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[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 9 2 4 9 5 4 0

Company name in full Simple Energy Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Richard

Surname Heis

### 3 Administrator's address

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

### 4 Administrator's name ①

Full forename(s) Michael Robert

Surname Pink

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 4	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

### 7 Progress report

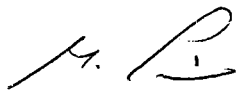
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date	<sup>d</sup> 2	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
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**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 **Francine Pearlman**

Company name **Interpath Ltd**

Address **5th Floor, 130 St Vincent Street  
Glasgow**

Post town **G2 5HF**

County/Region

Postcode

Country

DX

Telephone **Tel +44 (0) 118 214 5925**

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# Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ①  
Attach this to the relevant form.  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
  
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

① You can use this continuation page with the following forms:  
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
- CVA1, CVA3, CVA4  
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
- REC1, REC2, REC3  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

## 2 Insolvency practitioner's name

Full forename(s) Andrew James  
Surname Stone

## 3 Insolvency practitioner's address

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

Joint  
Administrators'  
progress report  
for the period  
24 November  
2021 to 23 May  
2022

Simple Energy Limited (in  
administration) (the 'Company')

21 June 2022

Deemed delivered: 21 June 2022

# Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment up to 23 May 2022.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 7).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, [www.ia-insolv.com/case+INTERPATH+SLB2583759.html](http://www.ia-insolv.com/case+INTERPATH+SLB2583759.html). We hope this is helpful to you.

**Please also note that an important legal notice about this progress report is attached (Appendix 8).**

# Contents

<b>1</b>	<b>Executive summary</b>	<b>1</b>
<b>2</b>	<b>Progress to date</b>	<b>3</b>
<b>3</b>	<b>Dividend prospects</b>	<b>9</b>
<b>4</b>	<b>Other matters</b>	<b>10</b>
<b>5</b>	<b>Joint Administrators' remuneration and expenses</b>	<b>11</b>
<b>6</b>	<b>Future strategy</b>	<b>13</b>
<b>Appendix 1</b>	<b>Statutory information</b>	<b>15</b>
<b>Appendix 2</b>	<b>Joint Administrators' receipts and payments account</b>	<b>16</b>
<b>Appendix 3</b>	<b>Schedule of expenses</b>	<b>19</b>
<b>Appendix 4</b>	<b>Joint Administrators' revised fees estimate</b>	<b>21</b>
<b>Appendix 5</b>	<b>Joint Administrators' revised expenses estimate</b>	<b>24</b>
<b>Appendix 6</b>	<b>Joint Administrators' charging and expenses policy</b>	<b>27</b>
<b>Appendix 7</b>	<b>Glossary</b>	<b>35</b>
<b>Appendix 8</b>	<b>Notice: About this report</b>	<b>37</b>

# 1 Executive summary

BNY Mellon Corporate Trustee Services Limited ('BNY Mellon') as 'Security Trustee' and holder of a qualifying floating charge for the benefit of the Company's 'Secured Creditor', Sequoia IDF Asset Holdings S.A ('Sequoia'), lodged the notice of appointment at the High Court of Justice Business and Property Courts of England & Wales Insolvency and Companies List (ChD) on 24 November 2021 and we were duly appointed that day.

This progress report covers the period from the date of our appointment up to 23 May 2022.

We sent our statement of proposals ('Proposals') to all known creditors on 11 January 2022. We used deemed consent to obtain approval of our Proposals and the creditors are treated as having approved our Proposals without modification on 28 January 2022.

Our main areas of focus for the first six months of the administration has been (1) negotiating a Transitional Services Agreement ('TSA') with the Joint Energy Administrators of Bulb Energy Limited ('Bulb UK'), (2) pursuing a sales process which Lazard & Co Limited ('Lazard') formally commenced in February aimed at a rescue of the Company as a going concern or realising the Company's business and assets in accordance with the objective of the administration, (3) providing ongoing support to the Company's employees, and (4) with the incumbent management and directors, assessing the investment value of the three overseas trading subsidiaries and ascertaining whether they fitted into the overall administration strategy

The Company and its Joint Administrators entered into a TSA with Bulb UK and the Joint Energy Administrators on 8 February (replacing the earlier TSA term sheet of 25 November 2021 which provided for the services of the Company's employees to Bulb UK); the longer-form TSA again provided the services of the Company's employees to Bulb UK and also allowed Bulb UK to continue to use the Company's software and intellectual property. In addition, the TSA provided for certain elements of the Group's IT which were contracted to or held by Bulb UK to be brought back into the Company.

