

LIQ03

Notice of progress report in voluntary winding up



Companies House

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1 Company details

Company number 0 8 2 4 1 7 5 1

Company name in full Green Network UK Plc

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) James

Surname Cook

3 Liquidator's address

Building name/number Suite 3 Regency House

Street 91 Western Road

Post town Brighton

County/Region

Postcode B N 1 2 N W

Country

4 Liquidator's name ①

Full forename(s) Richard Dixon

Surname Fleming

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Suite 3 Regency House

Street 91 Western Road

Post town Brighton

County/Region

Postcode B N 1 2 N W

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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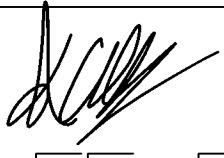
6 Period of progress report

From date	^d 2	^d 0	^m 0	^m 5	^y 2	^y 0	^y 2	^y 2	
To date	^d 1	^d 9	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X  X								
Signature date	^d 1	^d 7	^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 **Harry Ashworth**

Company name **Alvarez & Marsal Europe LLP**

Address **Suite 3 Regency House**

91 Western Road

Post town **Brighton**

County/Region

Postcode **B N 1 2 N W**

Country

DX

Telephone **+44 (0) 20 7715 5200**

**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

GREEN NETWORK UK PLC – IN LIQUIDATION

Joint Liquidators' first progress report

For the period from 20 May 2022 to 19 May 2023

17 July 2023

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1 Executive summary

- James Cook and Richard Fleming of Alvarez & Marsal Europe LLP (“A&M”) were appointed Joint Liquidators (“we”/“our”/“us”) of Green Network UK Plc (the “Company”) on 20 May 2022 following a previous administration appointment.
- This progress report covers the period from the date of our appointment as Joint Liquidators to 19 May 2023 (the “Reporting Period”).
- During the Reporting Period, our work has focussed on concluding our investigations (which commenced during the preceding administration), ongoing realisation of assets, adjudication of creditors’ claims, the payment of a first and final dividend to preferential creditors and payment of a first interim dividend to unsecured creditors.
- Our investigations have focussed on the Company’s accounting records, which were previously held by a third-party provider. During the Reporting Period, we completed the recovery of these records, which has enabled us to conclude our review.
- Realisation of assets has included the successful conclusion of a claim against a former employee of the Company, which had been initiated by management prior to our appointment as Joint Administrators. The specific terms of the settlement are confidential, but the settlement amount has been recovered in full during the Reporting Period.
- As previously reported, the Company has a substantial claim in the ongoing liquidation of Green Network Energy Limited (“GNEL”). The Joint Liquidators of GNEL are Matt Cowlshaw and Ian Wormleighton of Teneo Financial Advisory Limited (the “GNEL Joint Liquidators”). The latest progress report published by the GNEL Joint Liquidators for the period to 3 February 2023 indicates they are currently holding over £22m and we anticipate notice of their intention to declare a dividend shortly. The GNEL Joint Liquidators have previously cited outstanding deferred sale consideration, and the requirement to obtain final judgment in relation to a number of directions sought by the liquidators and administrators of ten other UK energy suppliers, as reasons for delaying a dividend to creditors. We are continuing to monitor the position in relation to the payment of a dividend by the GNEL Joint Liquidators, which we expect will allow us to make a final distribution in this case.
- We are not aware of any secured claims against the Company (Section 3 – Dividend prospects).
- Preferential creditors have received a dividend of 100p in the £ in the Reporting Period (Section 3 – Dividend prospects).
- Unsecured creditors have received an interim distribution of 8.8p in the £ during the Reporting Period. A final distribution to unsecured creditors will be made once all remaining assets have been realised and the associated costs have been paid. The quantum of the final dividend is not yet known (Section 3 – Dividend prospects).
- Please note you should read this report in conjunction with any previous correspondence sent to the Company’s creditors. All such correspondence is available on the Portal. Unless stated otherwise, all amounts in the report are stated net of VAT.



James Cook
Joint Liquidator

2 Strategy and progress of the liquidation to date

This section updates you on our strategy for the liquidation and on our progress to date. It follows the information provided in our initial report to creditors.

