

LIQ03

Notice of progress report in voluntary winding up



Companies House

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www.gov.uk/companieshouse

1 Company details

Company number	0	8	0	5	3	1	5	4
Company name in full	EXTRA ENERGY SUPPLY LIMITED							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s)	David Matthew
Surname	Hammond

3 Liquidator's address

Building name/number	One Chamberlain Square
Street	
Post town	Birmingham
County/Region	West Midlands
Postcode	B 3 3 A X
Country	United Kingdom

4 Liquidator's name ①

Full forename(s)	Edward
Surname	Williams

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

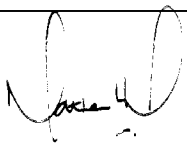
Building name/number	One Chamberlain Square
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Post town	Birmingham
County/Region	West Midlands
Postcode	B 3 3 A X
Country	United Kingdom

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	d	0	d	4	m	0	m	6	y	2	y	0	y	2	y	2
To date	d	0	d	3	m	0	m	6	y	2	y	0	y	2	y	3
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	d	2	d	8	m	0	m	7	y	2	y	0	y	2	y	3

**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 Alex La Dell

Company name PricewaterhouseCoopers LLP

Address 8th Floor Central Square

29 Wellington Street

Post town Leeds

County/Region West Yorkshire

Postcode

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Country United Kingdom

DX

Telephone 0113 289 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 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

Joint liquidators' progress report

**Extra Energy Supply Limited - in liquidation
from 4 June 2022 to 3 June 2023**

**Utility Professional Business Operations Limited - in
liquidation
from 3 June 2022 to 2 June 2023**

28 July 2023

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report

Abbreviation or definition	Meaning
CCL	Climate Change Levy - a tax on energy delivered to non-domestic users in the United Kingdom
Committee	Liquidation committee of EESL.
Companies	Extra Energy Supply Limited and Utility Professional Business Operations Limited
CVL/liquidation	Creditors' voluntary liquidation
DCA	Debt Collection Agency
EEG	Extra Energie GmbH
EEHCL	Extra Energy Holding (Cyprus) Limited
EESL	Extra Energy Supply Limited
Firm/PwC	PricewaterhouseCoopers LLP
former administration	The former administration of Extra Energy Supply Limited
former Joint Administrators/former Administrators	Michael Thomas Denny (4 December 2018 to 4 January 2021) David Matthew Hammond (4 December 2018 to 03 June 2021) Ian David Green (4 December 2018 to 19 December 2019) Edward Williams (4 January 2021 to 3 June 2021)
HMRC	HM Revenue and Customs
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
Insolvency Code of Ethics	The code of ethics aims to help insolvency practitioners meet their professional and ethical obligations. A copy can be found at https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics
Liquidators/Joint Liquidators/we/our/us	David Matthew Hammond and Edward Williams
National Grid	National Grid Electricity System Operator Ltd
OFGEM	Office of Gas and Electricity Markets
Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Proposals	Joint Administrators proposals for achieving the purpose of administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 dated 28 January 2019
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
Preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances

Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
SoLR	Supplier of Last Resort
Unsecured creditors	Creditors who are neither secured nor preferential
UPBOL	Utility Professional Business Operations Limited

This report has been prepared by Edward Williams and David Matthew Hammond as Joint Liquidators of the Companies, solely to comply with the Joint Liquidators' statutory duty to report to creditors under IR16 on the progress of the liquidations, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Companies.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the former Joint Administrators' previous reports issued to the Companies' creditors, which can be found at <https://www.pwc.co.uk/extraenergy>. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Edward Williams and David Matthew Hammond have been appointed as Joint Liquidators of the Companies. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Key messages

Why we've sent you this report

We are writing to update you on the progress made in the liquidations of EESL and UPBOL since the date of our previous progress report dated 19 July 2022.

You can still view our earlier reports on our website at <https://www.pwc.co.uk/extraenergy>. Please get in touch with Alex La Dell at alex.la.dell@pwc.com if you need any of the passwords to access the reports.

How much creditors may receive

EESL

The following table summarises the possible outcome for creditors, based on what we currently know.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors: <ul style="list-style-type: none">• EEG• EEHCL	Uncertain Uncertain	Uncertain Uncertain
Preferential creditors	N/a	N/a
Unsecured creditors	4.7%-10%	5%-8%

Secured creditors

As we have previously reported, EEG and EEHCL have submitted claims in the sum of c.£107.6m and c.£41.3m respectively and have also claimed that these amounts are fully secured over the assets of EESL. You will be aware that we have requested documentation from EEG and EEHCL on a number of occasions to support both the amounts claimed by the Companies and the security claimed.

In a prior reporting period, we received documentation from both EEG and EEHCL which purports to evidence both the validity of the security claimed and the amount claimed. However, this documentation is insufficient to adjudicate these claims and we are awaiting further supporting documentation from EEG and EEHCL, which at the date of this report remains outstanding. This further documentation is required before the Liquidators can fully adjudicate the claims.

As we have previously reported, our expectation is that the security, if valid, will apply only to new credit provided to EESL after the date the security was registered i.e. 1 November 2018. This has been understood to be c.£5m and as EESL paid £4.7m to EEG following the creation of the security, the net new lending which may be secured therefore would appear to be c.£0.3m. However until all supporting documentation received from EEG and EEHCL has been reviewed, we are unable to comment further on this position.

Based on the information currently available, we anticipate that the secured creditors will be fully repaid their total outstanding secured lending (if valid) of approximately £0.3m out of their security over EESL's assets.

In the period of this report, we have written to third parties to request information which may assist with the adjudication of these claims. However, at the time of writing this report this information had not been received which has made further progression on the adjudication of these claims slower than we anticipated.

Preferential creditors

There are no known Preferential creditors in EESL.

Unsecured creditors

As per previous reports, we understand, subject to the completion of adjudication, that the principal Unsecured creditors of EESL are:

- EEG (after deduction of any nominal secured debt);
- EEHCL (should a claim be substantiated);
- Ofgem (in respect of industry liabilities) and;
- Scottish Power (as a subrogated creditor in respect of customer credit balances it has paid out).

Based on the information currently available, we expect that EESL's Unsecured creditors will be paid a dividend over and above the maximum Prescribed part.

Unsecured creditor claims received to date total £201.5m, this is slightly lower than the previously reported figure of £201.7m and is the result of adjustments being made to claims as part of our claims adjudication work. The figure of £201.5m includes the purportedly secured claims received from EEG and EEHCL. As noted above, we anticipate that the extent of any security over these claims will apply to c.£0.3m only and therefore the balance of the claims, if proved, will be unsecured.

To date, creditor claims totalling £5.74m have been agreed and admitted for dividend purposes, leaving the claims which are larger in value and more complex claims to agree. Whilst the value of agreed and admitted claims hasn't increased significantly since our previous report, given the complexity of these remaining claims, work has continued on the adjudication of these claims. During the period covered by this report, we have been reviewing and requesting supporting documents from creditors and are investigating and resolving potential duplication in claims / invoices provided by some creditors.

There has been an increase in the range of our estimated possible outcomes for Unsecured creditors compared to our previous report (from between 5%-8% to 4.7%-10%). This reflects ongoing significant uncertainty around what the final level of dividend payable to Unsecured creditors will be for the following reasons:

- The documentation received from EEG and EEHCL which purports to support their claims (and the validity of security) is insufficient and further documentation is required from EEG and EEHCL before a final adjudication of their claims can be made;
- We are aware of the recent outcome of the court case brought by lead applicants Alvarez and Marsal Europe LLP in respect of eight insolvent energy suppliers ((Utility Point Limited (in liquidation), Igloo Energy Supply Limited (in liquidation), PFP Energy Supplies Limited (in administration), PFP Energy Limited (in administration), Green Supplier Limited (in liquidation), Neon Reef Limited (in administration), People's Energy (Supply) Limited (in administration) and Avro Energy Limited (in liquidation))), which sought directions concerning the treatment of certain creditor claims in the estates of these insolvent energy suppliers and ruled that:
 - Ofgem does have a provable claim in the insolvent estates for the Renewables Obligation (RO), being an obligation under energy legislation for energy suppliers to source a proportion of electricity from renewable sources. Prior to 1 September of each year, this is a contingent payment liability (contingent upon the relevant electricity supplier not producing the requisite number of renewables obligation certificates (ROCs) to satisfy its renewables obligation), which from 1 September becomes a present payment liability which is provable in the insolvency estates(if the contingency has not been satisfied by 1 September of each year).
 - The SoLR does have a provable claim in the insolvent estates for the credit balances of former customers that it has assumed, paid or otherwise honoured as part of the Supplier of Last Resort Process. This is a claim in unjust enrichment against the insolvent supplier, which is satisfied by an equitable right of subrogation to the customers' claims against the failed supplier in respect of their credit balances.
- The outcome of this ruling may have an impact on the claim received from Scottish Power in the sum of £12m in relation to the refund of customer credit balances. This is currently being considered and an update will be provided to creditors in our next report;
- Two claims received from companies connected to EESL's director have insufficient documentation to enable the claims to be adjudicated on at this time, but are included in the total creditor claims figure referenced above;

- A substantial claim from Ofgem in the sum of £28m is still subject to adjudication. Due to the size and complexity of this claim, this is still ongoing;
- No formal claim has been received from the landlord of EESL's former leasehold premises at Hagley Road in Birmingham to date (although we anticipate that the landlord will submit a claim) and we are therefore unable to provision for any future claim in the dividend estimate above;
- Due to the complex nature of the EESL's VAT accounting process, we have not yet received a claim from HMRC, nor have any indication as to the quantum of this claim and consequently (despite our requests) no provision for this claim has been made in the dividend estimate above. In the reporting period we have requested HMRC's Unsecured creditor claim, but they are not yet in a position to provide it to us.
- A number of creditors existed on the EESL's balance sheet with no values ascribed to them and for which no claims have been received to date. It is not clear whether claims from these potential creditors will be submitted, nor do we have an estimate of the amounts owed to these creditors, therefore such claims are not factored into our estimates above.

In addition to the above, as we explain further below, we are currently preparing an application to court for directions in relation to our increased fee estimate which we discuss later in this report. The costs of making this application (which are currently uncertain and unapproved), may reduce the estimated return to creditors, however the position remains uncertain. An application to court is now our only option in relation to seeking an increase to our fee estimate.

The claims agreement process remains extremely complex and is anticipated to be ongoing for several months. In the reporting period, we have been considering what steps may be taken in the event that we do not receive the further information required to enable the adjudication of these claims from EEG and EEHCL. The options include, but are not limited to, formal rejection of the claims or an application to Court for directions. We will consult with the Committee and our legal advisors on our options prior to implementing any strategy.

