

AM03

Notice of administrator's proposals



Companies House

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1 Company details

Company number 08994981

Company name in full PFP Energy Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Paul Andrew

Surname Flint

3 Administrator's address

Building name/number Suite 3 Regency House

Street 91 Western Road

Post town Brighton

County/Region

Postcode BN1 2NW

Country

4 Administrator's name ①

Full forename(s) Paul

Surname Berkovi

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Suite 3 Regency House

Street 91 Western Road

Post town Brighton

County/Region

Postcode BN1 2NW

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6

Statement of proposals



I attach a copy of the statement of proposals

7

Qualifying report and administrator's statement ^①

I attach a copy of the qualifying report

I attach a statement of disposal

^① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8

Sign and date

Administrator's
Signature

Signature

X



X

Signature date

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Notice of Administrator's Proposals



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Kellie Bell				
Company name	Alvarez & Marsal Europe LLP				
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County/Region					
Postcode	B	N	1	2	N W
Country					
DX					
Telephone					



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- ☐ You have attached the required documents.
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DX 33050 Cardiff.



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Continuation page

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Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ❶
Attach this to the relevant form.
Use extra copies to tell us of additional insolvency practitioners.

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You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
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- CVA1, CVA3, CVA4
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- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Robert Andrew
Surname Croxen

3 Insolvency practitioner'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

PFP ENERGY LIMITED – IN ADMINISTRATION

Joint Administrators' proposals

18 November 2021

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1 Executive summary

Paul Flint, Paul Berkovi and Rob Croxen of Alvarez & Marsal Europe LLP ("A&M") were appointed as Joint Administrators of PFP Energy Limited (the "Company"/"PFPE") on 24 September 2021.

We are currently exploring our options in relation to performing a final billing process which includes discussions with the Office of Gas and Electricity Markets Authority ("Ofgem") appointed Supplier of Last Resort ("SoLR"), British Gas Trading Limited ("British Gas"). These discussions potentially include entering into a Migration Services Agreement ("MSA") whereby the operating platform of PFPE will be maintained.

The advantages to PFPE of performing a final billing process include:

- the potential mitigation of material claims into the estate from unsecured creditors; and
- enabling PFP Energy Supplies Limited's ("PFPEs") to realise its debtor ledger, of which it is proposed a commission is paid to PFPE once realised.

Our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, in accordance with Paragraph 3(1)(b). Please see further detail about the purpose in Appendix 1.

A summary of the key matters contained in our proposals is as follows:

- Based on current estimates it is likely that the Company's secured creditor should be repaid their indebtedness in full (Section 6 – Dividend prospects).
- Based on current estimates, we anticipate that the preferential creditors should receive a dividend of 100p in the £ (Section 6 – Dividend prospects).
- Based on current estimates, we anticipate that the unsecured creditors should receive a dividend. We have yet to determine the amount of this due to the uncertainty surrounding asset realisations, costs and quantum of claims, but we will do so when we have completed the realisation of assets, the payment of associated costs and the adjudication of claims (Section 6 – Dividend prospects).
- We intend to seek approval for the proposals by way of deemed consent (Section 8 – Approval of proposals).
- The basis and approval of remuneration does not form part of our proposals. We will seek approval from the Company's creditors in due course that our remuneration will be based on time properly given by us and the various grades of our staff (Section 9 – Joint Administrators' remuneration, category 2 expenses and pre-administration costs).

This document in its entirety is our statement of proposals. The relevant statutory information is included by way of appendices. Unless stated otherwise, all amounts in these proposals are stated net of VAT.



Paul Flint
Joint Administrator

2 Group structure

Group structure	Role in the group	Key assets/information	Benefits of performing a final billing process
<pre> graph TD A[Sands Investments Limited (CN: 11311981)] -- 100% shareholder --> B[PFP Energy Limited (CN: 08994981)] B -- 100% shareholder --> C[PFP Energy Supplies Limited (CN: 09135694)] subgraph " " B C end </pre>	<ul style="list-style-type: none"> • Holding company 	<ul style="list-style-type: none"> • Unknown 	<ul style="list-style-type: none"> • N/a
	<ul style="list-style-type: none"> • Provided an operational platform to enable PFP Energy Supplies Limited to service its customers • 52 employees 	<ul style="list-style-type: none"> • Cash at bank* • Fixed and floating charge debenture granted to Petroineos Trading Limited. 	<ul style="list-style-type: none"> • Commission from PFPES' debtors ledger realisations • Potential mitigation of material unsecured claims
	<ul style="list-style-type: none"> • Provided energy (gas and/or electricity) to approximately 82,000 customers. • Held an energy licence with Ofgem (pre SoLR) • No employees 	<ul style="list-style-type: none"> • Customer contracts • Debtors ledger* 	<ul style="list-style-type: none"> • Debtors ledger realisations • Potential mitigation of material unsecured claims

* Our current understanding is that these assets are legally owned by the entities they are listed in; however, there are legal arguments that both entities have an interest in these assets. We are currently taking advice from legal Counsel to establish which entity has the legal ownership of each asset.

These entities entered administration on 24 September 2021 with Paul Flint, Paul Berkovi and Rob Croxson of Alvarez & Marsal Europe LLP being appointed as Joint Administrators

Although PFPE and PFPES (together "the Companies") were two separate legal entities they operated as a single entity from a trading perspective.

PFPE's sole purpose was to provide the operating platform to allow its wholly owned subsidiary, PFPES, to service its customers. PFPES was licensed by Ofgem to supply gas and electricity to domestic and non-domestic premises per the terms of the contracts entered into with its customers.

From a practical perspective, PFPE:

- held all bank accounts;
- held all employee contracts;
- received monies from PFPES's customers in relation to the provision of gas and/or electricity supply;
- had no other source of income; and
- discharged both its own and PFPES's liabilities.

Separate financial information for PFPE and PFPES has not historically been produced. Instead, audited financial statements were prepared for PFPE, which accounted for the consolidated performance and position of both PFPE and PFPES. PFPES historically filed accounts based on it being a dormant entity. This does not appear to be the correct accounting treatment for either PFPE or PFPES.

We also understand that no formal intercompany arrangement existed between PFPE and PFPES. This is a complex area and an important element of our administration strategy will be to ascertain which assets and liabilities are legally held by each entity.

We are currently exploring our options in relation to performing a final billing process which includes discussions with the Ofgem appointed SoLR, British Gas. These discussions potentially include entering into a MSA whereby the operating platform of PFPE will be maintained.

The benefit to each entity of performing the final billing process is summarised in the table above. The benefits to PFPE are covered in more detail in Section 5.

3 A message to customers

All customers of PFPES transferred to British Gas under the SoLR process with effect from 11 September 2021. Energy supplies to customers have remained secure throughout this process, with British Gas supplying energy to all customers of PFPES from this date.

The Ofgem website states that *"funds that former and current customers have paid into their accounts will be protected if they are in credit."* Amounts outstanding to PFPES relating to energy supplies prior to 11 September 2021 are still due and payable.

Final billing process

Discussions with British Gas are ongoing regarding finalising a process to migrate customers to them, reconcile customer accounts and produce final bills. Once these discussions have concluded, the process will take a number of months to complete and we kindly ask for your continued patience.

Further information

If PFPES's customers have queries regarding ongoing supply then please contact British Gas directly.

In addition, further information and support can be found on the Office of Gas and Electricity Markets Authority ("Ofgem") website and via its Twitter feed @ofgem. Below is a link to the Ofgem statement that has been issued with regards to the current situation and your new supplier:

<https://www.ofgem.gov.uk/publications/pfp-energy-customers-your-questions-new-supplier-british-gas>

If customers need additional support in England and Wales, they can call Citizens Advice on 0808 223 1133 or email them via their webform:

<https://www.citizensadvice.org.uk/about-us/contact-us/contact-us/contact-us/>

If customers need additional support in Scotland, they can contact Advice Direct Scotland on 0808 196 8660 or email them via their webform:

<https://www.advice.scot/contact-us/send-us-your-questions/>

4 Background and events leading to the administration

4.1 Background information

PFPE was incorporated on 14 April 2014. The Company is a wholly owned subsidiary of Sands Investments Limited and was headquartered in Preston, Lancashire with approximately 50 employees.

As noted in Section 3 above, the Company's sole purpose was to provide an operating platform to allow its wholly owned subsidiary, PFPES, to service its customers. PFPES was licensed by Ofgem to supply gas and electricity to domestic and non-domestic premises per the terms of the contracts entered into with its customers.