Lazard commenced a combined sales process for the shares in, or business and assets of, the Company and Bulb UK in February 2022. The main assets of the Company, the software and intellectual property, continue to be marketed for sale by Lazard (Section 2 - Progress to date).

Sequoia is the Company's sole Secured Creditor, with fixed and floating charge security over all of the Company's respective present and future assets and undertakings, via debentures granted in favour of the Security Trustee. At the present time, the Joint Administrators continue to pursue objective (a) in the administration, the preservation of the company as a going concern, as it remains unknown whether there will be a shortfall in the return to Sequoia (Section 3 - Dividend prospects).

We do not anticipate claims from either ordinary preferential or secondary preferential creditors in this administration (Section 3 - Dividend prospects).

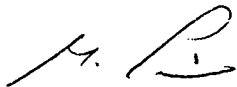
We are proceeding on the basis that unsecured creditors will receive a dividend, however, the quantum and timing of this remains uncertain and dependent on the outcome of the administration, including (without limitation) realisations achieved



during the administration as well as the associated costs of realisation (Section 3 - Dividend prospects).

We are seeking a number of decisions from all creditors of the Company, with a copy of the notice of decision procedure, together with a proof of debt form, circulated by post to all unsecured creditors of the Company, with a copy available to download and print on our Portal at [www.ia-insolv.com/case+INTERPATH+SLB2583759.html](http://www.ia-insolv.com/case+INTERPATH+SLB2583759.html). A summary of the decisions is set out in Section 4. Please note that a person is entitled to vote only if they have given to the Joint Administrators, before 23.59 on the decision date, 14 July 2022, details in writing of the debt which they claim to be due to them from the Company and the claim has been duly admitted by the Joint Administrators.

Please note: you should read this progress report in conjunction with our Proposals which were issued to the Company's creditors and can be found at [www.ia-insolv.com/case+INTERPATH+SLB2583759.html](http://www.ia-insolv.com/case+INTERPATH+SLB2583759.html). Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Mike Pink  
Joint Administrator

## 2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our Proposals.

### 2.1 Strategy and progress to date

#### Strategy

As set out in our Proposals on 10 January 2022, the primary strategy of the administration remains to continue trading in administration (benefiting in particular from a TSA with Bulb UK) whilst seeking to ascertain the feasibility of a going concern rescue of the Company. Accordingly, our strategy includes exploring the possibility of a share sale in order to rescue the Company as a going concern. If this cannot be achieved, the Joint Administrators anticipate that it will be possible to achieve a better result for the Company's creditors as a whole than would be likely if the Company had been wound up without first being in administration through a sale of the Company's business and assets.

#### Sale of business

As stated in our Proposals, the Joint Administrators of the Company and the Joint Energy Administrators of Bulb UK had discussions with potential third-party advisers regarding instructing them to undertake a combined sales process for the shares in, or businesses and assets of, the Company and / or Bulb UK.

On 2 February, the Joint Administrators and the Joint Energy Administrators, assisted by Lazard, commenced the combined sales process, which is still on-going.

Although there are significant advantages to a combined sale approach, as previously stated, the Joint Administrators have the right to sell the assets of the Company via a standalone process.

#### Trading

As previously reported, on 25 November 2021 (the day after our appointment as Joint Administrators), we entered into an interim TSA term sheet with the Joint Energy Administrators of Bulb UK regarding the Company's employees to ensure that both the Company and Bulb UK could continue to trade in the immediate term and the employees' position was protected.

We have since agreed longer-form terms in respect of the Intellectual Property, software, and the employees. On 8 February 2022 the Company and its Joint Administrators, entered into a TSA with Bulb UK and the Joint Energy Administrators that replaced the earlier term sheet.