2.1 Strategy and progress to date

Our strategy has been to continue to progress the following workstreams during the Reporting Period.

2.1.1 Realisation of assets

Dispute with former employee

On appointment of the Joint Administrators, the Company was in dispute with a former employee concerning alleged breaches by the employee of their contractual obligations. The Company had engaged Farrer & Co ("Farrer") to pursue a settlement and Farrer were subsequently retained by the Joint Liquidators to deal with this specific claim.

The nature of the claim was not straightforward and we were required to perform an assessment of the claim merits, costs to pursue and likelihood of recovery of any litigation award. Following protracted negotiations, it was considered that a settlement in the sum of €140,000 was in the best interests of creditors. Whilst certain aspects of the settlement are confidential, we are pleased to confirm that this amount was paid in full during the Reporting Period.

Claim in the liquidation of GNEL

As previously reported, the Company has a substantial claim in the ongoing liquidation of GNEL. The Joint Liquidators of GNEL are Matt Cowlshaw and Ian Wormleighton of Teneo Financial Advisory Limited (the "GNEL Joint Liquidators").

The latest progress report published by the GNEL Joint Liquidators for the period to 3 February 2023 indicates they are currently holding over £22m and we anticipate notice of their intention to declare a dividend shortly. The GNEL Joint Liquidators have previously cited outstanding deferred sale consideration and the requirement to obtain final judgment in relation to a number of directions sought by the liquidators and administrators of ten other UK energy suppliers¹, as reasons for delaying a dividend to creditors. We are continuing to monitor the position in relation to the payment of a dividend by the GNEL Joint Liquidators which we expect will allow us to make a final distribution in this case.

We have submitted a proof of debt to GNEL's Joint Liquidators in the amount of £26.2m. The Company is therefore a significant creditor in the liquidation of GNEL and we estimate a potential recovery, based on the GNEL Joint Liquidator's latest progress reports, of between £3.9m and £5.5m.

¹ *Robert Croxen et al v Gas and Electric Markets Authority, Octopus Energy Limited et al* [2022] EWHC 2826 (Ch)

Trading platform deposits

During the course of the preceding administration we recovered approximately £139k in relation to trading deposits and securities held by three of the Company's trading counterparties.

The Company has two outstanding trading deposits amounting to c.£50,000 (in GBP Sterling equivalent), held by Terna S.p.A. in Italy and Elexon Limited in the UK.

In relation to the Terna S.p.A. deposit (which we understand to be €50,000), we have made numerous attempts to recover this balance since our original appointment as Joint Administrators. We were subsequently advised that there was a timing restriction on the return of the deposit, which would expire in December 2022 (i.e. approximately 12 months following the appointment of the Joint Administrators). This period has now passed and the return of the deposit has still not been forthcoming. Given the quantum, we will continue to pursue the recovery of this deposit.

The deposit held with Elexon Limited is much smaller (£3,500). Following initial correspondence with Elexon Limited we have submitted a series of forms in order to recover the sum. This amount has also not been forthcoming. We will continue to monitor and assess whether these funds can be recovered in a cost-effective manner in the period of the liquidation.

Treatment of rental income

During the course of the preceding administration we realised approximately £168k (plus amounts equivalent to VAT thereon) (the "Rental Income") from the GNEL Joint Liquidators in respect of unpaid rent and other charges arising on the GNEL Joint Liquidators' occupation of the Company's leasehold premises at Renaissance House, Dingwall Road, Croydon (the "Property").

We have carefully considered the treatment of the Rental Income in light of, amongst other things, an agreement the Company had entered into prior to our appointment as Joint Administrators with the GNEL Joint Liquidators (in their previous capacity as Joint Administrators of GNEL) and we have sought legal advice in respect of the same.

We anticipate that part of the Rental Income will be paid to the landlord of the Property once we have concluded our discussions with the landlord in relation to this matter. Further updates will be provided in due course.

2.2 Asset realisations

Realisations during the Reporting Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the Reporting Period are provided below.