PFPES supplied gas and/or electricity to approximately 82,000 customers.

The Companies had no energy generating capacity of their own. As a result, purchased all electricity and gas needed for consumption by PFPES's customers from other participants in the wholesale market.

Both PFPE and PFPES entered administration on 24 September 2021 with Paul Flint, Paul Berkovi and Rob Croxen of A&M being appointed as Joint Administrators.

4.2 Funding and financial position of the Company

PFPE granted debenture security, containing fixed and floating charges over PFPE's assets, to the Companies wholesale energy supplier, Petroineos Trading Limited ("Petroineos").

Petroineos' outstanding charges were created on 1 December 2016 and 22 November 2018.

The debenture security in favour of Petroineos was granted in respect of the wholesale trading agreement with PFPE, which allowed the Companies to forward purchase both electricity and gas.

PFPE was primarily funded from the cash received from the trading activities of PFPES. As noted in Section 3, PFPE held all bank accounts and discharged liabilities for the Companies (however, without an intercompany trading agreement in place). As a result, a consolidated cash flow position was always prepared for the Companies.

Additional funding was provided by its parent company, Sands Investments Limited, as required on an unsecured basis.

A summary of PFPE's recent trading performance, per its filings at Companies House, is provided below.

Please note that the Companies did not prepare separate financial information for PFPE or PFPES. As a result, the financial information in the tables below, incorrectly accounts for the consolidated performance and position of both PFPE and PFPES.

Financial Information

£'000	FY18	FY19	FY20
Turnover	76,303	71,022	65,769
Gross profit	3,950	5,089	8,213
Gross profit %	5.2%	7.2%	12.5%
Profit/(loss) before tax	(4,700)	(3,421)	(2,811)
Net assets/(liabilities)	(10,696)	(9,117)	(11,928)

Note: the above information is taken from the Company's statutory accounts.
The Company's year end is 31 March.

4.3 Events leading to the administration

Financial difficulty

The Companies faced various challenges in the months preceding our appointment, including the sharp increase in wholesale energy prices.

The volatility of both gas and electricity wholesale energy prices in the UK, which have remained at unprecedented high levels, and the differential between wholesale energy prices and the regulatory pricing cap have together created cash pressure for many energy suppliers in the market.

Reported reasons for the unprecedented price volatility include both an increase in global demand due to prolonged cold spells in both Europe and Asia; and the restarting of many global economies following the Covid-19 pandemic lockdowns, coupled with shortages in supply of gas and renewable energy in the UK following lower than average production from offshore wind farms.

In addition to these market factors, on 1 August 2021, PFPE was stopped from making new trades to forward purchase gas and electricity whilst Petroineos, as the Companies wholesale energy supplier, commenced an immediate strategic review.

This meant that PFPE had to buy the excess energy to service PFPES's customers on the daily settlement market and as a condition of the market, had to lodge additional cash deposits with Elexon (for electricity) and Xoserve (for natural gas). Buying energy in this manner meant that PFPE was paying materially more for energy compared to when it was purchasing energy from Petroineos, in addition to the impact of the high underlying wholesale prices as noted above.

As a result, PFPE had an immediate cash shortfall and was unable to make a scheduled payment in full to Petroineos, per their security, on 20 August 2021, at which point Petroineos terminated their wholesale arrangement with immediate effect. This left the Companies exposed to the volatile prices in the energy markets with unviable obligations to provide increasing amounts of credit support (cash deposits) to industry counterparties.

Despite the termination of the wholesale arrangement, PFPES remained obliged to continue to supply its customers. Given the unprecedently high wholesale energy prices being higher than regulatory pricing cap, the forecast income did not match the increased costs being faced.

As a result of the significant impact on the Companies' cashflow, the decision was taken by the Director of PFPES to defer payment of its Renewables Obligation Certificates ("ROC") liability payment (a liability of PFPES) on 31 August 2021 until the late payment deadline of 31 October 2021 and Ofgem was advised of the decision.

ROCs are certificates issued by Ofgem to operators of accredited renewable generating stations for the eligible renewable electricity they generate. ROCs are used by suppliers to demonstrate that they have met their obligation in respect of using renewably generated electricity. Where suppliers do not present a sufficient number of ROCs to meet their

obligation during a year before 1 September, they must, by 31 August, pay an equivalent amount into a buy-out fund.

To address the cashflow requirement, the Companies explored opportunities for external investment and/or a partial sale of the PFPE customer book. However, in the short timescales available given mounting financial pressure, a solution was not able to be found.

PFPE's parent company, Sands Investment Limited, was also not willing to invest further funding into the Companies due to concerns in relation to the current state of the UK energy market.

The Directors of the Companies considered that, given the continued increase in wholesale energy prices and in the absence of a sale or new funding, whether by way of investment (debt or equity) or sale/partial sale of the PFPE customer book or other assets, they had no viable options to pursue which would address the funding requirements faced by both PFPE and PFPE. In particular, there was no funding available to allow PFPE to pay the ROC payment by the late payment deadline of 31 October 2021.

The Directors of the Companies therefore resolved that both PFPE and PFPE did not have a reasonable prospect of avoiding an insolvency process and PFPE immediately notified Ofgem of the same on 1 September 2021.

The Directors received independent legal advice from Womble Bond Dickinson LLP ("WBD") throughout the period prior to the Companies entering administration.

Under the Energy Act 2004, a failing energy supply company is under an obligation to notify Ofgem that it is unable to pay its debts as they fall due. If an energy supplier fails, Ofgem has a choice of two options for regulatory intervention to address the issue, it may (i) exercise its discretion either to revoke the company's supply licence and appoint a SoLR which then allows the remaining unregulated entity to be placed into an insolvency process; or (ii) seek an energy supply company administration order (with the consent of the Secretary of State) pursuant to Chapter 3 of the Energy Act 2004.

SoLR process

Under the Energy Act 2004, Ofgem has the power to revoke a failed company's energy supply licence and exercise its powers to appoint a SoLR. The view currently taken by Ofgem is that it is not its function to determine that an energy supplier is "unable to pay its debts" within the meaning of section 123(1) or (2) of the Insolvency Act 1986, and therefore following notification by a supplier, Ofgem will seek a declaration from the Court as to a supplier's solvency.

The primary objective of a SoLR process is to protect the interests of customers.

As part of the SoLR process, Ofgem invites other suppliers to effectively bid to be considered as a SoLR and will ask them to set out any commercial terms they are willing to commit to as part of the process. If no suppliers voluntarily bid as part of the SoLR process, Ofgem has the power to direct an alternative supplier to take over the responsibility to supply the failed company's customers to ensure the continuation of supply.

Once Ofgem has nominated a SoLR and obtained a declaration from the Court regarding a failed supplier's solvency, the company's licences to supply energy are revoked. Following the revocation of the licences, the company is no longer a regulated energy supplier. As part of the SoLR process, the ongoing supply of energy to customers, and a commitment to pay a number of credit balances owed to customers by the failed supplier, are transferred to the incoming SoLR (the latter ultimately being honoured by Ofgem). All other assets and liabilities remain with the original supplier and do not transfer to the SoLR.

Following the revocation of its energy license and the SoLR transfer, the company can be placed into an insolvency process. It is the role of the appointed insolvency practitioner to realise the company's assets for the benefit of the creditors of the company.

Following the SoLR process, PFPE's energy licence was revoked on 9 September 2021 and all customers of PFPE transferred to British Gas on 11 September 2021.

Insolvency

Given PFPE's energy licence was revoked and all customers transferred to British Gas, PFPE could not continue to trade and as such it was no longer in a position to meet its liabilities as they fell due.

As PFPE was the non-trading entity that's sole purpose was to hold the operating platform for PFPE, it was not possible for the Company to trade without PFPE as it had no income stream with which to discharge its liabilities, including contingent liabilities, as they fell due.

Following the completion of the SoLR process, a Notice of Intention to appoint administrators ("NOI") of PFPE was lodged on 13 September 2021, to provide notice to Petroineos as secured creditor.

Both PFPE and PFPE were placed into administration on 24 September 2021.

4.4 Pre-administration work

A&M was engaged by PFPE, in an engagement letter covering the period from 6 September 2021 to our appointment on the 24 September 2021.

