings, in order to be entitled to vote, creditors must ensure that proxies are returned no later than midday on the business day before the meeting to PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR. If you have not already done so, creditors must submit a statement of claim either at or before the meeting.

No formal resolutions will be put to the meeting, however, creditors may resolve against the joint liquidators' release. In the absence of such a resolution, the joint liquidators will automatically be released from any liabilities they may have incurred.

Dated this 17 day of April 2012

I C OAKLEY SMITH and A V LOMAS

Joint Liquidators