2.2.1 Balances transferred from the administration

Cash in hand

Cash balances totalling £9,521,708 were held by the Joint Administrators at the conclusion of the administration. These amounts have been transferred to the liquidation account under our control.

Cash is held in both Euro and Sterling accounts. The majority of the funds are held in Euros. We have not converted the funds to Sterling because the majority of creditors (by value) have submitted claims in Euros.

VAT reclaim

An outstanding VAT receivable balance of £154,759 was transferred from the administration. This amount was duly requested from HMRC and has been recovered in full.

2.2.2 Insurance refund

A pre-appointment insurance premium refund of £1,968 has been received in the Reporting Period.

2.2.3 Settlement recoveries

During the Reporting Period, the Company received the equivalent of £119,288 in settlement of a dispute with a former employee.

2.2.4 Interest

Bank interest of £12,307 has been realised in the Reporting Period.

2.2.5 Investigations

We have reviewed the affairs of the Company to identify whether there are any actions which can be taken against third parties that might result in recoveries for the benefit of creditors. We have completed our investigations and can confirm that no such actions have currently been identified. Accordingly, no additional recoveries are expected.

The online director conduct assessment was submitted to the Department for Business & Trade during the administration and no further submissions are required during the liquidation. The contents of the submission are confidential.

2.3 Expenses

Expenses are any payments from the estate which are neither the Joint Liquidators' remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Disbursements are payments which are first met by A&M, and then reimbursed to A&M from the estate. For further detail in relation to our disbursements please refer to our charging policy (Appendix 4).

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

For the avoidance of doubt, expenses are defined in Statement of Insolvency Practice 9 ("SIP 9") as:

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

2.3.1 Payments

Payments made in the Reporting Period are set out in the attached receipts and payments account (Appendix 2),

Summaries of the most significant payments made during the Reporting Period are provided below.

Joint Administrators' fees and disbursements

During the Reporting Period, we have drawn the following fees and disbursements in relation to the preceding administration, in accordance with the approvals obtained from creditors:

- Joint Administrators' outstanding approved fees of £137,342; and
- Joint Administrators' outstanding approved disbursements of £336.

Joint Liquidators' fees and disbursements

During the Reporting Period, we have drawn the following fees and disbursements, in accordance with the approvals obtained from creditors:

- Joint Liquidators' fees of £186,481; and
- Joint Liquidators' disbursements of £542.

Further details of our remuneration are provided in section 5 of this report.

Legal fees and disbursements

Legal fees of £197,957 and disbursements of £3,807 have been paid to Mayer Brown International LLP ("Mayer Brown") in the Reporting Period for ongoing insolvency legal advice (Section 2.3.2).

Legal fees of £9,106 and disbursements of £3 have been paid to Farrer & Co ("Farrer") in the Reporting Period in relation to advice provided for the settlement negotiations in relation to the claim against one of the Company's former employees (Section 2.3.2).

2.3.2 Professional advisers and subcontractors

Details of advisers and subcontractors we have engaged during the Reporting Period are provided below.

Legal advisers

Mayer Brown has been engaged as our legal advisers to provide general advice in respect of insolvency related matters. Mayer Brown is engaged on a time cost basis and has been selected for continuity from the administration, their detailed knowledge of the situation and expert knowledge in insolvency matters.

Farrer was engaged to provide legal advice in respect of the settlement negotiations between the Company and a former employee of the Company. Farrer was engaged on a time cost basis and was selected given they provided advice to the Company prior to the preceding administration appointment in relation to this issue.

Subcontractors

Clumber Consultancy Limited ("Clumber") has been engaged to continue to provide employee support services to the Company. These services include agreeing the preferential and unsecured claims of the employees and the Redundancy Payments Service.

Whilst this work could have been carried out by our staff, we concluded that engaging Clumber would be more cost effective. This work was completed on a fixed cost basis and Clumber was paid £899 during the Reporting Period. We frequently (but not exclusively) use Clumber to assist in relation to employee matters given their dedicated and specialised knowledge in this area.

We have reviewed all our professional advisers' costs and they are in line with the agreed terms and are considered reasonable in the context of the work performed.

2.4 Schedule of expenses

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

There are no significant expenses which have been incurred in the administration that remain unpaid.