UPBOL

The following table summarises the outcome already achieved for the Preferential creditors of UPBOL, and the anticipated outcome for the Unsecured creditors, based on what we currently know.

Class of creditor	Actual/estimate (p in £)	Previous estimate (p in £)
Secured creditor	N/A	N/A
Preferential creditors	100(paid)	100(paid)
Unsecured creditors	2.5-5	2-5

Please note that there are no Secured creditors in the insolvency of UPBOL.

Preferential creditors (UPBOL)

As previously reported, all of the employment contracts were held by UPBOL and accordingly, all preferential claims were received and paid by UPBOL.

Preferential claims comprised employees' accrued holiday entitlement, holiday taken but not paid and sums paid to redundant employees by the RPS.

A first and final distribution was declared to Preferential creditors in December 2019 of £111,437, being 100p in the £.

During the Liquidation, information came to light which indicated that the RPS were owed further amounts from UPBOL, in respect of payments made to former employees relating to wages arrears and or accrued holiday pay. On 29 November 2022, a catch up distribution was made to the RPS of £3,016 in respect of these amounts.

No further Preferential creditor claims are anticipated.

Unsecured creditors

In our last report, we anticipated a dividend to UPBOL's Unsecured creditors of 2-5p in the £ which was based on potential asset realisations, the level of creditor claims, and costs of the insolvency at that time.

Our current estimate has increased slightly to 2.5-5p in the £. This increase is due to UPBOL's final asset realisation (receipt in respect of two days gas), being higher than we previously provisioned for. We anticipate we will be in a position to declare the dividend within the next six months.

We provide further details on the status of Unsecured creditor claims on page 11 of this report in our "Outcome for Creditors section."

We are still providing a dividend range in this report, due to the significant value of potential claims which have not been received (c.£5m). Until we have issued a Notice of Intended Dividend to all creditors who are yet to submit a claim and the associated final date for proving a claim has passed, we cannot confirm with any certainty what the final level of Unsecured creditor claims will be in the liquidation and therefore it remains appropriate to provide a range of outcomes for Unsecured creditors.

In addition and as we discuss later in this report, we expect the completion of UPBOL's final asset realisation will result in an increase to HMRC's unsecured claim in the liquidation. We still await HMRC's revised claim.

Should no further Unsecured creditor claims be received following the last date for proving we would expect the final dividend amount to be at the higher end of the range provided.

What you need to do

We've asked for outstanding claims from Unsecured creditors of both EESL and UPBOL so that we can agree them for dividend purposes.

If you haven't already done so, please send your claim to us so that it can be reviewed. A claim form for EESL and UPBOL can be downloaded from www.pwc.co.uk/extraenergy or you can get one by emailing Alex La Dell at alex.la.dell@pwc.com.

All creditors wishing to receive the anticipated dividend payment must submit a proof of debt.

Overview of what we've done to date

This is our second progress report on the liquidations of EESL and UPBOL. You may wish to refer to our previous report which can be found at www.pwc.co.uk/extraenergy.

As you will be aware from previous reports, on 4 December 2018, Michael Thomas Denny, Ian David Green and David Matthew Hammond of PwC were appointed Joint Administrators of the Companies. By order of the High Court Ian David Green by consent, resigned as Joint Administrator on 5 December 2019. Michael Thomas Denny ceased to act as Joint Administrator on 4 January 2021 and was replaced as Joint Administrator by Edward Williams on the same date. The former administrations of the Companies ended on 4 June 2021 and 3 June 2021 respectively when the Companies moved into CVL and the Joint Administrators in office, David Matthew Hammond and Edward Williams were appointed as Joint Liquidators.

EESL

At the end of the previous reporting period the key outstanding matters were as follows:

- Cease debt collection activities, finalise EESL's VAT position and de-register EESL for VAT purposes;
- Continue to liaise with HMRC regarding amounts due back to EESL for VAT and CCL in relation to the former administration;
- Obtain creditor approval for the increased fee estimate, or apply to court to obtain the necessary approval;
- Adjudicate on the validity of security in respect of EEG and EEHCL, as well as the amounts claimed by EEG and EEHCL;
- Hold Committee meetings and issue Committee reports as required, including consulting with the Committee on key case issues;
- Continue with and finalise the agreement of general unsecured claims adjudication in respect of both connected and unconnected creditors;
- Make a first and final dividend to Unsecured creditors of EESL (including the payment of any Prescribed part element);
- Continue to file annual corporation tax returns, pay any tax due and seeking tax clearance from HMRC in due course;
- Ongoing statutory requirements; including the preparation and circulation of progress reports and internal case reviews; and
- The formalities of closing the liquidation and seeking release from office.

Since the date of our previous progress report we have undertaken the following work (non-exhaustive list) on which more detail is provided in the "Progress Since We Last Reported" section later in this report:

- Accounted for further book debt receipts totalling £12.6k and liaised with the DCA in respect of the cessation of the book debt collection process;
- Prepared and submitted the tax return covering the period to 3 June 2022;
- Monitored whether any further amounts were due from EESL's pre-appointment bankers in respect of the £102k held back for potential future indemnity claims and recovered and obtained the balance of surplus funds (less costs) due to EESL from the pre-administration bank accounts in the sum of £101k;
- Continued the Unsecured creditor claims adjudication process:

- Held a meeting of the Committee to consider a revised Liquidators' remuneration request;
- Completed a further decision procedure to seek an uplift to our original fees' estimated and considered our strategy in relation to this, when the decisions sought were not passed;
- Progressed matters with HMRC regarding the amounts due to EESL in respect of VAT and CCL;
- Liaised with our legal advisers in respect of the options available to the Liquidators in respect of further fee approval and commenced preparation of an application to court to seek fee approval; and
- Obtained a supplier refund from National Grid Electricity System Operator Ltd in the sum of £1.19m.

We remain in office in order to:

- Receive the dividend due from UPBOL (subject to EESL's claim being admitted for dividend purposes in UPBOL's estate);
- Finalise the VAT accounts following conclusion of asset realisations and to de-register for VAT;
- Obtain refunds from HMRC of all amounts of VAT and CCL due to the EESL;
- Complete the review of the validity of EEG and EEHCL's security and general claim position;
- Complete adjudication of non-intercompany creditor claims;
- Obtain approval of the Liquidators fees;
- To pay a first and final dividend to Unsecured creditors (including any element of Prescribed part); and
- Close the case and move EESL to dissolution.

UPBOL

At the end of the previous reporting period the key outstanding matters were as follows:

- Negotiate a settlement in respect of the overpayment of two days gas and finalise asset realisations;
- Settle the additional Preferential creditor claims we had received;
- Settle the final expenses of the liquidation, including the Liquidators' remuneration;
- Complete the adjudication of creditor claims and receive a claim from HMRC;
- Pay a first and final dividend to unsecured creditors;
- Finalise our VAT and tax obligations in respect of the Company and obtain tax clearance; and
- Prepare and submit our final report to creditors and move UPBOL to dissolution.

Since the date of our previous progress report we have undertaken the following work (non-exhaustive list) which we provide additional detail on in our "Progress Since We Last Reported" section later in this report:

- Agreed a settlement with Scottish Power in relation to the two days supply of gas;
- Paid a catch up distribution to one preferential creditor;
- Adjudicated a number of unsecured creditor claims
- Received an initial claim from HMRC;
- Settled a large proportion of the final liquidation expenses;
- Completed a VAT return to account for the VAT due on the aforementioned settlement; and

- Prepared and submitted our corporation tax return and obtained clearance from HMRC.

We remain in office in order to:

- Complete the adjudication of creditor claims;
- Pay a first and final dividend to unsecured creditors; and
- Close the case and move UPBOL to dissolution.

Outcome for creditors

Secured creditors

EESL

As we have detailed in the Key Messages section above, EEG and EEHCL have claimed full security over the EESL's assets. A detailed review of the security has commenced, but the documents provided by EEG and EEHCL to date are insufficient to enable a decision to be made and we are awaiting further supporting documentation to be provided by EEG and EEHCL. However, it is anticipated that any security will apply only to the new lending provided to EESL (i.e. c£0.3m).

It is anticipated that, subject to the security being valid, that EEG will be repaid its £0.3m secured lending in full from floating charge realisations.

UPBOL

There are no Secured creditors of UPBOL.

Preferential creditors

EESL

There are no known Preferential creditors of EESL.

UPBOL

A first and final distribution was declared to Preferential creditors in December 2019 (during the preceding administration) of £111,437, being 100p in the £.

During the previous reporting period, we confirmed that an additional preferential claim had been received from the RPS in the sum of £600 which was due to be paid. After completing a reconciliation of the RPS's proof of debt, it was established that a further amount of £2,416 was due and ranked preferentially. As a result, a distribution was made to the RPS of £3,016 on 28 November 2022. .

The total paid to Preferential creditors is £114,453 representing 100p in the £ on all Preferential creditor claims; a majority of the preferential distributions were made in the former administration. Only £3,016 has been paid in the liquidation and therefore it is only this amount reflected on our receipts and payments account at Appendix A .

No further Preferential creditor claims are anticipated.

Unsecured creditors

Dividends become available for Unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay the Secured and Preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for Secured creditors may be ring-fenced for the benefit of Unsecured creditors. This Prescribed part is paid out of 'net property', which is floating charge realisations after costs, and after paying – or setting aside enough to pay – Preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

The amount of the Prescribed part is:

- 50% of net property up to £10,000
- 20% of net property above £10,000
- Subject to a maximum of £600,000

EESL

The Prescribed part applies in EESL as there is a floating charge created after 15 September 2003.

We estimate that EESL's net property will be between c.£9.9m and £17.3m, resulting in a maximum Prescribed part of £600k. This would give a Prescribed part dividend of less than 0.5% based on the current estimated value of Unsecured creditors.

In addition to the Prescribed part distribution, we anticipate a further dividend will be payable to Unsecured creditors. We estimate the overall range of the dividend paid to Unsecured creditors of EESL (including the Prescribed part) will be between 4.7% and 10%.

There remain a significant number of uncertainties, particularly in relation to the value of unsecured claims that may ultimately be admitted for dividend purposes. Because of this, the range of our estimate of the possible dividend to unsecured creditors has increased since we last reported to creditors. In reaching our estimates we have:

- included the refund now received from National Grid of £1.19m, which was not previously included in our estimates;
- included a provision for future liquidators' fees of £3.15m based on the current application to court for approval;
- included a provision in respect of awaited claims of £5m, for which no provision was previously made in our estimates (this includes creditors such as HMRC, where a claim is expected but no intimation of the size has yet been provided);
- includes higher estimates for bank interest earned, given increased rates, and for a resulting increased corporation tax expense; and
- on the upside assumptions, have included estimated realisations from possible claims and assumed that certain of the creditor claims received to date are not proved.