Per the terms of this engagement, A&M worked with PFPE on the following areas to assist with it being placed into administration:

- Advised PFPE in its dealings with Ofgem and placing it into administration;
- Prepared a written statement at the request of Ofgem on the financial position of PFPE to support the application to Court on its insolvency;
- Attended the Court hearing to determine the solvency of PFPE;
- Together with the Company's lawyers, assisted PFPE with the statutory matters required to place it into administration;
- Discussed with British Gas regarding providing services to enable them to enter a services agreement to ensure that the best position for creditors could be achieved once PFPE and PFPE entered administration;
- Immediately prior to the administration, we worked with PFPE to identify the key operational matters required to protect its remaining assets, thus preserving value for creditors; and
- Provided assistance with the drafting of the initial statutory duties of an administrator (particularly reporting and creditor communications) required on appointment.

PFPE took independent legal advice in the period prior to the administration from its solicitors, WBD.

At the time of our appointment, we disclosed to the Court details of the work carried out by A&M up to that time.

We are satisfied that the work carried out by A&M before our appointment has not resulted in any relationships which create a conflict of interest or which threaten our independence.

Furthermore, we are satisfied that we are acting in accordance with the relevant guides to professional conduct and ethics.

4.5 Appointment of Joint Administrators

The Company resolved on 10 September 2021 to appoint us as Joint Administrators. The notice of appointment was lodged at the High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List (ChD) at 12:26pm on 24 September 2021. On that date the Company was placed into administration and our appointment as Joint Administrators became effective.

5 Strategy and progress of the administration to date

5.1 Strategy

5.1.1 Overview

Our primary objective is to achieve a better result for PFPE's creditors as a whole than would be likely if it were wound up. To achieve this we are currently exploring our options regarding performing a final billing process.

One of these options includes entering into a MSA with British Gas whereby the operating platform of PFPE will be maintained. This will enable a final billing process to be performed and ensure a smooth transition of customers from PFPE to British Gas.

As part of our discussions with British Gas, they have also expressed an interest in acquiring PFPE's debtor book. In a scenario where PFPE's debtor realisations are maximised through running a final billing process, PFPE will charge a commission for providing PFPE with the operating platform to do so.

Given PFPE currently has no funding of its own, should British Gas not enter into a MSA then there are two further options available:

- Continue exploring whether a third party will provide funding to PFPE to enable a final billing process to be performed; or
- Do not perform a final billing process. This would mean PFPE would have to collect debtors without the benefit of running a final billing process, which we expect would return materially lower realisations.

Whilst considering the options available, costs in PFPE are being continually monitored. We have only committed to costs required to enable us to perform our statutory duties and to keep operational systems active ready for a final billing process to be performed should one be required.

In addition, we are seeking legal Counsel's opinion on legal title to PFPE's debtor book as discussed in Section 5.1.6 below, as there is a legal argument that this could belong to PFPE.

In this section of our proposals we provide further details of our strategy and the benefits to PFPE's creditors in relation to:

1. Performing a final billing process;
2. Dealing with the employees in the business to deliver the strategy whilst reducing employee claims in the administration;
3. Communicating with former customers in an effective way to avoid unnecessary costs in the administration;
4. Securing and protecting data held by PFPE and managing the risks associated with managing customers' personal data;
5. Realising value from PFPE's debtor book and charging a commission for providing PFPE with the operating platform to do so;
6. Dealing with tax and VAT matters in the most efficient manner; and
7. Realising the assets of PFPE for the benefit of its creditors.

5.1.2 Key benefits of performing a final billing process

To accurately understand the amounts owed to PFPE by its customers and improve the collectability of its debtor book, it is necessary to prepare final customer bills up to the date that PFPE stopped supplying its customers with energy.

Raising these final bills is potentially time consuming and challenging because it involves the retention of a number of the employees and requires most of PFPE's IT infrastructure to remain operational for an extended period.

To raise the bills PFPE requires the operational platform of PFPE. As the main financial benefit of raising final bills would be realised by PFPE it should not fall upon the estate of PFPE to fund this process in its entirety.

The direct benefits to PFPE of performing a final billing process are:

- the potential mitigation of material claims into the estate from unsecured creditors; and
- enabling PFPE to realise its debtor ledger, of which it is proposed a commission is paid to PFPE once realised.

5.1.3 Employees

Employee retention, redundancies and contributions

PFPE had 52 employees at the time of our appointment. These employees were all based in its office in Preston, but due to Coronavirus a number had been working from home prior to the administration.

Whilst options are being explored, we initially retained 31 employees who it was considered may be required to assist with a final billing process and to discharge our statutory duties. A number of roles were not required following our appointment and 21 employees were made redundant on 1 October 2021, shortly after our appointment.

Since then, and as there became greater clarity over which employees would be required to deliver a final billing process, a further 12 employees have been made redundant. 19 employees remain employed by PFPE to support the final billing process and to help discharge our statutory duties.

Employee consultation

We are aware that the Company had commenced a consultation period prior to our appointment and on 27 September 2021, in our initial briefing calls with retained employees we notified them that the employee consultation period was continuing. The objective of the employee consultation is to formally notify employees that their employment is at risk of redundancy, to keep employees aware of changes in the business and to attempt to minimise the number of redundancies.

5.1.4 Customer communications

Shortly following our appointment we developed and implemented a communications plan to manage PFPE's customer enquiries. The objective of this strategy was to direct customers to the appropriate information being provided by Ofgem (as the regulator overseeing the SoLR process) and British Gas (as the SoLR) in an efficient manner that avoided significant costs in the PFPE administration.

Incurring such costs would have been a significant risk given the number of customers and the potential volume of enquiries.

Given PFPE provides the operating platform, and has historically billed PFPE's customers, it would have absorbed a large proportion of this cost should a communication plan have not been implemented.

PFPE's customer call centre has remained open since our appointment albeit on a reduced basis.

5.1.5 Data and data privacy

Data back-up

Working with our data and IT specialists, we are working to ensure that PFPE's systems and protocols for securing and protecting data, including personal data, are appropriate. This is required to fulfil our duties and support the final billing process. Some of this data is held and backed up externally by third party IT system providers and we are working with these providers to obtain a back-up that can be held by the Companies.

Data privacy

We, in conjunction with our data privacy colleagues, have reviewed the relevant documentation with the Companies and spoken to individuals including, operations and customer services personnel and the Data Protection Officer to identify data privacy risks and ensure that appropriate controls are in place.

Our data privacy colleagues, and specialists from our legal advisors have also advised us on how to manage data privacy, should an MSA be entered into.

5.1.6 Debtors

As mentioned above, discussions are ongoing with British Gas regarding potentially acquiring PFPE's debtor book once the final billing process has concluded.

Our current understanding is that the debtors are an asset of PFPE; however, there are legal arguments that PFPE has an interest in this asset. This is a complex area and we are currently taking advice from legal Counsel to establish which entity has the legal ownership of this asset, or parts thereof.

As previously mentioned, PFPE's debtor book realisations would be materially impacted should a final billing process not be performed. Therefore if a final billing process is completed, we propose that PFPE receives a commission from PFPE for any debtor ledger realisations (on the basis that the debtors are deemed an asset of PFPE once legal Counsel has established ownership).

In addition, we have realised approximately £0.4 million relating to debtor monies which were collected prior to our appointment but which were held by a third party and released to PFPE's pre-appointment bank account post our appointment.

It is currently unclear whether PFPE or PFPE has title to these funds. We are awaiting Counsel opinion to clarify if these monies are an asset of PFPE or PFPE.

5.1.7 Leasehold property

On appointment, the Companies operated from one trading premises which PFPE was liable for.

We are continuing to operate from the trading premises whilst we finalise our strategy and discharge our statutory duties.

5.1.8 Tax and VAT

We notified HMRC of the administration shortly following our appointment. Since then, we have worked with tax and VAT specialists from A&M to ensure that the tax affairs of the Company are being managed in the most efficient manner. This is a complex area and our work has included:

- gathering PFPE's historic tax and VAT information;
- considering if there are pre-appointment tax assets or VAT refunds that could be realised in the administration for the benefit of creditors;
- managing PFPE's ongoing compliance with tax and VAT rules to avoid any fines;
- reviewing and amending draft legal agreements to ensure the appropriate tax and VAT treatment of the different services;

- considering the VAT treatment in relation to ongoing cost contributions to ensure the correct VAT is applied;
- considering the tax and VAT implications of payments made to suppliers;
- understanding the VAT treatment in relation to pre-appointment bills issued to customers by PFPE; and
- considering any VAT adjustments required in relation to customers' balances.

5.1.9 Office equipment

We have engaged Sanderson Weatherall LLP ("SW") to realise the office equipment once it is no longer required for the customer migration. SW has attended site and will progress with a sale when requested.