3 Dividend prospects and dividends paid

3.1 Secured creditors

We are not aware of any secured claims against the Company.

3.2 Preferential creditors

Claims from employees in respect of (1) arrears of wages up to a maximum of £800 per employee (2) unlimited accrued holiday pay and (3) certain pension benefits, rank as ordinary preferential claims.

In addition, certain HMRC claims rank as secondary preferential claims.

The preferential claims have been agreed at £117,614.

A dividend of 100p in the £ was declared to ordinary and secondary preferential creditors on 27 September 2022. Accordingly, the ordinary and secondary preferential creditors have been repaid in full.

3.3 Unsecured creditors

A first interim dividend of 8.8p in the £ was declared to unsecured creditors on 29 September 2022 and paid during the Reporting Period.

The total amount distributed to unsecured creditors during the Reporting Period was £6,608,624. The dividend was calculated in Sterling (in accordance with the Rules) and funds were distributed in Sterling and Euros.

Based on current estimates, we anticipate that unsecured creditors will receive a further dividend. We have yet to determine the total amount of this dividend but we will do so when we have completed the realisation of assets and the payment of associated costs.

4 Joint Liquidators' remuneration and category 2 expenses

4.1 Joint Liquidators' remuneration and category 2 expenses

The Company's creditors have provided approval that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate and charge-out rates provided to creditors; and
- category 2 expenses (as defined in Statement of Insolvency Practice 9 and disclosed to creditors) will be paid as an expense of the estate, including disbursements paid directly by A&M and charged in accordance with our charging policy as set out in Appendix 4.

4.1.1 Time costs

From the date of our appointment to 19 May 2023 we have incurred time costs of £459,380. These represent 715 hours at an average rate of £642 per hour.

4.1.2 Remuneration

During the period, we have drawn remuneration of £186,481.

4.1.3 Additional information

Fees estimate

Our initial fees estimate in the liquidation was approved by unsecured creditors on 7 July 2022.

Our fees estimate of £349,935 has been exceeded due to the following reasons:

- Work in relation to the realisation of assets and investigations (including the recovery of Company records) has been more extensive than we had originally envisaged. Certain aspects of this work remain ongoing;
- Adjudication of creditor claims was more complex than previously envisaged, in part because we received three large creditor claims totalling c.£88.9m which required detailed further investigation before they could be admitted for dividend purposes. Certain claims could not be admitted in full;
- There was a requirement to perform sanction checks prior to distributing monies to creditors to ensure that they were not subject to UK, EU or US government sanctions;
- Our analysis in respect of the Rental Income has been more protracted than expected and we have needed to seek legal advice with regard to the appropriate treatment. The complexity of this issue was not anticipated at the time we prepared our initial fees estimate;
- We have spent additional time reviewing the pre-appointment tax position of the Company in order to adjudicate HMRC's preferential and unsecured claims;

With regard to future costs, at the time of preparing the original fees estimate, our expectation was that the liquidation could be concluded within 12 months. However, the Company's substantial intercompany claim against GNEL remains outstanding and it is likely

that we will now be in office for a further 12 months. This will allow time to realise the claim and make a final distribution to unsecured creditors. As a result of being in office for this longer period, there will be additional statutory matters to complete in the liquidation compared with the level of work envisaged within the initial fees estimate.

Given the delays in realising of the intercompany claim against GNEL, the Joint Liquidators will also consider making a further interim distribution in this case, which was not envisaged within the initial fees estimate.

We will shortly be writing to creditors with details of a revised fees estimate.

Expenses estimate

We do not currently anticipate that the expenses to be incurred during the liquidation will exceed our original expenses estimate of £339,113.

We expect to exceed our original expenses estimate of £200 for legal disbursements during the course of the liquidation. This is due to unanticipated costs of counsel in providing a legal opinion.

Time spent and charging policy

We have attached at Appendix 4 an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Alvarez & Marsal Europe LLP for the period from our appointment to 19 May 2023. We have also attached our charging policy.