Our estimates are based on the information available to us at the time of preparing this report and as noted above, there are several factors which could have a positive or negative impact on the ultimate level of distribution

These estimates are an indication only and shouldn't be used as the main basis for any bad debt provisions.

A summary of the Unsecured creditor claims agreement position at the time of writing this report is summarised below:

Unsecured Claim Category	No.	Value/£m
Admitted	78	5.74
Received (not yet adjudicated)	26	195.7
Awaited - provision only	148	5.0
Total	252	206.5

Due to the complexities and values associated with a number of the claims received, the adjudication process is time consuming and complex, often requiring specialist third party advice. Due to the number of claims which could potentially still be received and the legal advice that is ongoing in respect of some of the larger and more complex claims, the claims agreement process is anticipated to continue for several months to come and cannot be concluded until such time as a final claim is received from HMRC, as well as sufficient documentation being received from EEG and EEHCL.

The estimate is an indication only and shouldn't be used as the main basis for any bad debt provisions.

UPBOL

There are no floating charges registered against UPBOL and consequently there is no requirement to create a Prescribed part allocation.

We anticipate a dividend of between 2.5p in the £ and 5p in the £ will be paid to the Unsecured creditors based on what we know currently.

A summary of the claims agreement position at the time of writing this report is summarised below:

Claim Category	No.	Value/£m
Admitted	13	5.66
Received (not yet adjudicated)	1	0.29
EESL Intercompany (not yet adjudicated)	1	3.06
Employees (not yet adjudicated)	322	0.68
Awaited as per SoA	24	5.87
Total	361	15.56

In our previous report, we stated that unadjudicated unsecured employee claims had been received totaling £1.14m. Since then, we have undertaken a detailed review of the claims and we now estimate that claims from employees will be admitted for dividend purposes at approximately £0.68m.

This estimate is based on the information available to us at the time of preparing this report and as noted above, there are several factors which could have an impact on the quantum of the distribution as outlined in the “Key Messages” section above. The amount of the dividend will ultimately be determined upon, the final level of admitted claims, future realisations and liquidation costs. We are also aware of a number of potentially awaited claims where no value has been prescribed to them and are not included in the 24 claims awaited in the table above.

The estimate is an indication only and shouldn't be used as the main basis for any bad debt provisions.

Progress since we last reported

Realisation of assets (subject to a floating charge for EESL and uncharged for UPBOL)

Book debts

EESL

We have accounted for a further £12.6k of debtor receipts (before the deduction of debt collection fees) during the period of this report. The vast majority of these receipts have been remitted via a DCA who were instructed to assist with debt collection in the former administration. You will be aware from our previous report and the final report of the former administration that a decision was made to cease debt collection activities due to it no longer being commercial to pursue the remaining balances.

Despite regular communication with the DCA in relation to our request to cease collection activities, we continued to receive regular remittances from the DCA during the period of this report. As well as the additional time costs associated with the processing of these receipts, there are also VAT implications of being unable to deregister for VAT. Consequently we have continued to prepare quarterly VAT returns and make manual adjustments to account for any VAT on debtors which may have previously formed part of the VAT bad debt relief claim made during the former administration.

We have therefore continued to follow up with the DCA in the current reporting period to try and finalise the debt collection process. Whilst we have had no formal confirmation from the DCA that it has ceased collection activities, we have received no remittances since the start of April 2023 and we are therefore hopeful that this workstream has now been finalised and that we can proceed with de-registering EESL for VAT. We will update creditors in our next progress report.

Cash upon finalisation of the former administration

EESL

In our previous report we advised that EESL's pre-appointment bankers had withheld £102k of cash due to EESL, which was to deal with any future contingent liabilities that might have been received by them. At the time of our previous report, we were in the process of liaising with the pre-appointment bankers to obtain the balance of funds held in the pre-appointment account. I am pleased to report that the surplus funds in the sum of £101k (after deduction of final charges) have now been remitted to the liquidation bank account and are reflected on the receipts and payments account at Appendix A.

Bank interest

EESL and UPBOL

During the period covered by this report we have received bank interest of £316,909 in EESL and £9,428 in UPBOL.

Supplier refund

EESL

During the period covered by this report, we have obtained a refund from National Grid in relation to a credit balance owed to EESL in the sum of £1.19m. This represents a very good outcome for EESL's creditors. The refund relates to how EESL bought and sold electricity in advance prior to EESL entering administration. We had been historically aware that National Grid was completing a billing and balancing exercise, however it was understood that this would take a number of years and the expectation was that if any refund was due it would be nominal.

Although we have made ad-hoc enquiries as to how the billing and balancing exercise was progressing, we previously didn't factor any recovery into our estimated outcomes. However, in the reporting period National Grid made contact with us and advised that they had completed its billing and balancing exercise and had identified a refund due to EESL of £1.19m. After following their verification procedures we are pleased to report that this amount has been received into the liquidation estate in full.

Refund of overpayment of 2 days gas

UPBOL

As previously reported, OFGEM withdrew UPBOL's energy supply licences and commenced the SoLR process, which established Scottish Power as the new supplier for EESL's customers with effect from 25 November 2018.

During the former administration it came to our attention that UPBOL was the gas shipper for all customers for the two days in question, 25 and 26 November 2018. Given that Scottish Power customers have used this gas, and Scottish Power in their capacity as supplier of last resort billed customers for these days, we believed that Scottish Power therefore owed UPBOL for two day supply of gas supply and any associated costs (gas transportation / distribution costs, capacity charges etc).

As previously reported, we have been liaising with Scottish Power requesting the reimbursement of funds for the use of this gas for a significant period of time Scottish Power has been reliant on receiving reads from a third party to quantify the amount owed back to UPBOL. We previously reported that Scottish Power had advised there were a significant number of unsubstantiated reads, a position which couldn't have been foreseen. We understood that to reconcile this position it would take a significant amount of time and would require the liquidation to remain open substantially longer than anticipated. As a result of this and to ensure certainty of outcome for creditors and the efficient progression of the liquidation we re-focused our negotiations with Scottish Power to achieve an acceptable settlement amount. In the period of this report we are pleased to report that we have concluded our negotiations with Scottish Power and have received a settlement of £221,857. The settlement amount achieved is higher than we had prudently provisioned for (c.£175,000) and represents a good outcome for UPBOL's creditors.

The amount received includes VAT, however the supply took place in a period prior to the Company entering administration. The effect of this means the full amount is available for the liquidation. The VAT due on this settlement has been reported to HMRC in this period. The VAT amount will be a provable debt for HMRC and we expect that this will ultimately increase HMRC's claim in the UPBOL liquidation. A revised claim from HMRC is currently awaited.

Connected party transactions

Statement of Insolvency Practice 13 requires us to disclose details regarding any disposal of assets in the liquidations to a director or other connected party. For the avoidance of doubt, no connected party transactions have been entered into during either the liquidation of EESL or UPBOL, and none are anticipated.

Other issues (EESL only)

Review of security over assets

You will be aware from our previous reports and the "Key Messages" section of this report that we have requested, on numerous occasions, documentation from the EESL's director and EEG and EEHCL supporting their claim for security over EESL's assets, so that we can adjudicate on the validity of the security and also adjudicate on the claims by EEG and EEHCL generally.

Whilst a number of documents have been provided by EEG and EEHCL which purport to substantiate these claims, these are insufficient to enable the claims to be adjudicated at this time and further documentation needs to be provided by EEG and EEHCL before final adjudication on the security position and general claim position can be made. As you will appreciate, this is a complex area which requires a specialist review of the security position. As explained earlier in this report, in the current reporting period we have considered our strategy in the event the documentation required to substantiate these claims is not received. We will provide an update on this matter in due course.

Increase in our fee approval

As we have reported previously, significantly more work has been undertaken than it was possible to envisage at the time that our initial fee estimates were prepared and approved by creditors. This was always a possibility, given the uncertainty around various complex issues which made it difficult to accurately budget for this work.

As you are aware, we issued a report to creditors in March 2021, detailing the reasons for the increase in our fee estimate and to seek a decision from creditors to an increase in our fee estimate. Although we received support from unconnected creditors of EESL to increase our fee estimate, companies connected to EESL via its sole director, voted against the decision to increase our fee estimate, with claims totalling c£150m.

At the time of issuing the revised remuneration report in March 2021 we had received no supporting evidence to substantiate the claims of EEG or EEHCL on either a secured or unsecured basis (despite numerous requests) and as a result we were unable to formally adjudicate or conclude on the position at the decision date of the creditors decision. For prudence and given our assertion that to the extent any claims by EEG and EEHCL are properly evidenced, a majority of the amount claimed would be unsecured, we admitted the votes from EEG and EEHCL in full, but marked them as "objected to", given the uncertainty around the position.

As a result the former Administrators treated the resolution to increase their original fees estimate as being rejected by creditors.

Following this, we continued to consider our strategy for seeking an increase to our original fees estimate. To avoid the cost and time associated with making an application to Court, we issued a further remuneration report with a revised fee estimate in July 2022. This was presented, in the first instance, to the Committee at a meeting held on 13 July 2022. Although the Committee is not in a position to approve any additional fee request (as the general body of Unsecured creditors is the fee approving body), we considered it prudent to obtain the view of the Committee prior to issuing the revised remuneration report to the general body of creditors.

Following the contents of the report and the fee estimate sought being approved by the Committee, it was issued to the general body of creditors on 19 July 2022, with a decision date of 11 August 2022. Once again, despite receiving support from unconnected creditors of EESL, the companies connected to EESL's sole director voted against the revised fee estimate. Despite the votes being marked as objected to (due to lack of evidence to substantiate the claims), due to the level of the votes carried by EEG and EEHCL, we treated the decision to increase our fee estimate as not approved. We have sought to engage with EESL's sole director via his legal advisors to understand the reasons for the rejection of the decisions sought, however we have not been provided with any substantive response.

We previously reported, in the event that we were unable to obtain a decision from the general body of creditors to increase our fee estimate, it would be necessary to apply to Court. We have attempted to avoid a Court application, due to the potential for it to reduce the estimated return to creditors (due to increased costs associated with making the application) and hinder the efficient progression of the liquidation. However we now have no alternative but to make an application to Court for directions on seeking an increase to our fees estimate.

In the period covered by this report, we have instructed our legal advisors to prepare an application to Court for directions and requesting an increase to our initial fees estimate. The application process requires a significant amount of work, due to the need to comply with a practice direction and preparing a comprehensive witness statement. The application has not yet been submitted, but we are in the final stages of reviewing and finalising our witness statement and application. We expect the application will be submitted to Court in the coming weeks with a hearing date to then be confirmed. We will provide creditors with an update on this process in our next progress report.