5.1.10 Other assets

We are investigating if there are other assets that may be realised for the benefit of creditors. For example, we have been made aware that PFPE has paid collateral to numerous creditors as security for using their services. We are currently taking legal advice regarding our ability to realise value for the benefit of the creditors.

We will provide a further update in our next progress report to creditors.

5.2 Asset realisations

Realisations from the date of our appointment to 29 October 2021 are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations to date are provided below.

5.2.1 Cash at bank

Shortly following our appointment, we obtained control of PFPE's pre-appointment bank accounts and created new bank accounts in the administration. Cash totalling £5.2 million was then transferred into a bank account under our control.

Our current understanding is that these monies are an asset of PFPE; however, there is a legal argument that PFPES has an interest in this asset. This is a complex area and we are currently taking advice from legal Counsel to establish which entity has the legal ownership of this asset.

We are aware that there are monies held by a third party direct debit bureau and other merchant service providers, relating to monies paid by customers post our appointment against historic bills. We are working with the third parties to reconcile the funds held.

We are waiting on a legal opinion from Counsel to establish whether PFPE or PFPES has legal title to these funds once received.

5.2.2 Book debts collected pre-appointment

We have realised approximately £0.4 million relating to debtor monies which were collected prior to our appointment but which were held by a third party and released to PFPE's pre-appointment bank account post our appointment.

It is currently unclear whether PFPE or PFPES has title to these funds. We are awaiting Counsel opinion to clarify if these monies are an asset of PFPES or PFPE.

5.2.3 Investigations

We are reviewing the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors.

If you wish to bring to our attention any matters which you believe to be relevant please do so by writing to Zen Rizvi at Alvarez & Marsal Europe LLP, Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW or by email to INS-PFPENL@alvarezandmarsal.com

5.3 Expenses

Expenses are any payments from the estate which are neither the Joint Administrators' 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 3).

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.

5.3.1 Payments

Payments made from the date of our appointment to 29 October 2021 are set out in the attached receipts and payments account (Appendix 2).

Wages and salaries

Since our appointment we have incurred gross wages and salaries costs totalling £89,125 which were paid as an expense of the administration.

5.3.2 Professional advisers and sub-contractors

Legal advisers

WBD has been engaged as solicitors to provide advice to us in respect of insolvency and regulatory related matters. They were selected as they are experienced and well regarded in work of this nature and have been engaged on a time cost basis.

WBD are engaged on a time costs basis.

Aaron & Partners ("AP") has been engaged to provide advice on the validity of our appointment as well as providing advice on the validity of Pertroneos' security over the Company's assets.

AP has been selected due to their expertise and knowledge in this area. We believe that engaging AP reflects best value for money for the creditors, given that the validity advice could not be carried out by WBD.

AP will charge their fees on a fixed fee basis.

Sub-contractors

Clumber Consultancy Limited ("Clumber") has been engaged to provide employee support services to the Company on a fixed cost basis. Whilst this work could have been carried out by us and our staff, we concluded that engaging Clumber would be more cost-efficient.

Clumber has been engaged due to their expertise and experience in providing employee support services to companies in insolvency.

Clumber's fees are charged on a rate card basis and have been reviewed against other employee support service providers and are considered to be competitive against the market.

Accountability has been engaged to provide payroll related services to enable us to pay the Company's employees and submit PAYE and NIC reports to HM Revenue & Customs.

Accountability has been selected due to their expertise and experience in providing payroll services to corporate entities.

The fee basis that Accountability operates, being a fee per payslip, will enable us to closely control costs in the administration and provide best value for creditors.

Agents

Sanderson Weatherall LLP ("SW") are engaged to value the assets held by the Company and, if appropriate, will be instructed to sell the assets on our behalf. This work will be required as we do not have the expertise to value the assets ourselves.

We have engaged SW due to their expertise and knowledge and believe that SW will reflect best value for money as they can swiftly deal with the asset sales at the outset at a cost compensation with the size of the engagement and have experience in providing this service.

We regularly review costs incurred by our agents, sub-contractors and legal advisors to ensure they are reasonable and in line with estimates provided.

5.4 Ongoing strategy

In addition to the statutory requirements necessary following our appointment, we will continue to realise the Company's assets to maximise returns to creditors. We will also carry out investigative work into the affairs of the Company and complete a review of its financial position in order to potentially realise further assets. We will report to creditors on progress in our progress report.

In addition, the key outstanding workstreams include:

- Continue discussions with British Gas, regarding entering into a MSA;
- Collection of a commission from PFPEs, which is dependent on running a final billing process and the asset realisation in PFPEs (this commission would be subject to PFPEs's creditors approving the fee);
- If applicable, continuing to maintain PFPE's operating platform to perform a final billing process;
- Continuing the employee consultation period and dealing with employee matters;
- Reviewing the legal opinion on the ownership of various assets and ensuring that value is appropriately allocated to the estates of PFPEs or PFPE;
- Managing the tax and VAT affairs of the Company;
- Realising office equipment and any other assets;
- Adjudicating and paying preferential creditor claims;
- Adjudicating Petroineos' claim and, if applicable, paying a distribution against their security; and
- If required, adjudicate and pay a distribution to the Company's unsecured creditors.

6 Dividend prospects

6.1 Secured creditors

The Company had the following registered charges as at the date of appointment:

Date of creation of charge	Date of registration of charge	Details of charge	Name of charge holder
01/12/16	10/12/16	Floating charge	Petroineos Trading Limited
22/11/18	30/11/18	Fixed charge	Petroineos Trading Limited

Source: Companies House

Petroineos is the sole secured creditor of the Company and holds a qualifying floating charge dated 1 December 2016 and registered on 10 December 2016. In addition, Petroineos holds a fixed charge dated 22 November 2018 and registered on 30 November 2018.

We have appointed Aaron & Partners to opine on Petroineos' security. We are yet to receive their final opinion; however, we will update creditors in this regard in our first progress report.

Petroineos has submitted a claim listing their indebtedness in relation to the above security at approximately £550,000. We are yet to adjudicate Petroineos' claim.

We are not aware of the Directors providing any personal guarantees to Petroineos in relation to their outstanding indebtedness.

It is likely that Petroineos will be repaid any indebtedness which is captured by their security in full.

6.2 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.

The amount of ordinary preferential claims is estimated to be approximately £43,000.

Based on current estimates, we anticipate that the ordinary preferential creditors should receive a dividend of £100p in the £. We have yet to determine the amount of this, but we will do so when we have completed the realisation of assets and the payment of associated costs.

In addition, certain HMRC claims rank as secondary preferential claims. The amount of secondary preferential claims is estimated to be approximately £100,000, relating to PAYE and NIC liability.

The Company is in a VAT group with PFPES and both companies would be jointly and severally liable for any VAT amounts owing in either company. It is our current understanding that there were no VAT amounts owing in either PFPE or PFPES at the time of our appointment.

We currently anticipate that HMRC, as secondary preferential creditors should receive a dividend of £100p in the £.

6.3 Unsecured creditors

Based on current estimates, we anticipate that the unsecured creditors should receive a dividend. We have yet to determine the amount of this due to the uncertainty surrounding asset realisations, costs and quantum of claims, but we will do so when we have completed the realisation of assets, the payment of associated costs and the adjudication of claims.

Whilst an unsecured dividend could be paid in the administration, it is likely that it will be paid in a subsequent creditors' voluntary liquidation ("CVL") of the Company, see Section 7.1.1.

7 Ending the administration

7.1 Exit from administration

7.1.1 Anticipated exit route

We consider it prudent to retain all the options available to us, as listed below to bring the administration to a conclusion in due course.

However, at this stage we anticipate that the most likely exit route will be a creditors' voluntary liquidation and we propose to seek appointment as Joint Liquidators.

This exit route will enable the Joint Liquidators to make a distribution to the Company's unsecured creditors. We would otherwise be required to make an application to court for permission to distribute within the administration. Any such application would result in legal fees, counsel's fees and Court costs. The ongoing costs of a liquidation would also be lower than in an administration.