5 Future strategy

5.1 Future conduct of the liquidation

Our future conduct in relation to the liquidation will include, but may not be limited to the following workstreams:

- Ongoing engagement with the GNEL Joint Liquidators in order to realise the Company's claim against GNEL;
- Seeking to realise the other remaining assets of the Company, including liaising with counterparties to recover outstanding trading platform deposits;
- Making further and/or final distributions to unsecured creditors once all remaining assets have been realised and the associated costs have been paid;
- Complying with other ongoing statutory requirements of the liquidation; and
- Once the above matters have been dealt with, dealing with closure related formalities, including issuing our final report to creditors.

5.2 Future reporting

We will provide a further progress report within two months of 19 May 2024 or earlier if all matters in the liquidation have been concluded prior to that time.

Appendix 1 – Statutory information

Company information

Company name	Green Network UK Plc – in Liquidation
Date of incorporation	5 October 2012
Company registration number	08241751
Present registered office	Suite 3 Regency House, 91 Western Road, Brighton, B1 2NW
Previous registered office	4 th Floor, 100 Victoria Street, London, SW1E 5JL
Trading address	As above
Nature of business	Trade of electricity

Liquidation information

Appointment	Pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986
Date of appointment	20 May 2022
Joint Liquidators	James Cook and Richard Fleming
Joint Liquidators' contact details	Address: Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW Tel: +44 (0) 20 7715 5200 Email: INS-GRENUP@alvarezandmarsal.com
Functions	The functions of the Joint Liquidators are being exercised by them individually or together in accordance with Section 231(2) of the Insolvency Act 1986
Prescribed part	The prescribed part is not applicable on this case.

Appendix 2 – Receipts and payments account

Green Network UK Plc (In Liquidation) Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 20/05/2022 To 19/05/2023 £	From 20/05/2022 To 19/05/2023 £
	ASSET REALISATIONS		
6,285,364.02	Book Debts	NIL	NIL
	Insurance Refund	1,968.41	1,968.41
2,469,719.72	Cash at Bank	NIL	NIL
60,991.55	Rent	NIL	NIL
	Funds from Administration		
	Funds Transferred from ADM	9,521,708.45	9,521,708.45
	VAT Transferred from ADM	154,759.05	154,759.05
		<u>9,678,435.91</u>	<u>9,678,435.91</u>
	OTHER REALISATIONS		
	Bank Interest	12,307.45	12,307.45
184,555.74	Trading Platform Deposits	NIL	NIL
	Third Party Monies Received in Error	23.33	23.33
	Settlement Recoveries	119,288.47	119,288.47
112,385.14	Accrued Income	NIL	NIL
5,147,518.58	Financial Swaps	NIL	NIL
		<u>131,619.25</u>	<u>131,619.25</u>
	COST OF REALISATIONS		
	Administrators' Fees	137,678.32	137,678.32
	Liquidators' Fees		
	Post-appointment Liquidators Fees	186,481.00	186,481.00
	Liquidators' Disbursements	542.40	542.40
	Agents/Valuers Fees/Disbursements		
	Post-appointment Agents/Valuers Fees	898.91	898.91
	Legal Fees/Disbursements		
	Post-appointment Legal Fees	207,063.00	207,063.00
	Post-appointment Legal Disbursements	3,810.00	3,810.00
	Professional Fees/Services	40.00	40.00
	Storage Costs	55.67	55.67
	Insurance of Assets	701.96	701.96
	Bank Charges	58.56	58.56
	Exchange (Gain)/Loss	(400,489.34)	(400,489.34)
		<u>(136,840.48)</u>	<u>(136,840.48)</u>
	PREFERENTIAL CREDITORS		
	HMRC PAYE	431.72	431.72
	Redundancy Payments Service	13,928.25	13,928.25
	Employee Arrears/Hol Pay	9,329.69	9,329.69
		<u>(23,689.66)</u>	<u>(23,689.66)</u>
	2nd PREFERENTIAL CREDITORS		
	HMRC	93,923.81	93,923.81
		<u>(93,923.81)</u>	<u>(93,923.81)</u>
	UNSECURED CREDITORS		
(1,772,683.35)	Trade & Expense Creditors	531,638.22	531,638.22
	Employees	3,049.44	3,049.44
	Redundancy Payments Service	2,749.27	2,749.27
	HMRC	2,482.89	2,482.89
(57,631,666.71)	Connected Companies	6,068,704.50	6,068,704.50
		<u>(6,608,624.32)</u>	<u>(6,608,624.32)</u>
(45,143,815.31)		<u>2,946,976.89</u>	<u>2,946,976.89</u>
	REPRESENTED BY		
	Floating VAT Receivable		107,251.87