Statutory and compliance

In the period covered by this report, we completed and submitted the first liquidation progress report to creditors and the Registrar of Companies for the period 3 June 2021 to 2 June 2022 (UPBOL) and 4 June 2021 to 3 June 2022 (EESL).

Tax matters

EESL

During the period covered by this report, we have prepared and submitted the tax computations for the year ended 3 June 2022. There was a liability of £2,059 which has been settled and is reflected on the receipts and payments account at Appendix A.

UPBOL

During the period covered by this report, we have prepared and submitted the tax computations and CT600 forms for the liquidation for the year ended 2 June 2022 and the period to 27 March 2023. There was a nominal amount of corporation tax to pay for the period ended 2 June 2022 of £152 and an amount of £1,791 for the period ended 27 March 2023. This represented the corporation tax due as a result of bank interest that arose from the Scottish Power

Settlement. We also wrote to HMRC seeking tax clearance for the pre and post liquidation periods. Following the period end we have now received confirmation of tax clearances from HMRC in respect of UPBOL.

VAT matters

EESL

As discussed earlier in this report, although we do not yet have formal confirmation that the DCA has ceased book debt collection, we have not received any further receipts since April 2023. We are therefore hopeful this marks the conclusion of the debt collection exercise, and as a result we can look to de-register EESL for VAT. In the current reporting period we have continued to prepare and submit quarterly VAT returns to HMRC.

We reported previously that we had received outstanding refunds totalling £962k from HMRC in relation to the outstanding VAT of the former administration, which left a balance of c£64k VAT due to EESL.

Despite several requests to HMRC, we did not receive details from HMRC as to which VAT return periods the £962k refund related to. This has therefore made it difficult to reconcile the amounts received to particular returns and whilst our VAT account for the liquidation has been reconciled, we are not in a position to finalise the reconciliation of the former administration VAT account until such time as further information is received from HMRC.

The £962k payment received from HMRC comprised two identical amounts of £481k. In the period of this report, we received correspondence from HMRC stating that the first £481k that was made by HMRC actually related to CCL, rather than VAT and the second payment of £481k made by HMRC was made in error. HMRC therefore requested repayment of £481k and furthermore, requested a repayment of £9k in relation to CCL.

Given that there remains a significant sum of money due to EESL by HMRC and due to the length of time taken for any repayments to be made by HMRC, we proposed to HMRC that it performs a full reconciliation of the amounts due to EESL for both VAT and CCL (based on all the information and returns that have been submitted) and then arranges for the outstanding balance to be repaid to EESL, offsetting the £481k from the total amount that remains outstanding. Our dialogue with HMRC would suggest that they have accepted our proposal and will be undertaking a reconciliation of the VAT and CCL position.

As we have previously reported, we have dedicated a significant amount of time in liaising with HMRC to find an officer that has the necessary expertise to deal with the complex VAT and CCL position. This has continued into this reporting period. We are pleased to report that as a result of continually raising this issue with HMRC, EESL has now been allocated a dedicated case officer from HMRC. During the period of this report, progress has been made by HMRC in relation to reconciling the VAT and CCL position. HMRC has reported that it has made progress with the reconciliation of the VAT accounts and following information we provided to HMRC to evidence the value of provable debts, HMRC will shortly begin the process of adjusting the VAT accounts to move the provable debt from the post appointment account to the pre-appointment account.

Whilst there has been significant delays experienced in obtaining the VAT and CCL refunds (due to a combination of the provable debt situation being the first of its kind in an insolvency and HMRC experiencing issues caused by a change in its systems), we are optimistic that we will now start to see progress from HMRC. A further update on the VAT and CCL position will be provided in our next report.

UPBOL

UPBOL was deregistered for VAT purposes during the preceding administration. A VAT reclaim has been made following the period end and a final VAT reclaim will be made when appropriate.

To ensure that HMRC's unsecured claim is accurate we have liaised with our VAT specialists who have recently submitted all outstanding pre appointment VAT returns to HMRC. We had received an Unsecured claim from HMRC in the reporting period, but we expect that this claim will be revised as a result of the submission of the pre-appointment VAT return. We were unable to submit UPBOL's VAT return prior to us receiving the settlement for the 2 days gas monies, referred to earlier in this report, as the VAT included in this settlement related to a pre-appointment VAT return period.

We are currently awaiting the revised final claim from HMRC.

CCL matters (EESL only)

In September 2020 we received a part repayment from HMRC in relation to CCL. However, there is still an outstanding repayment from HMRC of £472k CCL due to EESL.

As referred to above, we received correspondence from HMRC requesting repayment of £481k that had been made by HMRC (and which we allocated to outstanding VAT). In addition, HMRC advised that the sum of £9k was due from EESL to HMRC in respect of CCL.

As noted above, we have requested that HMRC undertakes a full reconciliation of amounts due to EESL for both VAT and CCL and repays the balance owed to EESL, offsetting the £481k and £9k from the amounts due. Given that HMRC still owes a significant amount to EESL, we are not in a position to repay the amounts requested by HMRC.

To date, we have not received a response from HMRC. As such, there is uncertainty over when this matter will be resolved.

Liquidation committee (EESL only)

As we have advised previously, at the decision date of 17 December 2021, creditors voted to form a committee and sufficient nominations were received for the Committee to be established. The Committee consisting of the following members, was formally constituted on 9 February 2022:

1. Scottish Power Energy Retail Ltd
2. Godel Technologies Ltd
3. Angela Mortimer Ltd

An initial meeting of the Committee was held on 8 March 2022 to discuss the progress and outstanding issues in the liquidation, in addition to deciding on the frequency of future meetings and reports. We are continuing to liaise with the Committee in respect of key outstanding matters in the liquidation. The most recent meeting was held on 13 July 2022.

Investigations and actions

We reviewed the Companies' affairs during the preceding administration, taking into account any points raised by creditors in discharging our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

We have complied with any duties or obligations that have fallen on the Liquidators of the Companies under both the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2 in the periods covered by this report.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidations as follows:

- EESL from 4 June 2022 to 3 June 2023
- UPBOL from 3 June 2022 to 2 June 2023

EESL

As discussed earlier in this report, key receipts include:

- £1.187m supplier refund from National Grid following finalisation of their billing and balancing exercise in respect of pre-appointment services;
- £12.6k debtor receipts;
- £316.9k bank interest;
- £101.2k refund in respect of the surplus funds in the pre-appointment account

Key payments include:

- £57.8k legal fees;
- £2k corporation tax payment in respect of FY22 tax return;

- £2.2k debt collection fees

UPBOL

Key receipts include:

- £221K in respect of the Scottish Power settlement and
- £9K bank interest.

Our expenses

We set out in Appendix B statements of the expenses we've incurred on EESL and UPBOL to the dates covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as liquidation expenses in due course because amounts due will depend on the position at the end of the tax accounting periods.

Our fees

We set out in Appendix C an update on our fees, expenses and other related matters for EESL and UPBOL.

As referred to above, in respect of EESL we are applying to Court to seek approval of any further fees over and above the initial fee estimate approved by the general body of creditors.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/liquidations-creditor-fee-guide-1-april-2021.ashx?la=en>

You can also get a copy free of charge by emailing my colleague Alex La Dell at alex.la.dell@pwc.com

What we still need to do

EESL

- Finalise EESL's VAT position and de-register EESL for VAT purposes;
- Obtain confirmation that EESL's Unsecured creditor claim in UPBOL has been admitted and receive any dividend in due course;
- Continue to liaise with HMRC regarding the receipt of outstanding VAT and CCL amounts due back to EESL in relation to the former administration;
- Obtain HMRC's final claim in the liquidation;
- Apply to Court to obtain the necessary approval in relation to the Liquidators' remuneration;
- Adjudicate on the validity of security in respect of EEG and EEHCL, as well as the amounts claimed by EEG and EEHCL;
- Review any final areas for investigation which may lead to potential asset recoveries and finalise our strategy in this regard;
- Hold Committee meetings and issue Committee reports as required, including consulting with the Committee on key case issues;
- Progress and finalise the agreement of general Unsecured creditor claims in respect of both connected and unconnected creditors;
- Make a first and final dividend to unsecured creditors of EESL (including the payment of any Prescribed part element);
- Continue to file annual corporation tax returns, pay any tax due and seeking tax clearance from HMRC in due course;
- Comply with ongoing statutory requirements; including the preparation and circulation of progress reports and internal case reviews; and
- The formalities of closing the liquidation and seeking release from office.

UPBOL

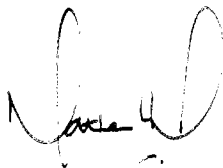
- Continue with and finalise the ongoing adjudication of general Unsecured creditor claims. This will include obtaining a final claim from HMRC following the submission of the UPBOL pre-appointment VAT return;
- Declare a first and final dividend to unsecured creditors of UPBOL;
- Settle the final expenses of the liquidation, including the balance of the our remuneration;
- Ongoing statutory requirements; including the preparation and circulation of progress reports, internal case reviews and reclaiming any VAT due from HMRC; and
- The formalities of closing the liquidation and seeking release from office.

Next report

We expect to send our next report to creditors at the end of the liquidations or in about 12 months, whichever is sooner.

If you've got any questions, please get in touch with Alex La Dell, on 0113 283 4000.

Yours faithfully
For and on behalf of the Companies

A handwritten signature in black ink, appearing to read 'Matthew David Hammond', with a stylized flourish at the end.