7.1.2 All exit routes

As mentioned above, we consider it prudent to retain all the exit options available to us. We may therefore use any or a combination of the following exit route strategies in order to bring the administration to an end:

- file a notice with the Court and the Registrar of Companies that the purpose of the administration has been sufficiently achieved in relation to the Company;
- apply to Court for the administration order to cease to have effect from a specified time and for control of the Company to be returned to the Directors;
- formulate a proposal for either a company voluntary arrangement ("CVA") or a Scheme of Arrangement under Part 26 or Part 26A of the Companies Act 2006, and put it to meetings of the Company's creditors, shareholders or the Court for approval as appropriate;
- place the Company into creditors' voluntary liquidation ("CVL"). In these circumstances we propose that the incumbent administrators at the time of exit from the administration be appointed as Joint Liquidators of the Company without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by them may be taken by them individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing the Company into compulsory liquidation and to consider, if deemed appropriate, appointing the incumbent administrators at the time of exit from the administration as proposed Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by them as Joint Liquidators may be taken by them individually or together;
- file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. The Company will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

7.2 Discharge from liability

We propose to seek approval from the Company's creditors that we will be discharged from liability in respect of any action as Joint Administrators upon filing of our final receipts and payments account with the Registrar of Companies.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

See Section 8 for details of the deemed consent procedure.

8 Approval of proposals

8.1 Deemed consent

In order to minimise costs, we intend to seek approval of our proposals using deemed consent. Notice of deemed consent is available on the Portal.

Creditors' committee

Due to the nature of this case, we do not consider that a creditors' committee is required. However, a creditors' committee will be established if the creditors decide that one should be established, and sufficient creditors are willing to act. The minimum number of committee members is three and the maximum is five.

Function of the creditors' committee

The creditors' committee represents the interests of the creditors as a whole, rather than the interests of certain parties or individuals.

Its statutory function is to help us to discharge our responsibilities as Joint Administrators.

If a creditors' committee is established it is for that body to approve, for instance:

- The basis of our remuneration
- The payment of category 2 expenses
- The payment of unpaid pre-administration costs
- Our discharge from liability in respect of any actions as Joint Administrators

Members of the creditors' committee are not remunerated for their time. Other than receiving travel expenses, they receive no payment from the Company.

8.2 Decisions

We are using deemed consent to propose the following decisions:

- approval of our proposals; and
- our discharge from liability in respect of any actions as Joint Administrators.

If a creditors' committee is not established the proposed decisions in Section 8.1, which would have been considered by the creditors' committee, will be considered by the creditors at some future time in the administration.

8.3 Creditors' right to request a physical meeting / object to deemed consent

Creditors' right to request a physical meeting

We will summon a physical meeting (1) if asked to do so by (a) creditors whose debts amount to at least 10% of the total debts of the Company, or (b) 10% in number of creditors, or (c) 10 creditors, and (2) if one of the requisite thresholds is met within five business days of the date on which our proposals were delivered.

If you wish to request a physical creditors' meeting, please make the request via the Portal or contact our office.

Creditors' right to object to deemed consent

Creditors also have the right to object to deemed consent. Please see the formal notice of the decision procedure on the Portal for details of how to object to deemed consent.

If the decision date expires without 10% in value of creditors objecting to the deemed consent, or us being required to convene a requisitioned meeting, the creditors will be treated as having approved our proposals and the proposed decision with regards to discharge of liability on the decision date.

If 10% or more in value of creditors do object to the deemed consent, we will use a decision procedure to seek approval of our proposals and discharge of liability.

9 Joint Administrators' remuneration, category 2 expenses and pre-administration costs

9.1 Approval of the basis of remuneration and category 2 expenses

9.1.1 Basis of remuneration and category 2 expenses

Agreement to the basis of our remuneration and the payment of category 2 expenses is subject to specific approval. It is not part of our proposals.

As we are not seeking to establish a creditors' committee, we propose to seek approval from the Company's creditors in due course 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 (which will be provided prior to seeking such approval) and the charge-out rates included in Appendix 3; and
- category 2 expenses (as defined in SIP 9 and set out in Section 4.3 above) will be paid as expense of the estate, including disbursements paid directly by A&M and charged in accordance with our charging policy as set out in Appendix 3.

9.1.2 Time costs

From the date of our appointment to 29 October 2021, we have incurred time costs of £391,940.85. These represent 636.84 hours at an average rate of £615.45 per hour.

9.1.3 Additional information

We have attached (Appendix 3) an analysis of the time spent, the charge-out rates for each grade of staff and the disbursements paid directly by A&M for the period from our appointment to 29 October 2021. We have also attached our charging policy.

Whilst we anticipate that a liquidation will be our exit route and we propose to seek appointment as Joint Liquidators, we consider it to be unrealistic to be able to provide an accurate estimate of the remuneration anticipated to be charged and the expenses likely to be incurred for the duration of the liquidation at this stage.

To ensure the information we provide to you is meaningful, we will, therefore, provide the fees and expenses estimates for the subsequent liquidation and seek approval for that remuneration following of our appointment as Joint Liquidators.

9.2 Pre-administration costs

The following pre-administration costs have been incurred in relation to the pre-administration work detailed in Section 3.4:

Pre-administration costs	Paid (£)	Unpaid (£)	Total (£)
Fees incurred by the Joint Administrators:			
- Engagement acceptance & control	121,585.94	1,523.56	123,109.50
- Dealing with stakeholders	122,475.45	86,134.55	208,610.00
- Appointment documents	5,938.61	4,176.39	10,115.00
Total Joint Administrators pre-admin fees	250,000.00	91,834.50	341,834.50
Joint Administrators' disbursements	-	1,483.70	1,483.70
Legal fees	-	30,265.00	30,265.00
Legal disbursements	-	25.00	25.00
Total	250,000.00	123,608.20	373,608.20

The payment of unpaid pre-administration costs as an expense of the administration is subject to the same approval as our remuneration, as outlined above. It is not part of our proposals.

A&M Pre-administration fees

The pre-administration fees relate to the time costs incurred by us and our staff in assisting the Company prior to it entering administration. These include, but are not limited to, the following with regard to placing the Company into administration:

- Planning and preparing for the administration;
- Dealing with appointment formalities; and
- Seeking independent legal advice with regards to the administration appointment.

Legal fees – WBD

The legal fees incurred by WBD relate to the preparation of the appointment documentation and arranging the necessary appointment formalities. WBD was selected by the Company as it is a well-known and reputable law firm that is experienced in work of this nature. The legal fees detailed above have been charged on a time cost basis.

Appendix 1 – Statutory information

Company information

Company and trading name	PFP Energy Limited
Date of incorporation	14 April 2014
Company registration number	08994981
Trading address	Unit 2 Edward VII Quay, Riversway, Preston, PR2 2YF
Present registered office	Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW
Company Directors	Robert George Binns and Simran Bir Singh Soin
	Shares held: n/a

Administration information

Delivery date of proposals	18 November 2021
Administration appointment	The administration appointment granted in the High Court of Justice, Business & Property Courts of England and Wales, CR-2021-001659
Appointor	The Company
Date of appointment	24 September 2021
Joint Administrators	Paul Flint, Paul Berkovi and Rob Croxen
Joint Administrators' contact details	Address: Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW Tel: +44 (0) 161 504 1700 Email: INS-PFPENL@alvarezandmarsal.com
Purpose of the administration	<p>Rescuing the Company in accordance with Paragraph 3(1)(a) is not achievable due to the insolvency of PFPES which the Company is reliant upon for funding.</p> <p>Therefore, our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, in accordance with Paragraph 3(1)(b).</p>
Functions	The functions of the Joint Administrators are being exercised by them individually or

	together in accordance with Paragraph 100(2).
Current administration expiry date	23 September 2022
Prescribed part	The prescribed part is applicable on this case. It has been taken into account when determining the dividend prospects for unsecured creditors (Section 5)
Estimated values of the net property and prescribed part	Estimated net property is £3.65 million. Estimated prescribed part is capped at the statutory maximum of £600,000.
Prescribed part distribution	<p>We do not intend to apply to Court to obtain an order that the prescribed part shall not apply. Accordingly, we intend to make a distribution to the unsecured creditors</p> <p>However, if the circumstances of the administration change, we may make a distribution to the unsecured creditors; or if appropriate may apply to the Court to obtain an order that the prescribed part shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits.</p>
Insolvency proceedings	COMI proceedings

Appendix 2 – Receipts and payments account

**PFP Energy Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 24/09/2021 To 29/10/2021 £	From 24/09/2021 To 29/10/2021 £
ASSET REALISATIONS		
Cash at Bank	5,188,504.95	5,188,504.95
	<u>5,188,504.95</u>	<u>5,188,504.95</u>
OTHER REALISATIONS		
Book Debts Collected Pre-appt	405,706.84	405,706.84
	<u>405,706.84</u>	<u>405,706.84</u>
COST OF REALISATIONS		
Wages & Salaries	89,124.84	89,124.84
	<u>(89,124.84)</u>	<u>(89,124.84)</u>
	<u>5,505,086.95</u>	<u>5,505,086.95</u>
REPRESENTED BY		
Floating Charge Current		5,099,380.11
Current - Pre-appt Debtor Collections		405,706.84
		<u>5,505,086.95</u>

Funds which are held in an account under our control are being held in interest bearing accounts.