Green Network UK Plc
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 20/05/2022 To 19/05/2023 £	From 20/05/2022 To 19/05/2023 £
REPRESENTED BY CONTINUED		
Current Account		505,719.40
Current Account - EUR		2,333,007.33
Dividend Account		998.29
		2,946,976.89

Notes to the receipts & payments account:

1. Cash is held in both Euro and Sterling accounts.
2. Cash is held in interest bearing accounts.
3. The balance on the Euro account is €2,657,761.95 (converted @1.1392 = GBP 2,333,007.33).
4. The reference to an exchange gain or loss relates to the difference in value of the foreign exchange holdings between the date of receipt and the date of the receipts and payments account.
5. The statement of affairs value for Book Debts refers to the Company's previous estimate (prior to our appointment as Joint Administrators) of its recovery from the liquidation of GNEL. This amount was included within the Directors' statement of affairs in the preceding administration.

Appendix 3 – Schedule of expenses

A3.1 Schedule of expenses

Schedule of expenses for the period from 20 May 2022 to 19 May 2023

Category	Incurred and paid in the Reporting Period (£)	Incurred in the Reporting Period but not yet paid (£)	Total (£)
Joint Liquidators' disbursements	3,074.07		3,074.07
Legal fees	207,063.00	1,568.00	208,631.00
Legal disbursements	3,810.00		3,810.00
Storage costs	55.67	9.05	64.72
Bank charges	58.56		58.56
Insurance	190.40		190.40
Professional costs	40.00		40.00
Subcontractor – Clumber	898.91		898.91
Total	215,190.61	1,577.05	216,767.66

A3.2 Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Harry Ashworth at Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW.

Appendix 4 – Charging policy

Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the Liquidation. This includes work undertaken in respect of tax, VAT and investigations by A&M in-house specialists.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "Liquidation: A Guide for Creditors on Insolvency Practitioner Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available via the Portal.

If you are unable to access this guide and would like a copy, please contact INS-GRENUP@alvarezandmarsal.com

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation, using a minimum time unit of six minutes.

All staff who have worked on the liquidation, including cashiers and secretarial staff, have charged time directly to the liquidation and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the liquidation but is reflected in the general level of charge-out rates.

Charge-out rates (£/hour) for: Restructuring

Grade	From 20 May 2022
Managing Director	1,150
Senior Director	1,030
Director	950
Associate Director	760
Senior Associate	655
Associate	495
Analyst	280
Support	210

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the office holders will seek to recover disbursements falling into both category 1 and category 2 expenses from the estate. For the avoidance of doubt, such disbursements are defined within SIP 9 as payments which are first met by the office holder, and then reimbursed to the office holder from the estate. These are divided in SIP 9 as follows:

- *Disbursements within category 1 expenses:* These are payments which do not have any element of shared costs and are made to persons who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.
- *Disbursements within category 2 expenses:* These are payments to associates or which have an element of shared costs. These may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Disbursements within category 2 expenses charged by A&M include mileage at a rate of 45p per mile. When carrying an A&M passenger, no additional cost per passenger will be charged.

We have the authority to pay disbursements falling within category 1 expenses without the need for any prior approval from the creditors of the Company.

Disbursements falling within category 2 expenses are to be approved in the same manner as our remuneration.

Disbursements falling within category 1 expenses:

Nature of disbursement	Amounts incurred in the Reporting Period (£)	Amounts paid in the Reporting Period (£)
Postage costs	370	323
Scanning costs	23	12
IT systems costs	2,474	-
Advertising costs	207	207
Total	3,074	542

Disbursements falling within category 2 expenses:

No disbursements falling within category 2 expenses have been incurred or paid during the Reporting Period.