Matthew David Hammond
Joint liquidator

Appendices

Appendix A: Receipts and payments

EESL

	Brought forward	04/06/22 - 03/06/23	Total
Floating charge			
RECEIPTS			
Supplier refunds	-	1,187,916	1,187,916
Book debts	32,590	12,612	45,202
Insurance claims and refunds	269	-	269
Bank Interest Gross	22,851	316,909	339,760
Cash from prior administration	10,295,658	-	10,295,658
Refund of funds held in pre-appt account	-	101,290	101,290
VAT refund relating to admin period	962,549	-	962,549
Receipts in Period	11,313,916	1,618,728	12,932,644
PAYMENTS			
Telephone	120	-	120
Network system fees	221	-	221
Professional Fees	40	-	40
Legal fees & Expenses	4,188	57,873	62,061
Corporation tax	-	2,059	2,059
Debt Collection Fees	3,838	2,218	6,056
Statutory advertising	87	-	87
Finance / Bank interest & charges	65	-	65
General expenses	100	-	100
Payments In Period	8,659	62,150	70,809
Net Receipts/(Payments)	11,305,257	1,556,578	12,861,835
VAT control	303	(11,827)	(11,524)
Cash at bank	11,305,560	1,544,751	12,850,311
MADE UP AS FOLLOWS			
Barclays Bank	7,593,846	1,441,034	9,034,881
HSBC Bank	3,711,714	103,717	3,815,430

Notes to the R&P

1. There has been a small adjustment in the brought forward balances in respect of book debts, bank interest gross and cash from prior administration. This is as a result of a reallocation of funds totalling £866 between these categories;
2. The cash from prior administration represents the balance of funds transferred from the former administration;
3. All amounts are stated net of VAT;
4. All amounts are held in interest bearing accounts with Barclays Bank Plc and HSBC Bank Plc;
5. The £101k receipt represents the surplus funds remaining in the pre-administration account after the deduction of DDIC claims which were transferred to the liquidation account in the period;
6. Whilst a statement of affairs has now been received from EESL's sole director, we do not consider that adding in the statement of affairs figures to the R&P as comparatives would offer any added value to creditors as the majority of the asset realisations were completed in the former administration;
7. As further explained in Appendix C below, creditors have approved that our fees can be drawn on a time costs basis. As no fees have been drawn in the liquidation to date there are no transactions included in the receipts and payments account above;
8. There have been no payments made to us, our firm or our associates other than from the insolvent estate as shown in the receipts and payments account above;
9. As explained earlier in the report a DCA was previously instructed to collect debtor refunds on our behalf. The amount paid for those services in the period of this report is £2,218 and this is reflected in the receipts and payments account above.

UPBOL

	Brought forward	3 June 2022 to 2 June 2023	3 June 2021 to 2 June 2023
	(£)	(£)	(£)
Uncharged funds			
Receipts			
Bank Interest Gross	801	9,428	10,229
Cash in hand (note 2)	458,303	-	458,303
Scottish Power settlement	-	221,857	221,857
Sundry debts & refunds	1,586	-	1,586
Total receipts	460,690	231,285	691,975
Payments			
Corporation tax / Income tax	184	1,944	2,128
Legal fees	-	8,216	8,216
Statutory advertising	87	-	87
Total payments	271	10,160	10,431
Preferential creditors			
Redundancy Payment Service (note 6)	-	3,016	3,016
Total preferential creditors	-	3,016	3,016
Net realisations	460,419	218,110	678,529
VAT Receivable	(17)	(1,633)	(1,651)
Balance held in non interest bearing account	460,402	216,476	676,878

Notes to the R&P

1. All assets are uncharged as there are no Secured creditors of UPBOL.
2. The cash in hand amount represents the balance of funds transferred from the former administration;
3. All amounts are stated net of post appointment VAT;
4. All amounts are now held in an non interest bearing account with Barclays Bank Plc;
5. Whilst a statement of affairs has now been received from UPBOL's sole director, we do not consider that adding in the statement of affairs figures to the R&P as comparatives would offer any added value to creditors as the statement of affairs is reflective of UPBOL's financial position as at the date of the former administration.
6. The distribution to Preferential creditors above only reflects the dividend paid on the Redundancy Payments Service additional claim received in liquidation (settled at 100p in the £. A majority of the Preferential creditors were paid in the former administration and this distribution is not included in the Receipts and Payments account above.

Appendix B: Expenses

Expenses are amounts properly payable by us as Liquidators from the estate, but excludes our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the general body of creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Liquidators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidations. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

The expense policy set out below was approved by the general body of creditors in the former administrations for both EESL and UPBOL.

EESL

Category	Provided by	Basis of cost	Costs incurred (£)
2	PwC	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	12.96
1	PwC	Postage	267.18
1	Third party	Storage costs	104.00
TOTAL incurred in the period			384.14

No category 1 or 2 disbursements have been drawn in the period of this report.

£3,708 of category 1 and 2 disbursements remains unbilled from the former administration and £439 remains unbilled from the previous liquidation period. These, along with the £384.14 incurred in the current reporting period are expected to be drawn in the liquidation in due course.

UPBOL

Category	Cost incurred by	Policy	Costs incurred (£)
2	PwC	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	3.99
TOTAL incurred in the period			3.99

No category 1 or 2 disbursements have been drawn in the period of this report.

During the reporting period, category 2 expenses have been incurred totalling £3.99. No category 1 disbursements have been incurred.

During the preceding administration, category 1 and 2 disbursements totalling £1,130 were incurred and remained outstanding upon the liquidators appointment (relating to UPBOL). This balance was drawn along with £1.87 of the disbursements incurred in liquidation shortly after the reporting period ended. This amount is therefore not reflected on our Receipts and Payments account at Appendix A..

The tables below provide details of the expenses incurred in the liquidations of both EESL and UPBOL.

For consistency of reporting from the former administration to the liquidation, the brought forward from the previous period figure includes the closing cumulative balance of expenses from the final administration period.

The former Administrators' fees and the Liquidators' fees are not included in the statements of expenses, but details on these costs can be found in Appendix C.

The tables should be read in conjunction with the receipts and payments accounts at Appendix A, which show expenses actually paid during the period and the total paid to date for EESL and UPBOL.

EESL: Statement of expenses

<i>Nature of expenses</i>	Brought forward from previous period	Paid/incurred in the period under review	Cumulative	Estimated future	Anticipated total	Initial estimate	Variance
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Wages and salaries	2,761,635	-	2,761,635	-	2,761,635	2,689,943	(71,692)
Customer agent's fees and disbursements	1,382,746	-	1,382,746	-	1,382,746	1,748,216	365,470
PAYE/NIC and pension deductions	1,509,313	-	1,509,313	-	1,509,313	871,309	(638,004)
Rents and service charge	692,026	-	692,026	-	692,026	726,500	34,474
Billing fees and expenses	1,068,881	-	1,068,881	-	1,068,881	929,146	(139,735)
Debt collection fees (Note 1)	678,260	2,218	680,478	-	680,478	708,335	27,857
Legal fees and expenses (Note 2)	362,163	62,504	424,667	100,000 to 142,000	524,667 to 566,667	260,750	(263,917) to (305,917)
Utilities and rates	159,057	-	159,057	-	159,057	128,301	(30,756)
Subcontractors fees	396,334	-	396,334	-	396,334	152,564	(243,770)
Telephone	55,975	-	55,975	-	55,975	49,373	(6,602)
Network system fees	316,111	-	316,111	-	316,111	140,430	(175,681)
Employee/subcontractor expenses	55,921	-	55,921	-	55,921	21,703	(34,218)
Office costs, stationery and postage	24,525	-	24,525	-	24,525	23,882	(643)
Customer refunds	1,129	-	1,129	-	1,129	-	(1,129)
Direct expenses	25,674	-	25,674	-	25,674	11,670	(14,004)
Licences, trademarks and royalties	15,435	-	15,435	-	15,435	-	(15,435)
Payroll bureau fees and expenses	14,277	-	14,277	-	14,277	6,969	(7,308)
Sundry expenses/contingency	6,346	-	6,346	3,000	9,346	23,778	14,432
Lease/hire/HP payments	8,323	-	8,323	-	8,323	2,975	(5,348)
Overdraft/loans interest/bank charges	10,909	-	10,909	235	11,144	2,812	(8,332)
Storage costs not charged as a disbursement	1,170	-	1,170	-	1,170	751	(419)
Professional fees	1,670	-	1,670	-	1,670	180	(1,490)
Taxation advice	6,750	-	6,750	-	6,750	-	(6,750)
Agents fees and disbursements	28,026	-	28,026	-	28,026	-	(28,026)
Pre-administration costs	251,077	-	251,077	-	251,077	251,078	1

Insurance	39,874	-	39,874	-	39,874	9,534	(30,340)
Administrators' category 1 disbursements	38,774	371	39,145	742	39,888	38,761	(1,127)
Administrators' category 2 disbursements	1,703	13	1,716	40	1,756	3,165	1,409
Irrecoverable VAT	379	-	379	-	379	-	(379)
	9,914,463	65,106	9,979,569	104,017 to 146,017	10,083,586 to 10,125,586	8,802,125	(1,281,461) to (1,323,461)

Specific notes to statement of expenses

Note 1: We have assumed that there will be no future debt collection fees, but we are awaiting confirmation from the DCA that no future book debt collections are anticipated.

Note 2: The amount provisioned for future legal fees, represents an estimated range by our case lawyers. Due to the complex nature of specific matters such as the resolution of the EEG/EEHCL security position, it is not possible to predict with any further degree of accuracy what our future legal costs will be, and the estimate provided includes no provision for litigation costs should any litigation be required. Should any litigation costs need to be incurred these will be required to be approved by the Committee. The estimate in the table does include an estimate for legal costs in respect of the application to court to obtain an increase to our fees estimate (albeit the estimate assumes the application would proceed without being challenged or contested by creditors). The estimate of future legal fees also assumes that no future recovery action is required in respect of any other potential asset realisations.

The table above should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

We have explained in previous reports from the former administration the reasons why our expenses have exceeded the initial estimate provided and full details are provided in our remuneration report dated 19 July 2023. Since moving from the former administration to liquidation our estimate of overall expenses (excluding former Administrator and Liquidators' fees), has increased from between £10.02m to £10.06m provided in our first liquidation report dated 19 July 2022 to between £10.08m to £10.12m.

The increase compared to our previous report is the result of increased legal costs being incurred in the period as a result of seeking legal advice in relation to our options for fee approval, as well as the costs incurred in the preparation of an application to court to seek an increase in our fee estimate

The table excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

UPBOL: Statement of expenses

<i>Nature of expense</i>	<i>Brought forward from administration and previous period</i>	<i>Paid/incurred in the period under review</i>	<i>Cumulative</i>	<i>Estimated future</i>	<i>Anticipated total</i>	<i>Initial estimate</i>	<i>Variance</i>
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Legal fees and expenses	11,867.00	0.00	11,867.00	-	11,867.00		(11,867.00)
UPBO to EESL - contribution to insurance and employee costs (previously categorised as insurance)	6,926.92	-	6,926.92	-	6,926.92	6,927.00	0.08
Office costs, stationery and postage	3,392.77	-	3,392.77	-	3,392.77		(3,392.77)
Finance, bank interest and charges (Note 1)	565.75	-	565.75	25.75	591.50		(591.50)
Storage	-	-		200.00	200.00		(200.00)
Statutory advertising	87.00		87.00	87.00	174.00		(174.00)
Corporation tax	185.00		185.00	-	185.00		(185.00)
Postage		-	-	200.00	200.00		(200.00)
Pre-administration costs	13,215.00	-	13,215.00	-	13,215.00	13,215.00	0.00
Office holders' Category 1 disbursements	2,056.83	3.99	2,060.82	200.00	2,260.82	975.00	(1,285.82)
Office holders' Category 2 disbursements	46.62	-	46.62	100.00	146.62		(146.62)
Total expenses excluding our fees	38,342.89	3.99	38,346.88	812.75	39,159.63	21,117.00	(18,042.63)

Notes

1. Legal fees were paid during the reporting period of £8,216. This related to an invoice which was outstanding from the former administration. We previously had under reported legal fees accrued in the statement of expenses and therefore have amended the brought forward from £3,651 to 11,867 in the table above. The estimated future finance, bank interest and charges is a provision relating to the fees for paying unclaimed dividends to the Insolvency Service.