As explained in Section 5, we are awaiting Counsel opinion as to whether the funds (or a portion of the funds) under our control in relation to cash at bank are assets of PFPE or PFPES. We will transfer any elements of these funds to a PFPES bank account under the control of the Joint Administrators depending on this opinion.

Appendix 3 – Charging policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. 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 administration 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 "Administration: A Guide for Creditors on Insolvency Practitioner Fees" from 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-PFPENL@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 administration. Time is charged by reference to actual work carried out on the administration, using a minimum time unit of six minutes.

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

Charge-out rates (£)	
Grade	From 24 September 2021
Managing Director	985
Senior Director	935
Director	865
Associate Director	690
Senior Associate	595
Associate	450
Analyst	255
Support	190

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, 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 office holder 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 2 expenses:

Nature of disbursement	Amounts incurred in the period (£)
Mileage costs	517.05
Total	517.05

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 29 October 2021 in accordance with SIP 9.

Time costs incurred from 24 September 2021 to 29 October 2021

Category	Hours	Time Cost (£)	Average hourly rate (£)
Engagement control	61.15	35,461.25	579.91
Appointment & risk	20.50	17,538.00	855.51
Reports, decision making & remuneration	78.15	53,345.25	682.60
Correspondence & statutory filing	63.45	23,180.75	365.34
Investigations	51.85	28,699.25	553.51
Asset realisations	116.00	78,290.50	674.92
Costs of realisation	89.80	54,219.00	603.78
Tax	37.56	27,785.15	739.75
Cashiering	7.40	3,332.00	450.27
Employees & pensions	102.78	62,661.70	609.67
Claims & distributions	8.20	7,428.00	905.85
Total	636.84	391,940.85	615.45

Time costs narrative for the period from 24 September 2021 to 29 October 2021

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 administration strategy - Briefing our staff on the administration strategy and matters in relation to various work-streams - Regular case management and reviewing of process, including regular team update meetings and calls - Meeting with management to review and update strategy and monitor progress - Reviewing and authorising junior staff correspondence and other work - Dealing with queries arising during the appointment - Reviewing matters affecting the outcome of the administration - 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 	<p>To ensure appropriate oversight, decision making and overall control of the administration.</p> <p>This will ensure the case is progressed efficiently, maximising realisations and minimising costs.</p>	No direct financial benefit.
Appointment & risk	<ul style="list-style-type: none"> - Collating initial information to enable us to carry out our statutory duties, including creditor information and details of assets - Discussions regarding the validity of appointment - Arranging bonding and complying with statutory requirements - Arranging ongoing insurance cover for the Company's business and assets - Liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place - Assessing the level of insurance premiums 	<p>To comply with statutory requirements and to ensure the administration is managed efficiently and effectively.</p>	No direct financial benefit.

Time costs narrative for the period from 24 September 2021 to 29 October 2021

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Reports, decision making & remuneration	<ul style="list-style-type: none"> - Preparing statutory receipts and payments accounts - Drafting our proposals - 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 	To comply with statutory requirements and to ensure creditors are informed of progress of the administration.	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 to the Registrar of Companies, creditors and other stakeholders and advertising our appointment - Providing oral updates to representatives of Petroineos regarding the progress of the administration and case strategy - Dealing with creditor queries 	To comply with statutory requirements and to ensure creditors are informed of progress of the administration.	No direct financial benefit.
Investigations	<ul style="list-style-type: none"> - Locating relevant Company books and records, arranging for their collection, review and ongoing storage - Reviewing the Company's IT infrastructure, understanding what data is held and where it is held - Liaising with third-party data storage providers - Liaising with our disputes and investigations team ("D&I") in relation to data that is required to be copied/backed-up - Liaising with our privacy specialists - Meeting with the Company's GDPR team - Reviewing contracts - Reviewing Company and Directorship searches and advising the directors of the effect of the administration - Ensuring data is held in accordance with the GDPR 	To comply with statutory requirements and to pursue any potential asset recoveries for the estate.	Successful legal claims may have the potential to generate realisations for creditors.

Time costs narrative for the period from 24 September 2021 to 29 October 2021

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Asset realisations	<ul style="list-style-type: none"> - Collating information from the Company's records regarding assets - Dealing with the Company's' pre-appointment bank accounts - Liaising with agents regarding the sale of assets - Reviewing the Company's leasehold properties, including review of leases - Communicating with landlords regarding rent, property occupation and other issues - Performing Land Registry searches - Liaising with British Gas as the SoLR, and assessing their willingness to fund a final billing process - Liaising with British Gas as the SoLR, to assess their interest in acquiring the book debts - Liaising with third party funders to determine whether they will fund a final billing process 	To identify, secure and realise the value of the Company's assets.	Maximising asset realisations and minimising potential liabilities may increase the dividend prospects for creditors.
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 - Discussions with third party providers around IT systems and other services required to run a final billing process - Discussion with critical suppliers to ensure continuity of service 	To settle costs of third parties who have facilitated the realisation of the Company's assets and mitigation of the administration costs/liabilities.	Minimising the costs/liabilities of the administration may increase the dividend prospects for creditors.

Time costs narrative for the period from 24 September 2021 to 29 October 2021

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Tax	<ul style="list-style-type: none"> - Gathering initial information from the Company's records in relation to the taxation position of the Company; - Submitting relevant initial notifications to HMRC - Reviewing the Company's pre-appointment corporation tax and VAT position - Analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations - Working initially on tax returns relating to the periods affected by the administration - Analysing VAT related transactions - Dealing with post appointment tax compliance 	To comply with statutory requirements and ensure mitigation of the tax liabilities/expenses of the administration.	Minimising the costs/liabilities of the administration may increase the dividend prospects for creditors.
Cashiering	<ul style="list-style-type: none"> - Setting up administration bank accounts - Preparing and processing vouchers for the payment of post-appointment invoices - Creating remittances and sending payments to settle post-appointment invoices - Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employees' banks - Reconciling post-appointment bank accounts to internal systems - Ensuring compliance with appropriate risk management procedures in respect of receipts and payments 	To effectively manage funds, receive asset realisations and discharge the costs of the administration.	Receipt of bank interest maximises asset realisations which may increase the dividend prospects for creditors.

Time costs narrative for the period from 24 September 2021 to 29 October 2021

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Employees & pensions	<ul style="list-style-type: none"> - Dealing with queries from employees regarding various matters relating to the administration and their employment - Dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments - Holding employee briefing meetings to update employees on progress in the administration on our strategy - Administering the Company's payroll, including associated taxation and other deductions - Communicating and corresponding with HMRC - Dealing with issues arising from the employee redundancies, including statutory notifications and liaising with the Redundancy Payments Service - Ensuring security of assets held by employees - Collating information and reviewing the Company's pension schemes 	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 administration.
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 administration and their claims 	<p>To comply with statutory requirements.</p> <p>To ensure that creditors are informed of the progress of the administration.</p> <p>To advise creditors of the progress of their claims.</p>	Ensuring creditor records are kept up to date, claims are agreed at the correct value and funds are distributed accurately to the relevant creditors (where appropriate).

Appendix 4 – Estimated financial position

The Directors were due to provide a Statement of the Affairs of the Company by 8 October 2021.

An extension to this was granted to 19 November 2021, to allow the Directors the time to ascertain the assets and liabilities that sat within each entity.

Once received, the Statement of Affairs will be filed with the Registrar of Companies. Please note that disclosure of the Statement of Affairs may be restricted with the Court's permission if it is considered that disclosure would be adverse to the interests of the creditors.

As a Statement of Affairs has not yet been provided, details of the estimated financial position of the Company at the latest practicable date, are provided below.

A schedule of the known trade creditors' names, addresses, debts and details of any security held is also included below. A schedule of the employee creditors is yet to be received from the Company.