Our time cost summary in accordance with SIP 9

Please refer to the tables below for a detailed breakdown and narrative of our time costs to 19 May 2023 in accordance with SIP 9.

Green Network UK Plc in liquidation

Time costs for the period 20 May 2022 to 19 May 2023

Classification of work function	Total hours	Total time cost (£)	Average hourly rate (£)
Engagement control	123.8	81,546	659
Appointment and risk	2.3	1,696	737
Reports, decision making and remuneration	48.2	30,195	626
Correspondence and statutory filing	43.8	31,069	709
Investigations	86.8	61,443	708
Asset realisations	39.7	27,121	683
Costs of realisation	1.9	1,245	655
Tax	86.2	58,077	674
Cashiering	47.8	29,098	609
Employees and pensions	4.2	2,655	632
Claims and distributions	230.4	135,235	587
Total	715.1	459,380	642

SIP 9 narrative for the period from 20 May 2022 to 19 May 2023

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Engagement control	<ul style="list-style-type: none"> Formulating, monitoring and reviewing the liquidation strategy. Briefing our staff on the liquidation strategy and matters in relation to various work-streams. Regular case management and reviewing of process, including regular team update meetings and calls. Reviewing and authorising junior staff correspondence and other work. Dealing with queries arising during the appointment. Reviewing matters affecting the outcome of the liquidation. Allocating and managing staff/case resourcing and budgeting exercises and reviews. Liaising with legal advisers regarding the various instructions, including agreeing content of engagement letters. Complying with internal filing and information recording practices, including documenting strategy decisions. 	To ensure appropriate oversight, decision making and overall control of the liquidation.	Ensuring the case is progressed efficiently, maximising realisations and minimising costs for the benefit of creditors.
Appointment & risk	<ul style="list-style-type: none"> Arranging bonding and complying with statutory requirements. Arranging ongoing insurance cover for the Company's business and assets. 	To comply with statutory requirements.	No direct financial benefit.
Reports, decision making & remuneration	<ul style="list-style-type: none"> Preparing statutory receipts and payments accounts. Drafting and publishing our initial report to creditors. Drafting the first progress report. Ensuring compliance with all statutory obligations within the relevant timescales. Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9. Reviewing the liquidation fees estimate. Reviewing the liquidation expenses estimate. Obtaining approval of the liquidation fees estimate. 	To comply with statutory requirements and to ensure creditors are informed of the progress of the liquidation.	No direct financial benefit.
Correspondence & statutory filing	<ul style="list-style-type: none"> Uploading information to the Portal. Providing initial statutory notifications of our appointment and ongoing matters to the Registrar of Companies, creditors and other stakeholders and advertising our appointment. Dealing with creditor queries. 	To comply with statutory requirements and to ensure that creditors are advised on the progress of the liquidation.	No direct financial benefit.