The TSA also covers a contribution to the Company's professional fees, including legal fees and payroll services, and the Joint Administrators' time costs.

## Employees

There have been no redundancies since our appointment and we continue to work closely with the Joint Energy Administrators of Bulb UK, the executive team, and employees to continue business as usual pending a sale.

We have hired some 100 staff largely to replace leavers and we continue to provide support to all retained employees through the administration and are working in conjunction with the HR team to assist with ongoing queries.

## Overseas subsidiaries

As set out in our Proposals, the Company was the ultimate shareholder of three overseas trading subsidiaries - Bulb France SAS ('Bulb France'), Bulb Energía Ibérica S.L.U. ('Bulb Spain') and Bulb US LLC ('Bulb US').

We have been working in conjunction with the intermediate holding company, Bulb International Holdings Limited ('BIHL'), and the respective management teams to assess the investment value and how the overseas businesses fit into the overall strategy of the administration.

With the exception of Bulb France, a new independent director, Martin Cooke, was appointed to each of BIHL and its overseas subsidiaries following the Company's entry into administration.

As previously reported, Bulb Spain was sold to a Spanish domestic competitor on 30 December 2021. Mr Cooke resigned from his directorship of Bulb Spain upon its sale.

Bulb France (now called Bcomollf SAS) entered insolvent liquidation on 1 February 2022. Until it is dissolved it remains wholly owned by BIHL.

Bulb US continues to trade. With our support, its management and the direct shareholder of the US sub-group, BIHL, continue to evaluate the options for that business.

Certain of the Company's costs in supporting BIHL will be met from the funds received from the sale of Bulb Spain.

## Intercompany

As previously reported, at the date of appointment there were net intercompany debtor balances due to the Company from Bulb UK (£67.4 million), Bulb Spain (£0.1 million) and Bulb France (£0.2 million).

The intercompany debtor balances remain outstanding. As a result of the insolvencies at Bulb UK and Bulb France, it is highly unlikely there will be any recovery of the debtor balances outstanding.

Following the sale of Bulb Spain, we anticipate a portion of the Bulb Spain debtor balance will be repaid, however, the timing and quantum of such repayment is currently unknown.

## Pre-administration VAT

The Company were pursuing a VAT appeal with HMRC prior to administration. The appeal relates to approximately £1.3 million of output tax to June 2021.

We have engaged KPMG LLP ('KPMG') Legal to assist us in pursuing this appeal in the Tribunal. KPMG were advising the Company in this regard prior to our appointment and have the intellectual property, case history as well as the requisite skill set needed to assist us.

Further information in relation to seeking approval from creditors to pay KPMG Legal for work undertaken by them is set out in Section 5.2.

It could take 12 – 18 months to conclude this matter. We will keep the strategy under review as we progress towards a Tribunal and provide creditors with high level updates in our future progress reports.

Separately, there is an outstanding pre-administration claim submitted by the Company for £2.6 million of overdeclared output tax. This claim does not form part of the appeal and is expected to be settled independently.

## Minority shareholding in Virmati Energy Limited ('Virmati')

We continue to liaise with the principal founder of Virmati in respect of the minority shareholding the Company holds therein, and the Joint Administrators are considering the most appropriate realisation strategy for those shares. At this time it is not appropriate to report on the estimated realisable value of those shares.

## 2.2 Asset realisations

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

Summaries of the most significant realisations during the period are provided below.

### Royalty – Property rights/Patents

In the period from appointment to 23 June 2022, we have received £10.5 million representing royalty fees for the licencing of the Company's brand and software to Bulb UK.

### Tax refunds (pre-appointment)

We received £7.4 million from HMRC relating to a pre-administration VAT refund for the two VAT periods immediately prior to our appointment.

HMRC offset the VAT amount that is subject to the above-mentioned appeal of £1.3 million, together with default interest on the appeal sum and other monies owing to HMRC from this sum.