Estimated financial position as at 24 September 2021			
£'000	Notes	Book value	Estimated to realise
<i>Floating charge assets:</i>			
Tangible assets	1	781	-
Prepayments	2	778	-
HMRC (VAT due)	3	280	-
Creditor cash deposits	4	170	TBC
Cash at bank	5	571	5,189
Total floating charge assets		2,580	5,189
Secured creditors	6		(550)
Preferential creditors	7		(143)
Unsecured creditors	8		(7,035)
Total creditors			(7,728)
Surplus/(shortfall) to creditors			(2,539)

Note: the book values are based off the Company's management accounts as at 31 July 2021

Notes to estimated financial position

1. Tangible assets are predominantly made up of leasehold improvements, IT equipment and fixtures and fittings. It is estimated that there will not be any material realisations in relation to these assets.
2. It is not envisaged that there will be any material realisations in relation to prepayments the Company made to third parties prior to it entering administration.
3. The HMRC VAT refund due per the Company's books and records was ultimately realised by the Company prior to it entering administration and as such this refund forms part of the cash at bank balance listed at note 5.

4. Creditor cash deposits relate to collateral held by third party suppliers as security for services provided. It is currently unknown how much of these will be realised.
5. Cash at bank of approximately £5.2 million has been realised by us following our appointment. We are currently taking advice from legal Counsel to establish whether PFPE or PFPES has the legal ownership of this asset, or portions of this asset.
6. Petroineos has submitted an initial claim against the Company in the sum of approximately £550,000. We have not yet adjudicated this claim.
7. We estimate that preferential creditors will total approximately £143,000. Made up of approximately £43,000 owing to the Company's employees relating to accrued holiday pay and an amount owing to HMRC of approximately £100,000.
8. We estimate that unsecured claims against the Company will total approximately £7.0 million. A list of creditors, as provided by management, is provided below. Please note that, in addition to the claims provided below, we understand that Sands Investments Limited has an unsecured claim against PFPE in the amount of £6.0 million.

Creditors should be aware that as the Company may not have completed updating its ledgers as at the date of appointment, the balances stated may be revised.

The information provided has been extracted from the Company's books and records and we have not carried out anything in the way of an audit on the information. The figures do not take into account the costs of the administration.

The actual level of asset recoveries and claims against the Company might differ materially from the amounts included in the financial information above.

Creditor:	Address:				Outstanding
Affinity Solutions	2nd Floor Liberty Building	2 Oarklane	UMHLANGA	400 1	43,551.00
AML Consultancy Ltd	Black Bull House	353-355 Station Road	Bamber Bridge	PR5 6EE	-
AMS Nottingham Ltd	21 Church Street	Long Bennington		NG23 5EN	89,036.00
Barbour Abi	5 Howick Place			SW1P 1WG	-
Barclays Bank	1 Churchill Place			E14 5HP	-
Bespoke International Group Ltd	Northgate	118 North Street			-
Blackthorn Utilities	Froginham House	64 Grove Road	Millhouses	S7 2G2	-
Blackpool & Fylde College	Ashfield Road	Bispham		FY2 0HB	-
Way In Marketing - Blue Seviles Ltd	207 Wilmslow Road			M14 5AQ	103.67
Bluebell Cloud Solutions	New Lodge	London Road	COLLINGTREE	NN4 0NP	1.57
BUPA	Bupa House	15-19 Bloomsbury Way		WC1A 2BA	-
Business Savings Ltd	North Lodge	West Park Drive		FY3 9EQ	-
Business Utility Services Ltd	The Hive, Derby House,			PR1 3JJ	11,766.44
Buyapowa Limited	3 The Glass House	Royal Oak Yard		SE1 3GE	-
TransUnion International UK Ltd	One Park Lane			LS3 1EP	-
Canada Life	Canada Life Place			EN6 5BA	4,366.15
Cheaper Business Services Lincolnshire Ltd	11 Usselby Close			DN40 2BF	-
Commercial Collection Services Ltd	797 London Road			CR7 6YY	-
CFP Trading Ltd	Vision Exchange Building	Territorials Street, Zone 1,		CBD 1070	-
CGF Marketing Services Ltd	The Data Solutions Centre	Manton Wood		S81 7PH	41,597.28
City Group Managed Seviles Ltd	3rd Floor	207 Regent Street		W1B 3HH	2,302.78
Clear Utility Solutions Ltd	32 Fusilier Way			NN7 4TH	82.90
CMC Marketing Solutions LTD	1/f 48 Harbour Street			KA12 8PY	4,080.00
Complete Solutions (BFD) Ltd	First Floor, Unit 3	5 Duncombe Street		BD8 9AJ	-
Commercial Real Estate Management Ltd	3rd Floor	2 Universal Square	Devonshire Street	M12 6JH	40,206.40
Commercial Ltd	Commercial House	Old Station Drive	Liddington Park	GL53 ODL	-
Consult Energy Ltd	3rd Floor Neville House	14 Waterloo Street		B2 5TX	12,818.28
Connect Facilities Ltd	Adelaide Court	Belmost Business Park		DH1 1TW	132.92
Concept Cleaning Service	5 Eskdale Drive	Wesham		PR4 3HW	1,791.36
Cooleraid	Unit P3	Dalesmanor Business Park	Eastway	CB22 3TJ	-
Cotton Court Services Ltd	Cotton Court	Church Street		PR1 3BY	-
Credit Security Ltd	The Old Court House	High Street		HP22 4JS	36.00

Credit Resource Solutions Ltd	3rd Floor West	Bowling Mill		HX3 5AX	4,279.72
Creditsafe Business Solutions	BRYN HOUSE		VAN ROAD	CF83 3GR	41,488.88
Commercial Utilities Support Services Ltd	Apiary House	Merchant Quay	Salford	M50 3SS	-
Downtown in Business Limited	Suite 303, Cotton Exchange	Bixteth Street		L3 9JR	-
Cost Innovations EAG Commercial Ltd	130 Stancliffe Road			WF13 4RH	330.18
Ebuddy Ltd	127 Gloucester Road			BN1 4AF	7,350.00
Encoded Ltd	Spectrum House,	Beehive Ring Road,		RH6 0LG	1,722.13
Energy Services Online Ltd	14 Marchwood Crescent			W5 2DZ	3,024.00
Energy Gurus (UK) Ltd	1 Rosebank			FY5 3FL	19.70
E-Sign UK Ltd	5th Floor	Horton house	Exchange Flags	L2 3PF	1,860.00
EXL Service UK	VAUGHAN ROAD			AL5 4EE	29,700.00
Experian Ltd	Talbot House	Talbot Street		NG80 1TH	-
For All business Ltd	10th Floorm Eagle Tower	Montpellier Drive		GL50 1TA	-
Forest Communications	Warwick House	116 Palmerston Road		IG9 5LQ	79.58
Fundraising Innovations Ltd	Cartwagon Lodge	Friday Street	East Sutton	ME17 3DD	274,695.60
Good 2 Know Energy Ltd	Unit 1	164-166 Dock Street		FY7 6JB	616.38
GET Solution UK Ltd	5 The Quadrant			CV1 2EL	100.63
Google Ireland Limited	Gordon House	Barrow Street			-
Harlaxton Energy Networks Ltd	Toll Bar Road	Marston		NG32 2HT	83.95
Health Assured Ltd	Victoria Place	2 Cheetham Hill Road		M4 4FB	-
HelloEvery1 Ltd	Chain Caulway			PR2 2TL	15,768.00
Holker Network Solutions Ltd	Holker Business Centre	Burnley Road		BB8 8EG	-
Hubspot Ireland Limited	One Dockland Central				-
IBM United Kingdom Ltd	PO BOX 41	North Harbour		PO6 3AU	-
Imperative Training T/A Defibshop.Co.Uk	Excalibur House	630 Liverpool Road	Irlam	M44 5AD	414.00
Initial Talent Ltd	One Bell Lane			BN7 1JU	-
In professional Develepment Ltd	Suite 6A	Blackthorn House	Appley Bridge	WN6 9DB	-
Jane Baker (Limitless Living)	Calle Los Roques				-
Kustomer Inc	318 W 39th Street, 5th Floor			100 18	-
Land Registry	HM LRB Unit	PO Box 292	Plymouth	PL5 9BY	-
Dan Lee Vo Ltd	PO Box 292			WA14 5LD	210.00
Legal & General Assurnace	Plymouth	10 Fitzalan Place		CF24 0TL	879.57
Limelite People Group Ltd	PL5 9BY			B48 7NB	-