The table excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

We have explained in previous reports the reasons why our expenses have exceeded the initial estimate provided. Since the date of our previous report, our estimate of overall expenses (excluding former Administrators' and Liquidators' fees), has increased from £38,343 provided in our previous report to £39,160 the increase being as a result of estimated future disbursements, postage and storage costs.

Appendix C: Remuneration update

EESL

During the former administration, Unsecured creditors fixed the basis of the former Administrators' fees on a time costs basis with an initial fee estimate of £3,419,869.

The fee basis agreed in the former administration continues to apply in the liquidation. This means that our fees as Liquidators will be calculated by reference to time properly spent by the Liquidators and their staff in dealing with the liquidation.

The time cost charges incurred in the period covered by this report are £312,311. This represents 491.04 hours at an average hourly rate of £636.02. Our total time costs incurred to date (for both the administration and liquidation periods combined) totals £5,814k. This amount does not necessarily reflect how much we will eventually draw as fees.

We issued a revised remuneration report to creditors dated 4 March 2021, where we sought approval from the Unsecured creditors to increase our initial fee estimate from £3,419,869 to £5,325,508. As we have detailed earlier in this report, although we did receive unconnected creditor support for this increase, certain creditors connected with EESL's sole director rejected the decision to increase our fees estimate.

After further assessing our strategy and following the formation of a Committee, with the Committee's support, and to avoid the costs of making an application to Court for directions on the increase in our fees estimated, we issued a further remuneration report in conjunction with our previous progress report, again seeking an increase to our fees estimate to £5,325,508. This remuneration report included full details of the reasons that our fee estimate has been exceeded and reflected a discount on the overall time costs we had incurred. A high level summary is as follows:

- **Loss of access to the billing system:** The billing system was controlled by the director's overseas company and access was removed, requiring a whole new billing platform to be built from scratch. This increased costs, delayed the debt collection process, and meant that the position of customers moved to Scottish Power under the SoLR process could not be agreed.
- **Volume of customer queries:** a significant amount of time has been spent dealing with customer queries, which was necessary in order to ascertain the correct balances due from customers and to obtain the correct information relating to credit balances. The delay in being able to undertake the billing process inevitably increased the level of queries raised and the length of time over which such queries were raised. At the time that the original fee estimate was prepared, it was not possible to predict the volume or complexity of customer queries that would be received.
- **Length of debtor collection process:** the Covid-19 pandemic which commenced in March 2020 had a significant impact on our debt collection strategy as certain collections had to be stopped, or were delayed and our ability to take legal action was restricted. Our original debt collection strategy was put on hold, with employees retained for longer than was originally envisaged in order to monitor ongoing collections and deal with customer queries.
- **Case specific/sector complexities:** there were many challenges faced by the administrators which have resulted in the original fees estimate being exceeded. These include:
 - the complexity of industry supplier creditor claims;
 - lack of a director's statement of affairs, resulting in difficulties in adjudicating claims;
 - lack of documentation to assess the validity of claims received by EEG and EEHCL;
 - Complex VAT and CCL arrangements with bespoke processes needing to be arranged with HMRC;
 - Interactions required with industry regulators;
 - internal team changes within HMRC making it difficult to obtain refunds due to EESL

As we have explained earlier in this report, despite again having support from unconnected creditors and the Committee for the increase to our fee estimate. The decision to increase our fee estimate was again rejected by certain creditors connected with EESL's sole director and therefore at this time our fees estimate only remains approved up to a cap of £3,419,869.

After seeking further legal advice, we are required to now apply for directions to Court to seek an increase of our fee estimate. We will also be asking the Court to approve the time costs we have incurred in respect of making the Court

application and that these be paid as an expense of the liquidation. To date, our time costs incurred in connection with making the Court application total £51.8k, which can be seen on the time summary below.

In the former administration fees drawn totalled £2.75m. There is currently £669,869 of the approved fees estimate still to draw. No further fees have been drawn to date (in the former administration or current liquidation). But we anticipate that this balance will be drawn in due course.

As can be seen above our time costs have significantly exceeded our initial fees estimate of £3,419,869 being the amount approved by the unsecured creditors as fee approving body.

We set out later in this Appendix details of our work to date, anticipated future work, expenses, subcontracted work and payments to associates.

Our hours and average rates

EESL: time costs incurred in the period 4 June 2022 to 3 June 2023

SIP 9 Work Type	Partner	Director	Senior Manager	Manager	Senior Associate	Associate/ Other	Offshore Professionals	Hrs	Cost/£	Average hourly rate
Fee application	-	-	5.35	-	91.62	-	-	96.97	51,785.00	534.03
Accounting and Treasury	-	-	1.80	0.85	5.72	4.20	-	12.57	6,480.05	515.52
Assets	-	-	2.20	4.00	21.90	-	-	28.10	15,878.50	565.07
Creditors	-	-	7.45	1.00	7.90	-	-	16.35	10,986.55	671.96
Investigations	-	1.50	1.95	-	3.50	-	-	6.95	4,627.00	665.76
Statutory and Compliance	1.25	-	28.70	33.40	57.20	1.50	-	122.05	75,001.00	614.51
Secured creditors	-	-	1.10	0.10	3.10	-	-	4.30	2,487.00	578.37
Strategy and Planning	-	-	21.25	6.45	39.50	1.50	-	68.70	41,985.50	611.14
Tax and VAT	-	31.60	6.45	11.00	59.50	23.20	3.30	135.05	103,080.50	763.28
Grand Total	1.25	33.10	76.25	56.80	289.94	30.40	3.30	491.04	312,311.10	636.02

EESL: time costs incurred from 4 Dec 2018 to 3 June 2023

	Incurred to 3 Jun 22 (including former administration)		Incurred 4 Jun 22 to 3 Jun 23		Cumulative to 3 June 23		Initial estimate		Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Fee application	-	-	96.97	51,785.00	96.97	51,785.00	-	-	(96.97)	(51,785.00)
Accounting and Treasury	666.40	196,357.50	12.57	6,480.05	678.97	202,837.55	238.00	68,690.00	(440.97)	(134,147.55)
Assets	2,527.90	1,053,178.25	28.10	15,878.50	2,556.00	1,069,056.75	2,312.00	913,158.00	(244.00)	(155,898.75)
Creditors	1,003.85	330,811.75	16.35	10,986.55	1,020.20	341,798.30	543.00	177,576.00	(477.20)	(164,222.30)
Employees and Pensions	513.55	218,374.25	-	-	513.55	218,374.25	229.00	92,112.00	(284.55)	(126,262.25)
Investigations	124.95	44,745.50	6.95	4,627.00	131.90	49,372.50	134.00	52,398.00	2.10	3,025.50
Secured creditors	7.65	4,058.75	4.30	2,487.00	11.95	6,545.75	-	-	(11.95)	(6,545.75)
Statutory and Compliance	2,057.90	648,242.75	122.05	75,001.00	2,179.95	723,243.75	611.00	204,054.00	(1,568.95)	(519,189.75)
Strategy and Planning	736.85	317,992.50	68.70	41,985.50	805.55	359,978.00	494.00	192,210.00	(311.55)	(167,768.00)
Operations	4,252.00	1,570,206.00	-	-	4,252.00	1,570,206.00	3,112.00	995,788.00	(1,140.00)	(574,418.00)
IT support	7,070.00	205,829.00	-	-	7,070.00	205,829.00	558.00	135,824.00	(6,512.00)	(70,005.00)
Tax and VAT	1,267.90	912,219.25	135.05	103,080.50	1,402.95	1,015,299.75	804.00	588,059.00	(598.95)	(427,240.75)
Grand Total	20,228.95	5,502,015.50	491.04	312,311.10	20,719.99	5,814,326.60	9,035.00	3,419,869.00	(11,684.99)	(2,394,457.60)

UPBOL

During the former administration, creditors fixed the basis of the former Administrators' fees on a time costs basis up to £297,889. During the former administration, for reasons outlined within the former Administrators' final progress report, we exceeded this initial estimate. On 4 March 2021, in the former administration we wrote to creditors seeking a decision to increase our fees estimate to an amount not exceeding £514,792. Creditors approved this decision.

The fee basis agreed in the administration continues to apply in the liquidation. This means that our fees as Liquidators will be calculated by reference to time properly spent by the Liquidators and their staff in dealing with the liquidation.

The time cost charges incurred in the period covered by this report are £136,207 which represents 221.10 hours at an average hourly rate of £616.04.

Our total time costs incurred to date (for both the administration and liquidation periods combined) totals £682,170, representing 1,829.25 hours at an average hourly rate of £372.92. This amount does not necessarily reflect how much we will eventually draw as fees.

In the former administration of the approved fees estimate of £514,792, we drew fees totalling £268,995. There is currently £245,797 of the approved fees estimate still to draw. No fees have been drawn in the current reporting period. However creditors should be aware that shortly after the reporting period the balance of £245,797 has been drawn. As the amount paid falls outside this reporting period, it is not reflected on the Receipts and Payments account at Appendix A.

As can be seen above our total time costs across the administration and liquidation have now exceeded our approved fees estimate of £514,792. We do not anticipate seeking further approval to draw remuneration above the currently approved fee estimate, so as to preserve a greater distribution to Unsecured creditors.

We set out later in this Appendix details of our work to date, anticipated future work, expenses, subcontracted work and payments to associates.