Investigations	<ul style="list-style-type: none"> ▪ Ongoing correspondence regarding recovery of the Company's outstanding books and records. ▪ Concluding investigation matters. 	<p>To comply with statutory requirements and to pursue any potential asset recoveries for the estate.</p> <p>To secure and realise the value of the Company's assets.</p>	<p>Maximising asset realisations may increase the dividend prospects for the Company's creditors.</p> <p>Maximising asset realisations and minimising potential liabilities may increase the dividend prospects for creditors.</p>
Asset realisations	<ul style="list-style-type: none"> ▪ Liaising with counterparties holding trading deposits and securities. ▪ Liaising with the GNEL Joint Liquidators in relation to the Company's claim. ▪ Seeking legal advice in relation to the realisation of the Company's assets where applicable. ▪ Pursuing the Company's claim against a former employee. ▪ Reviewing the inter-company position between the Company and other Group companies. 		
Costs of realisation	<ul style="list-style-type: none"> ▪ Liaising with third parties regarding costs incurred. ▪ Reviewing costs incurred to ensure recorded accurately. ▪ Arranging payment of the costs in a timely manner as and when funds allow. 	<p>To settle costs of third parties who have facilitated the realisation of the Company's assets and mitigation of the liquidation costs/liabilities.</p> <p>To comply with statutory requirements and ensure mitigation of the tax liabilities/ expenses of the liquidation.</p>	<p>Minimising the costs/liabilities may increase the dividend prospects for creditors.</p> <p>Minimising the costs/ liabilities may increase the dividend prospects for creditors.</p>
Tax	<ul style="list-style-type: none"> ▪ Submitting relevant notifications to HM Revenue and Customs. ▪ Completing any outstanding review of the Company's pre-appointment corporation tax and VAT position particularly insofar as it relates to potential claims. ▪ Analysing and considering the tax effects of asset realisations to maximise overall realisations. ▪ Working initially on tax returns relating to the periods affected by the liquidation. ▪ Analysing VAT related transactions. ▪ Dealing with post appointment tax compliance. 		
Cashiering	<ul style="list-style-type: none"> ▪ Setting up liquidation bank accounts. ▪ Preparing and processing vouchers for the payment of post-appointment invoices. ▪ Creating remittances and sending payments to settle post-appointment invoices. ▪ Reconciling post-appointment bank accounts to internal systems. ▪ Ensuring compliance with appropriate risk management procedures in respect of receipts and payments. 	<p>To effectively manage funds, received asset realisations and discharge the costs of the liquidation.</p>	<p>Receipt of bank interest maximises asset realisations which may increase the dividend prospects for creditors.</p>

Employees & pensions	<ul style="list-style-type: none"> ▪ Managing claims from employees. 	To comply with statute and provide effective and informative communication to employees.	Assistance to employees will enable them to recover the maximum claims in the circumstances.
Claims & distributions	<ul style="list-style-type: none"> ▪ Reviewing and updating the list of unsecured creditors. ▪ Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records. ▪ Responding to creditors regarding queries about the liquidation and their claims. ▪ Dealing with queries in relation to the Company's pre-appointment leasehold properties. ▪ Reviewing and admitting preferential creditor claims where appropriate. ▪ Reviewing and admitting unsecured creditor claims where appropriate. ▪ Arranging distributions to the preferential and unsecured creditors. 	To comply with statutory requirements and ensure that creditors are informed of the progress of the liquidation.	Ensuring creditor records are kept up to date, claims are agreed at the correct value for voting purposes and funds are distributed accurately to the relevant creditors.

Appendix 5 – Glossary

Any references in this progress report to sections and rules are to Sections and Rules in the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016 respectively.

Defined Terms	Definition
A&M	Alvarez & Marsal Europe LLP
Clumber Consultancy Limited	Clumber
Company / GNUK	Green Network UK Plc in liquidation
Croydon Office or the Property	Ground Floor and Third Floor, Renaissance House, Dingwall Road, Croydon
Farrer	Farrer & Co LLP
GNEL	Green Network Energy Limited in liquidation
GNEL Joint Administrators	The Joint Administrators of Green Network Energy Limited
GNEL Joint Liquidators	Matt Cowlshaw and Ian Wormleighton of Teneo Financial Advisory Limited
GN Spa	Green Network Spa
HMRC	HM Revenue & Customs
Joint Liquidators/we/our/us	James Cook and Richard Fleming
Mayer Brown	Mayer Brown International LLP
Portal	IPS Creditor Portal
Reporting Period	20 May 2022 to 19 May 2023
Rental Income	Payments received during the preceding administration in relation to the occupation by GNEL of the Croydon Office
SIPs	Statements of insolvency practice
SIP 9	Payments to insolvency office holders and their associates from an estate

Appendix 6 – Notice: About this progress report

This progress report has been prepared by James Cook and Richard Fleming, the Joint Liquidators of Green Network UK Plc ('the Company'), solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This progress report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the same group.

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

Any person that chooses to rely on this progress report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

James Cook and Richard Fleming are authorised to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales.

We are bound by the Insolvency Code of Ethics.

The Joint Liquidators act as agent for the Company without personal liability. The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, Alvarez & Marsal Europe LLP does not assume any responsibility and will not accept any liability to any person in respect of this progress report or the conduct of the liquidation.