Link Marketing Ltd	89 Lee Crescent	Stretford		M32 OTN	65.96
Low Bills Marketing	Wellesley House	98-102 Cranbrook Road		IG1 4NH	-
Magnum Meter Finance Limited	Atria, Spa Road,			BL1 4AG	30.90
MapleCo1 Ltd	St Lawrence House	Station Approach		RH6 9HJ	17,780.08
Mareno Capital	330 Queens dock business centre			L10 BG	12,120.00
ME Expert Ltd	Weyside Park	Catteshall Lane		GU7 1XE	79.20
The MOney Saving Hub Ltd	60st Teilo Street	Pontarddulais		SA4 8SY	6,132.00
Zellis UK Ltd	Warwick House	Hollins Brook Way	Pilsworth	BL9 8RR	-
MRA Service Company Ltd	8 Fenchurch Place			EC3M 4AJ	320.44
MoneySuperMarket Group	St Davids Park			CH5 3UZ	41,493.60
Myutilitygenius Ltd	Grove House	3Rd Floor	Lowlands Road	HA1 3AW	12,897.60
Myutilitygenius COMMERCIAL Ltd	Grove House	3Rd Floor	Lowlands Road	HA1 3AW	37,922.00
North & Western Lancashire COfC	9/10 Eastway Business Village	Olivers Place	Fulwood	PR2 9WT	-
Nationwide Energy Consultants Utilities Ltd	3 Pegasus Court	Olympus Avenue		CW34 6LW	205.36
O2 - DD	Telefonica Uk Ltd	260 Bath Road	Slough	SL1 4DX	-
Odyssey Systems Ltd DD	Lockheed Court	Preston Farm		TS18 3SH	89.34
OneBill Utilities Ltd	32 Rathban	Tulla Road	Ireland		-
On Power Business Energy Ltd	Jubilee House	East Beach		FY8 5FT	1,286.74
Opayo - Sage Pay	Q16 Quorum Business Park	Benton Lane		NE12 8BX	-
Ordo - Smart Requests Company Ltd	1 High Street			RG19 3JG	-
Passion 4 - UK Ltd	Unit 4, Corner Shippon	Clifton Fields	Lytham Rd	PR4 0XG	8,960.76
Paul Walker - Fire Extinguishers	54 Woodcroft Close	Penwortham		PR1 9BX	-
PFP Energy Ltd - DD					5,591.10
Places For People Group	80 Cheapside			EC2V 6EE	1,268.52
PowerCuts Uk Ltd	181-183 Summer Road	Erdington		B23 6DX	-
PPL PRS Ltd	Mercury Place	St. George Street		LE1 1QG	-
Preston City Council	Revenue Services	PO BOX 30	Town Hall	PR1 2GD	13,004.00
PRYSM Farm Business Limited (ENC Ltd)	Suite 6C Whitefriars			BS1 2NT	2,349.00
PSL Print Management Ltd	Unit A59	Red Scar Business Park	Longridge Road	PR2 5ND	7,288.77
Purple Patch Glasgow Ltd	SUITE 1C, FLOOR 3	16 ROBERTSON STREET		G2 8DS	-
Rebel Marketing & Promotions Ltd T/A					
Invoke Media	Cotton Court Business Centre	Cotton Court	Church Street	PR1 3BY	-
Re-energize Ltd	27 Bonnyton Land			ML3 8DU	-

Reich Insurance Brokers Limited	Reich House	197 Chapel Street		M3 5EQ	-
Rocket Utilities Ltd	4 Withworth Court			WA7 1WA	1.90
Sands Investments	Atum House	Electra Way		CW1 6ZF	-
Saxon & Co Ltd	Kings Chambers, Queens Cross			DY1 1QT	-
Sector Security Services Ltd	Stanley House	27 - 29 Blackpool Road	Ribbleton	PR2 6BT	-
Shrewds Business Consultancy Ltd	27 Kenmore Drive			BD6 3JL	2.52
Payment Solutions T/A Smart Debit	51 Guildford Road			GU19 5NG	-
SME SOLUTIONS	43a Palace Road			N11 2PU	505.66
Solarplicity Utilities Ltd	Unit8 Peerglow Centre	Marsh Lane		SG12 9QL	-
SP Dataserve Ltd	SP GENERAL ADMIN	10TH FLOOR		G2 5AD	161.41
Squire Energy Limited	55 High Street			KT19 8DH	-
Stark Utility Funding Ltd	Sentinel House,	10 - 12 Massetts Road,		RH6 7DE	151.63
Stark Software International Ltd	Sentinnel House	10-12 Massetts Road		RH6 7DE	12,015.98
Straight-Up Solutions Limited	24 George Stephenson Way			NE29 6XA	59.13
Tenleg Software Ltd	454 Queens Promenade			FY5 1QT	4,950.00
Tenant Shop Services Limited	Inchora House	Building X92	Code Tech Park	GU14 0LX	49,788.00
Tickd Limited	Watercourt, 116-118 Canal Street			NG1 7	489.65
Tissington Consultants	173 Kinross Road			CV32 7ET	-
TLT LLP	One Redcliff Street			BS1 6TP	-
Trivoni Software Ltd TA MaxContact.com	Piccadilly House	49 Piccadilly		M1 2AP	-
Trio Energy Ltd	Unit V14 Lenton Business Centre		Lenton Boulevard	NG7 2BY	42.73
Trustpilot A/S	Pilestraede 58	5th Floor	DK-1112		-
U4LUK Renewables Ltd	TWS	18 Albert Road		BH1 1BZ	-
UD Software Solutions Group Ltd TA POWER	2nd Floor	Parkway House	Palatine ROad	M22 4DB	-
UK Consumer Links Limited	6th Floor	49 Peter Street		M2 3NG	75,718.80
United Utilities Water	PO Box 11249			CM20 9NN	-
Unit 4 Business Software Ltd	St George'S Hall	Easton In Gordano		BS20 0PX	4,828.57
USC Utility Savings Corporation Ltd	USC Suite, Riverside Business Centre,	Crossbank Road,	King's Lynn	PE30 2HD	-
Utilita Field Services Ltd	Secure House, Moorside Road			S023 7RX	5.95
Utilitas Solutions Netiv Consulting Ltd	The Courtyard	Orbital park		TN24 0SQ	181.45
Utilities 4U Ltd / Abraham Marketing	68 Lynwood Road			BB2 6HW	12.30
Utility Savings Ltd	1st Floor Unit 3	5 Duncome Streeet		BD8 9AJ	-

Utility Collections Limited	4 Galaxy House	Aldon Road		FY6 8JL	9,372.06
Utilisoft Ltd	Alliance House	Library Road		PR6 7EN	3,999.73
Vita Onesta	Datum House	Electra Way		CW1 6ZF	-
Wavenet Ltd	One Central Boulevard	Blythe Valley	Shirley	B90 8BG	16,349.62
We Build Bots Ltd	Tramshed Tech	Pendryris Street		CF11 6BH	47,808.00
Wilkin Chapman LLP	26 Chantry Lane			DN31 2LJ	906.70
Workflow Science Ltd	29 Wood Street			CV37 6JG	3,600.00
Worldpay Ltd - DD	3 Hardman Square	Spinningfields		M3 3EB	-
					<u><u>1,034,332.2</u></u>

Appendix 5 – Glossary

Any references in these proposals to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Defined Terms	Definition
A&M	Alvarez & Marsal Europe LLP
AP	Aaron & Partners
British Gas	British Gas Trading Limited
CC	Clumber Consultancy Limited
Companies	PFPE and PFPES
Company/PFPE	PFP Energy Limited – In Administration
CVA	Company Voluntary Arrangement
CVL	Creditors Voluntary Liquidation
Directors	Robert George Binns and Simran Bir Singh Soin
Joint Administrators/we/our/us	Paul Flint, Paul Berkovi and Rob Croxen
Ofgem	Office of Gas and Electricity Markets
NOI	Notice of intention to appoint administrators
PAYE/NIC	Pay as you earn and national insurance contributions
Petroineos	Petroineos Trading Limited
PFPES	PFP Energy Supplies Limited – in administration
ROC	Renewables Obligation Certificates
Secured creditor	Petroineos Trading Limited
SIPs	Statements of insolvency practice
SIP 9	Payments to insolvency office holders and their associates from an estate
SoLR	Supplier of Last Resort
SW	Sanderson Weatherall LLP
WBD	Womble Bond Dickinson LLP

Appendix 6 – Notice: About this statement of proposals

This statement of proposals (“proposals”) has been prepared by Paul Flint, Paul Berkovi and Rob Croxen, the Joint Administrators of PFP Energy Limited (“the Company”), solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purpose of the administration, 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.

These proposals have not been prepared in contemplation of them being used, and are 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 these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on these proposals for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of these proposals.

Paul Flint, Paul Berkovi and Rob Croxen 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 Administrators act as agent for the Company without personal liability. The appointments of the Joint Administrators 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 these proposals or the conduct of the administration.