Cash at bank

As advised in our Proposals, we have recovered funds of £4.6 million from the Company's pre-appointment bank accounts. This represented 'free cash', with the remaining credit balance on appointment of £5.3 million was held on trust to meet future employee costs. The funds held on trust at appointment were subsequently used to meet the Company's payroll costs for November and December 2021 as outlined in the trust arrangement.

All 'free cash' has been recovered from the Company's pre-appointment bank accounts and there will be no further 'free cash' realisations.

Professional costs recharge per Bulb TSA

As outlined in the 'trading' section above, we have received £1.2 million from Bulb UK representing professional costs recharged from the Company to Bulb UK since appointment.

Professional costs (excluding any direct costs relating to the Sales Process) will continue to be recharged to Bulb UK in line with the terms of the TSA.

Overseas subsidiaries – recharges and funding

Following the sale of Bulb Spain, it was agreed that the Company would continue to licence its brand and provide certain shared services for a short period whilst the business was fully transitioned to the purchaser – this included items such as billing system support, finance and regulatory support as well as other technology operating expenditure software incurred by the Company. The provision of such services was governed by a transitional services agreement between the Company and Bulb Spain (the 'Bulb Spain TSA').

To date, we have received £0.3 million in respect of recharges under the Bulb Spain TSA and direct costs paid by the Company on behalf of Bulb Spain since appointment. Note, £0.1 million of this was paid in error by the purchaser and is in the process of being repaid at the time of this report.

The transitional period under the Bulb Spain TSA has completed and, as such, there will be no further realisations from this source.

Investigations

We have reviewed 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. No causes of action were identified.

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to the Department for Business, Energy and Industrial Strategy. The contents of our submission are confidential.

## **2.3 Receipts**

The receipts referred to below are not an asset realisation for the administration estate; they have been received from Bulb UK to meet specific costs.

#### Trust account funds for employee costs

As noted above, we have continued to invoice Bulb UK on a monthly basis for employee costs payable by the Company in line with the terms of the TSA. To date, we have received £21.5 million (inclusive of £5.3 million held in trust on appointment) from Bulb UK in respect of employee costs invoiced since appointment – covering monthly payroll costs up to and including April 2022 (payroll costs for May 2022 onwards fall outside of the current reporting period).

As these funds do not represent estate assets, any surplus trust account funds held at the end of the administration will be repaid to Bulb UK (less any amounts owed to the Company at the time of transfer) in accordance with the terms of TSA.

#### Funds received on behalf of subsidiary (held to its account)

The Joint Administrators have received on BIHL's behalf Euro 3.7 million representing consideration for the sale of Bulb Spain. As BIHL did not have a bank account at the time of the transaction, the Company's Joint Administrators agreed to hold the funds on behalf of BIHL as shareholder of Bulb Spain.

These funds are held expressly to the instruction of BIHL and will be distributed at the direction of BIHL in due course. These funds do not represent an asset realisation in the case.

This sum is shown in the Euro receipts and payments account at Appendix 2.

## **2.4 Costs**

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

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

#### Wages & Salaries, PAYE & NIC

We have paid £13.6 million in wages and salaries which includes salary costs of £12.6 million for December 2021 to April 2022. Pension contributions of £1 million have also been paid during the period.

PAYE and NIC of £7.7 million have been paid in line with statutory deadlines.

#### Legal fees

We have paid approximately £1 million in legal fees to date. This comprises legal costs paid to Freshfields Bruckhaus Deringer LLP ('Freshfields') for their work advising the Joint Administrators on all aspects of the Company's insolvency (including key workstreams such as negotiating the TSA, the sales process and asset realisation strategies, the Company's overseas subsidiaries, and employee related matters), and also paid to Pinsent Masons LLP and Bird & Bird AARPI in relation to the overseas subsidiaries.

The Joint Administrators review the quantum and appropriateness of the legal fees on a regular basis.

#### Bulb International Holdings Limited – costs

As set out above and in our Proposals, we have been working in conjunction with the intermediate holding company of the overseas subsidiaries, BIHL, and the respective management teams to assess the investment value and how the overseas businesses fit into the overall strategy of the administration.