UPBOL: time costs incurred in the period 3 June 2022 to 2 June 2023

SIP 9 Work Type	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total	Total cost £	Average hourly rate £
Accounting & Treasury	-	-	0.15	0.30	1.80	1.45	-	3.70	1,760.75	475.88
Assets	-	-	0.95	13.20	0.10	0.00	-	14.25	10,504.50	737.16
Creditors	-	-	28.25	2.65	3.20	0.00	-	34.10	27,129.25	795.58
Statutory & Compliance	0.75	-	15.40	23.50	41.60	0.15	28.50	109.90	61,089.25	555.86
Strategy & Planning	-	-	5.25	6.95	3.85	1.25	-	17.30	11,780.00	680.92
Tax & VAT	-	3.40	2.50	5.90	7.55	20.00	2.50	41.85	23,943.25	572.12
Total	0.75	3.40	52.50	52.50	58.10	22.85	31.00	221.10	136,207.00	616.04

UPBOL: time costs incurred from 4 Dec 2018 to 2 June 2023

Work classification	Incurred to 2 Jun 22 (including former administration)			Liquidation			Cumulative			Fee estimate			Variance	
	hours		Average hourly rate (£)	hours		Average hourly rate (£)	hours		Average hourly rate (£)	hours		Average hourly rate (£)	hours	(£)
Accounting and treasury	46.00	11,317.00	246.02	10.45	4,475.75	428.30	56.45	15,792.75	279.77	53.00	14,967.00	282.40	(3.45)	(825.75)
Assets	48.20	11,129.00	230.89	37.30	22,222.50	595.78	85.50	33,351.50	390.08	67.00	19,889.00	296.85	(18.50)	(13,462.50)
Creditors	163.50	48,737.00	298.09	77.10	51,275.25	665.05	240.60	100,012.25	415.68	253.00	85,735.00	338.87	12.40	(14,277.25)
Employees and pensions	424.20	105,112.00	247.79	0.00	0.00	0.00	424.20	105,112.00	247.79	441.00	112,185.00	254.39	16.80	7,073.00
Investigations	23.00	6,926.00	301.13	0.00	0.00	0.00	23.00	6,926.00	301.13	24.00	7,316.00	304.83	1.00	390.00
Statutory & Compliance	449.65	164,862.75	366.65	127.35	68,968.75	541.57	577.00	233,831.50	405.25	496.00	184,936.00	372.85	(81.00)	(48,895.50)
Strategy & Planning	138.00	51,700.00	374.64	68.65	31,909.00	464.81	206.65	83,609.00	404.59	154.00	58,451.00	379.55	(52.65)	(25,158.00)
Operations	61.50	22,572.50	367.03	0.00	0.00	0.00	61.50	22,572.50	367.03	36.00	10,590.00	294.17	(25.50)	(11,982.50)
Tax & VAT	43.55	26,235.75	602.43	110.80	54,726.75	493.92	154.35	80,962.50	524.54	40.00	20,723.00	518.08	(114.35)	(60,239.50)
Total	1,397.60	448,592.00	320.97	431.65	233,578.00	541.13	1,829.25	682,170.00	372.92	1,564.00	514,792.00	329.15	(265.25)	(167,378.00)

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidations. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the liquidations (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidations.

Grade	1 July 2022 £
Partner	980
Appointment taking director	960
Director (not appointee)	915
Assistant director	900
Senior manager	860
Manager	730
Senior associate	515
Associate	375
Support staff	160
Offshore professionals	375-515

Reflecting the increasingly mobile and flexible nature of the PwC workforce and the narrowing of our London and regional cost bases we have moved to one uniform rate card for our standard restructuring and insolvency services from 1 July 2022. This is in line with other parts of PwC, and is also consistent with wider insolvency market practice. We will continue to have a separate rate card for specialist services including our tax, data and technologist support.

Should an increase in charge out rates result in our time costs exceeding the fee estimate provided to creditors at the time we sought approval of the basis of our remuneration, we will need to seek approval from the relevant creditor body in order to draw fees in excess of that estimate.

We have a diverse range of experience and capability within our director and senior manager teams. We have created two further grades within this population to reflect different levels of experience. We have differentiated between those directors who take insolvency appointments and lead insolvency cases (thereby providing considerable leverage to our appointment taking partners and reducing overall costs to insolvent estates), and those directors who help to support the delivery of our insolvency strategy. We have also created differential rates in our senior manager team, acknowledging those insolvency qualified and long serving insolvency experienced senior managers separately from those who are not yet insolvency qualified.

Role descriptions applicable to the new rates are below. In addition, as the range of work that may be undertaken by our offshore professional colleagues increases, we also provide updated information for that role.

Title	Description
Appointment taking director	A licensed insolvency practitioner acting as an office holder on the insolvency appointment and subject to additional office-holder responsibilities compared to a Director who is not an appointed office-holder. Highly experienced in insolvency matters at a senior level, including managing complex insolvencies and supervising teams.
Assistant director	Individuals of Senior Manager title but who are highly experienced in insolvency matters and either with more than 10 years insolvency experience at Senior Manager level or are qualified to JIEB level.
Offshore professional	Offshore professional colleagues may provide assistance, albeit that the majority of the work on this case will be undertaken by the UK based team. An off-shore professional at the higher end of the fee bracket generally has appropriate insolvency experience or an accounting qualification, depending on the nature of the work and will assist with planning and control of various aspects of the insolvency. An off-shore professional at the lower end of the fee bracket will typically have a finance-related qualification and appropriate skills to complete basic insolvency related tasks and provide administrative support to the team including efficient document preparation and data entry, records management, and general data analytics. All work under the supervision of more senior staff.

We call on colleagues such as those in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. We may also utilise Technology Specialists from the wider Business Restructuring Services team or other parts of our firm. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	Tax and pensions specialists From 1 April 2022 £	Technology specialists from 1 July 2022 £
Partner	1,810	1,175
Director	1,660	1,085
Senior manager	1,310	980
Manager	950	795
Senior associate/consultant	690	575
Associate/assistant consultant	375	415
Support staff	205	145
Offshore professionals	190	375-515

In common with many professional firms, our scale rates may rise eg to cover annual inflationary cost increases.

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report for either EESL or UPBOL. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors or whether it was required by statute
Accounting and treasury (EESL and UPBOL)	<ul style="list-style-type: none"> Processing of receipts, payments and journals (EESL and UPBOL); and Undertaking bank reconciliations and dealing with any reconciling items (EESL and UPBOL). 	<ul style="list-style-type: none"> To ensure proper stewardship of funds 	<ul style="list-style-type: none"> No direct financial benefit, but necessary for the conduct of the liquidation
Fee application (EESL)	<ul style="list-style-type: none"> Liaising with legal advisers in respect of Court application for fee approval and preparation application and accompanying witness statement; Reviewing and amending draft witness statement prepared by legal advisers; Various discussions with legal advisers to discuss contents of witness statement and supporting schedules required to comply with practice direction; and Preparation of various schedules to accompany witness statement. 	<ul style="list-style-type: none"> To enable the progression of the liquidation and to remunerate the liquidators for work undertaken 	<ul style="list-style-type: none"> No direct financial benefit, but necessary for the progression of the liquidation
Assets:	<ul style="list-style-type: none"> Liaising with DCA in relation to debtor collections and schedules; 	<ul style="list-style-type: none"> To maximise asset realisations for the benefit of creditors and to conclude debt collection activities once it became uncommercial to continue to collect debtors 	<ul style="list-style-type: none"> Realising assets to enable a distribution to creditors
- Debtors (EESL)	<ul style="list-style-type: none"> Processing debtor receipts received from DCA's post conclusion of the formal debt collection exercise; Liaising with DCA's to obtain remittances and to establish debt collection fees deducted from debtor receipts; Processing cheque and BACS receipts relating to debtor realisations; Processing debt collection fees; and 		

	<ul style="list-style-type: none"> • Corresponding with DCA with regards to stopping debt collection activities and considering strategy in relation to ongoing collections.
- Other Assets (EESL)	<ul style="list-style-type: none"> • Processing of £101k refund received from the pre-appointment bankers in relation to the surplus funds remaining in the pre-appointment account • Liaising with National Grid Electricity System Operator in relation to credit balance due to EESL and processing of £1.19m receipt
- Other Assets (UPBOL)	<ul style="list-style-type: none"> • Liaising with Scottish Power in respect of a refund of an overpayment of gas paid pre-appointment; and • Processing of two days gas refund received from Scottish Power.

Creditors:	<ul style="list-style-type: none">Dealing with creditor enquiries received via email, telephone and post; (EESL and UPBOL);Preparing and issuing correspondence to creditors and their representatives (EESL and UPBOL); andReceiving and filing proof of debts (EESL and UPBOL);	<ul style="list-style-type: none">To keep creditors informed of the progress of the liquidations	<ul style="list-style-type: none">No financial benefit, but necessary for the conduct of the liquidation
<ul style="list-style-type: none">Enquiries (EESL and UPBOL)			
<ul style="list-style-type: none">Secured creditors (EESL)	<ul style="list-style-type: none">Liaising with our legal advisors to assess the validity of EEG's and EEHCL's security and holding strategy calls with the Liquidators;Reviewing documentation in support of EEG and EEHCL's claims;Dealing with proofs of debt and updating creditor database (EESL and UPBOL);	<ul style="list-style-type: none">To account for secured claims correctly and to calculate return to all creditors accurately	<ul style="list-style-type: none">Statutory requirement
<ul style="list-style-type: none">Unsecured creditors (EESL & UPBOL)	<ul style="list-style-type: none">Requesting supporting documentation in relation to a number of larger claims (EESL);Continuing formal adjudication of creditor claims (EESL and UPBOL);Liaising with HMRC to try obtain final claim in liquidations; (EESL and UPBOL); andReviewing employee unsecured claims and preparing letter to issue to employees in respect of Unsecured creditor claims (UPBOL).	<ul style="list-style-type: none">To account for unsecured claims correctly;To agree claims in preparation for a future dividend	<ul style="list-style-type: none">Statutory requirement
Investigations (EESL)	<ul style="list-style-type: none">Liaising with the Department for Business, Energy & Industrial Strategy in respect of its investigations	<ul style="list-style-type: none">To agree discharge our duties as liquidators	<ul style="list-style-type: none">statutory requirement
Statutory and compliance (EESL and UPBOL)	<ul style="list-style-type: none">Reviewing, allocating and filing case post as appropriate (EESL and UPBOL);Updating and maintaining statutory case files(EESL and UPBOL);Preparing and issuing the first progress report of the liquidations (EESL and UPBOL).	<ul style="list-style-type: none">To comply with statutory requirements;	<ul style="list-style-type: none">statutory requirement
<ul style="list-style-type: none">general (EESL and UPBOL)			
Remuneration report (EESL)	<ul style="list-style-type: none">Issuing a further remuneration report and decision procedure in respect of revised remuneration request;Logging voting forms received in respect of the fee	<ul style="list-style-type: none">For efficient management of the liquidations;	