BIHL, a holding company only and not itself in an insolvency process, does not have a bank account and, as such, Simple has agreed to meet certain costs of BIHL and the overseas subsidiaries until the respective processes for the overseas businesses are complete.

To date, we have paid £0.4 million in respect of directors', consultant and legal costs in the respective jurisdictions whilst assessment of the options are being considered. In addition, £0.4 million of the legal costs outlined in Section 2.5 below relate to advice provided in respect of the overseas subsidiaries. Costs paid by the Company on behalf of BIHL and/or the overseas subsidiaries will be recharged to BIHL in due course.

#### Sub-contractor costs

To date, we have paid sub-contractor costs of £0.1 million. As noted in our Proposals, the sub-contractor costs relate to ongoing accounting services provided to the Company's overseas subsidiaries.

Due to the sale of Bulb Spain and liquidation of Bulb France, the requirement for ongoing accounting services to the Company's overseas subsidiaries is limited. As such, we have formally withdrawn the undertaking for provision of these services and do not envisage any further material costs in respect of these services during the administration.

## **2.5 Schedule of expenses**

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

Summaries of the most significant expenses which have been incurred in the period but have not yet been paid are provided below.

#### Wages & Salaries, PAYE & NIC

Employee costs incurred but not yet paid relate to the May 2022 payroll – comprising wages and salaries of £1.7 million, PAYE and NIC (due in June 2022) totalling £0.9 million and pension contributions of £0.2 million.

#### Legal fees

Freshfields have outstanding legal costs of approximately £0.6 million, which relate primarily to advice in respect of the sales process, the TSA (in particular, drafting of the TSA documentation), the Company's overseas subsidiaries, employee related issues and general ad-hoc advice in respect of the Company's insolvency.

## **3 Dividend prospects**

### **3.1 Secured creditors**

As set out in our Proposals, Sequoia is the Company's sole Secured Creditor, in respect of a facility agreement between (among others) Sequoia as lender, BNY Mellon as Security Trustee, Bulb UK as borrower, and the Company (among other Group entities) as guarantor.

At the time of our appointment Sequoia were owed circa £55 million (plus interest which continues to accrue) by Bulb UK; Sequoia has a guarantee from the Company for this amount.

In the period we have made an initial distribution of £10 million to the Secured Creditor from floating charge realisations.

As indicated in our Proposals, the overall recovery available to Sequoia is dependent on the outcome of the sales process or other asset realisation strategies.

### **3.2 Ordinary preferential creditors (employees)**

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 preferentially (in advance of floating charge holders and ordinary unsecured creditors) and in priority to other preferential creditors (see 3.3 below). These claims are therefore referred to as "ordinary preferential creditors".

We are not aware of any ordinary preferential claims against the Company.

### **3.3 Secondary preferential creditors (HMRC and the Financial Services Compensation Scheme)**

Certain claims from HMRC rank preferentially, but secondary to any employee ordinary preferential creditors referred to above.

In view of the offsets made to the VAT repayment from HMRC (Section 2), we are not aware of any secondary preferential claims against the Company.

### **3.4 Unsecured creditors**

There will be a dividend to unsecured creditors by virtue of the prescribed part, although the return may be modest, dependent on the final level of unsecured claims received. We have yet to determine the amount of this, but we will do so when we have completed the realisation of assets and payment of associated costs.



## 4 Other matters

### 4.1 Decision procedure

Notice of seeking a decision by correspondence is attached to the covering letter. A further copy of this, together with a Proof of Debt form, is available to download and print on our Portal at [www.ia-insolv.com/case+INTERPATH+SLB2583759.html](http://www.ia-insolv.com/case+INTERPATH+SLB2583759.html).

This decision by correspondence procedure is being used to seek approval for:

- a revision of our fees estimate;
- payment of costs for KPMG Legal;
- a 12-month extension to the period of the administration;
- any nominations from creditors for members of a Creditors' Committee.

Please note that if a Creditors' Committee is formed, other than in relation to a 12-month extension to the period of the administration, the votes cast by creditors in relation to the proposed decisions above will be disregarded.

Physical meeting to be called where sufficient creditors request

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. Requests for a physical meeting must be made within five business days of the date on which notice of the decision procedure was delivered.