	<ul style="list-style-type: none"> decision procedure ; and Preparing decision record following the decision procedure in respect of fees ; and Obtaining legal advice relating to our remuneration following the rejection of the decisions to increase our fee estimate. 	<ul style="list-style-type: none"> To aid the Liquidators in dealing with outstanding matters in the liquidation 	<ul style="list-style-type: none"> statutory requirement
- Committee (EESL)	<ul style="list-style-type: none"> Preparing for and holding a meeting of the Committee to consider the revised remuneration request, including preparation of supporting information for the Committee and minutes of the meeting. 		
Tax & VAT:	<ul style="list-style-type: none"> Preparation and submission of tax returns for period ended 3 June 2022; Payment of tax liabilities in respect of FY22 tax returns for EESL and UPBOL; 	<ul style="list-style-type: none"> To discharge tax obligations 	<ul style="list-style-type: none"> statutory requirement
- Corporation tax (EESL & UPBOL)			
- VAT (EESL & UPBOL)	<ul style="list-style-type: none"> preparation and submission of quarterly VAT returns (EESL); Payment of VAT liabilities (EESL); Reconciliation of liquidation VAT accounts (EESL); Liaising with HMRC in respect of outstanding VAT refunds relating to the former administration period in respect of general VAT and CCL refunds (EESL); Liaising with tax team following correspondence from HMRC in relation to request for repayment of CCL monies (EESL); Preparation and submission of correspondence to HMRC in respect of outstanding VAT and CCL funds (EESL); Regular team discussions regarding ongoing VAT accounting for debtor receipts, treatment of debtor receipts; and amounts still due from HMRC relating to CCL and former administration and strategy for progressing receipt of these amounts (EESL); and Preparation and submission of the pre-appointment VAT return (following receipt of the 2 days gas settlement) (UPBOL). 	<ul style="list-style-type: none"> To comply with VAT obligations 	<ul style="list-style-type: none"> statutory requirement

Strategy and planning (EESL and UPBOL)	<ul style="list-style-type: none"> • Updating estimated outcome statements; • Reviewing liquidation strategy and holding team meetings to review status of the liquidations and ongoing case matters; • Conducting six monthly case reviews; • Filing of documents on approved systems of record; and • Updating case checklists and diary management system. 	<ul style="list-style-type: none"> • To ensure the effective management of the liquidations 	<ul style="list-style-type: none"> • No direct financial benefit but necessary for the conduct of the administrations
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Our future work

The following work still needs to be undertaken in order to conclude the liquidations.

EESL

Area of work	Work to be undertaken	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
Assets:	<ul style="list-style-type: none"> Processing the receipt of any dividend from UPBOL; Obtaining confirmation from the DCA that all debtor collections have been finalised 	<ul style="list-style-type: none"> £1,500 	<ul style="list-style-type: none"> Provides a direct financial benefit to creditors
Court application in respect of fees	<ul style="list-style-type: none"> Liaising with legal advisers in respect of the application to Court in respect of the Liquidators' remuneration; Finalise witness statement for the Court application; Obtain a hearing date for the Court application; and Deal with the outcome of the Court hearing. 	<ul style="list-style-type: none"> £25,000-£50,000 (we have included a range as it is currently difficult to estimate with any certainty the costs that will be incurred in relation to the Court application) 	<ul style="list-style-type: none"> No financial benefit to creditors, but is required to enable progression of the liquidation
Creditors: - unsecured creditors	<ul style="list-style-type: none"> Preparing correspondence to potential creditors inviting lodgment of proofs of debt and lodging claims as received; Continuation of claim adjudication, including requesting further information from creditors; Obtain HMRC's final claim in the liquidation; Updating and maintaining a record of the projected dividend level to creditors; Preparing correspondence to claimants advising outcome of adjudication and advising of intention to declare unsecured dividend; Advertising intention to declare unsecured dividend; 	<ul style="list-style-type: none"> £108,628 	<ul style="list-style-type: none"> Procedures necessary to allow payment of a first and final dividend to the unsecured creditors

<ul style="list-style-type: none"> - Secured creditors - Committee 	<ul style="list-style-type: none"> • Calculating dividend rate (Prescribed Part and Ordinary unsecured dividend) and preparing dividend file; • Preparing and paying unsecured dividend; • Dealing with unclaimed dividends and transferring uncashed dividends to the Insolvency service account; • Continuing to work with solicitors to assess the validity of security of EEG and EEHCL; • Issuing communications to secured creditors as required; and • Responding to secured creditors' ad-hoc queries as necessary. • 		
Accounting and treasury	<ul style="list-style-type: none"> • To continue to process receipts, payments and journals as necessary; • To continue reconciling bank accounts; • Processing unsecured dividend payments; and • Bank account closure. 	<ul style="list-style-type: none"> • £27,853 	<ul style="list-style-type: none"> • Ensures proper accounting in the liquidation and stewardship of the funds for the benefit of the creditors.
Tax and VAT	<ul style="list-style-type: none"> • Preparation and submission of quarterly VAT returns (until VAT deregistration) • To continue to liaise with HMRC to obtain outstanding VAT and CCL refunds due; • Deregister EESL for VAT; • Preparing and issuing periodic tax returns; • Liaising with HMRC in respect of the above; and • Request for corporation tax clearance prior to closure. 	<ul style="list-style-type: none"> • £85,000 	<ul style="list-style-type: none"> • statutory requirement and necessary for the conduct of the liquidation • Obtaining refunds due directly benefits the funds available for distribution to creditors.
Investigations	<ul style="list-style-type: none"> • If required, liaising with the Department for Business, Energy & Industrial Strategy in respect of its investigations. • Conducting wider investigations which may result in additional recoveries for the liquidation estate 	<ul style="list-style-type: none"> • Uncertain 	<ul style="list-style-type: none"> • statutory requirement
Strategy & planning	<ul style="list-style-type: none"> • Undertaking six monthly case reviews; • Holding case progression meetings to ensure efficient case progression; 	<ul style="list-style-type: none"> • £40,000 	<ul style="list-style-type: none"> • statutory requirement and necessary for the conduct of the liquidation

	<ul style="list-style-type: none"> • Dealing with of former Administrators' and Liquidators billing; and • Dealing with any case specific meetings as and when required. 		
Statutory & compliance (including Committee) and closure procedures	<ul style="list-style-type: none"> • Preparing and issuing annual progress reports to creditors, members and the Registrar of Companies in liquidation • Holding Committee meetings and issuing Committee reports as and when required. • Issuing any notices and associated documentation for seeking any future decisions of creditors as required • Dealing with remuneration matters outside of formal court application; • Responding to any further Data Subject Access Requests; • Obtaining clearances from third parties; • Preparation and issue of Joint Liquidators' final report and move to dissolution; • Completing checklists and diary management system; • Closing down internal systems; and • Completing internal statutory case files. 	<ul style="list-style-type: none"> • £91,011 	<ul style="list-style-type: none"> • statutory requirement

Note: Following completion of a revised budget in relation to future costs, which was undertaken in relation to the application to court in respect of our future fees and also the ongoing nature of VAT matters and the need for continuing strategy discussions, we have revised some of the estimates above compared to our previous report.

UPBOL

Area of work	Work to be undertaken	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
Accounting and treasury	<ul style="list-style-type: none"> • To continue to process receipts, payments and journals as necessary; • To continue reconciling bank accounts; • Processing dividend payments to Unsecured creditors; and • Bank account closure. 	<ul style="list-style-type: none"> • 13,300 	<ul style="list-style-type: none"> • Ensures proper accounting in the liquidation and stewardship of the funds for the benefit of the creditors.

Tax and VAT	<ul style="list-style-type: none"> Preparing and submitting VAT 426 reclaims to recover VAT in liquidation. 	<ul style="list-style-type: none"> 1,000 	<ul style="list-style-type: none"> statutory requirement and necessary for the conduct of the liquidation
Unsecured creditors	<ul style="list-style-type: none"> Preparing correspondence to potential creditors inviting lodgment of proofs of debt and lodging claims as received; Continuation of claim adjudication, including requesting further information from creditors; Updating and maintaining a record of the projected dividend level to creditors; Preparing correspondence to claimants advising outcome of adjudication and advising of intention to declare unsecured dividend; Advertising intention to declare unsecured dividend; Calculating dividend rate and preparing dividend file; Preparing and paying unsecured dividend; and Dealing with unclaimed dividends and transferring uncashed dividends to the Insolvency service account. 	<ul style="list-style-type: none"> 15,000 	<ul style="list-style-type: none"> statutory requirement
Statutory & compliance and closure procedures	<ul style="list-style-type: none"> Responding to any further Data Subject Access Requests; Obtaining clearances from third parties; Preparation and issue of Joint Liquidators' final report and move to dissolution; Completing checklists and diary management system; Closing down internal systems; and Completing internal statutory case files. 	<ul style="list-style-type: none"> 15,000 	<ul style="list-style-type: none"> statutory requirement

Notes

1. Our estimated future costs have increased since our previous report. This is primarily because the UPBOL liquidation has remained open for longer than was initially anticipated due to the protracted settlement of the 2 day supply of gas and the additional preferential claim received, these matters in turn have delayed the proposed distribution to the unsecured creditors and closure of the case and have therefore increased the level of work required by the office holders and their staff.

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

Details of subcontracted work

The following work, which we or our staff would normally do, has been done by subcontractors as this was the most cost efficient way for the work to be carried out

Service provided	Name of firm/organisation	Reason selected	Basis of fees
Debt collection services (EESL only)	<ul style="list-style-type: none">Credit Style Limited	<ul style="list-style-type: none">sector expertise	<ul style="list-style-type: none">% of realisations

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm/organisation	Reason selected	Basis of fees
Legal services	<ul style="list-style-type: none">Gateley Plc (EESL only)Eversheds Sutherland LLP (EESL and UPBOL)	<ul style="list-style-type: none">Insolvency expertise	<ul style="list-style-type: none">time cost and disbursements

We require all third party professionals to submit either time cost analysis and narrative or other relevant information in support of invoices rendered. We monitored time costs on an appropriate basis and required third party professionals to seek the approval of the Liquidators prior to undertaking work.

Appendix D: Other information

EESL

Company's registered name:	Extra Energy Energy Supply Limited
Trading name:	Extra Energy
Registered number:	08053154
Registered address:	PwC LLP, Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Liquidators' appointment:	4 June 2021
Liquidators' names, addresses and contact details:	David Matthew Hammond – 1 Chamberlain Square, Birmingham, B3 3AX Edward Williams - 1 Chamberlain Square, Birmingham, B3 3AX 0113 289 4000

UPBOL

Company's registered name:	Utility Professional Business Operations Limited
Trading name:	Extra Energy
Registered number:	08656255
Registered address:	PwC LLP, Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Liquidators' appointment:	3 June 2021
Liquidators' names, addresses and contact details:	David Matthew Hammond – 1 Chamberlain Square, Birmingham, B3 3AX Edward Williams - 1 Chamberlain Square, Birmingham, B3 3AX 0113 289 4000