If you wish to request a physical meeting, please complete and return the physical meeting requisition form available on our Portal at [www.ia-insolv.com/case+INTERPATH+SLB2583759.html](http://www.ia-insolv.com/case+INTERPATH+SLB2583759.html).

A creditor's general right to request a requisitioned decision

A creditor has a general right to request for a requisitioned decision. The request must include:

- a statement of the purpose of the proposed decision; and
- either a statement of the requesting creditors' claim, with (i) a list of the creditors concurring with the request, showing the amounts of their respective debts in the administration and (ii) written confirmation of their concurrence from each concurring creditor; or
- a statement of the requesting creditors debt and that alone is sufficient without the concurrence of other creditors.

The expenses of a requisitioned decision must (subject to limited exceptions) be paid by the requesting creditor. The requesting creditor is required to deposit security for such expenses with us.

## **5 Joint Administrators' remuneration and expenses**

### **5.1 Joint Administrators' remuneration and expenses**

During the period, 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 attending to matters arising in the administration in accordance with the fees estimate and charge-out rates set out in our letter dated 15 March 2022. This will include work undertaken in respect of, but not limited to, tax, VAT and employee advice from Interpath in-house specialists.
- category 2 expenses (as defined in Statement of Insolvency Practice 9) will be charged and drawn in accordance with Interpath Advisory's policy as set out in our Proposals dated 10 January 2022 and in Appendix 2 of our letter dated 15 March 2022.

A copy of our Proposals and letter dated 15 March 2022 are available on our Portal at [www.ia-insolv.com/case+INTERPATH+SLB2583759.html](http://www.ia-insolv.com/case+INTERPATH+SLB2583759.html).

#### Time costs

From the date of our appointment to 23 May 2022, we have incurred time costs of £3,731,151. These represent 4,646 hours at an average rate of £803 per hour.

#### Remuneration

During the period, we have drawn floating charge remuneration of £2.96 million.

#### Administrators' Expenses

During the period, we have incurred expenses of £1,130. None of these have yet been paid.

#### Additional information

Due to the ongoing uncertainty in the wholesale energy market, the impact on the timing of a potential sale transaction and the transition period of existing customers to a purchaser, we have revised our fee and expenses estimates to reflect a longer estimated timeline – we would note that the estimated timeline is subject to change depending on the outcome of the combined sales process.

Our revised fee and expenses estimates are attached at Appendices 4 and 5, respectively.

We have attached (Appendix 6) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from our appointment to 23 May 2022. We have also attached our charging and expenses policy.

## **5.2 Payment to KPMG**

As set out in Section 2 above, we have engaged KPMG Legal to assist us in relation to the appeal with HMRC with a view to realising further VAT repayments for the Company's estate.

Up until 4 May 2021, the Joint Administrators and their staff were employees of KPMG.

Whilst KPMG Legal is no longer part of the same organisation as the officeholders, and not considered to be an associate for the purposes of SIP 9, for transparency, payments will be voluntarily subject to the same disclosure and approval as the Joint Administrators' Category 2 expenses.

Any time incurred by KPMG Legal will be based on an arm's length agreement and will be paid and disclosed separately in our receipts and payments account.

The Joint Administrators are seeking approval from creditors to pay KPMG Legal for time spent by them and their in-house Counsel for work in relation to the appeal with HMRC. Further information in relation to the decision procedure is set out in Section 4.1.

KPMG Legal has estimated their costs will be £290,000 plus VAT and disbursements, with further costs for in-house counsel estimated to be £75,000 plus VAT, i.e. £365,000 plus VAT and disbursements.

Payments will only be made to the extent the relevant time/costs are approved by creditors. We will seek further approval from the relevant creditor bodies, as a Category 2 expense, should KPMG Legal's time costs exceed any approved estimates.

## **6 Future strategy**

### **6.1 Future conduct of the administration**

We will continue to manage the affairs, the business, and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- Pursuing the most appropriate realisation strategy for the Company's assets;
- Managing the receipts and payments due under the TSA;
- Managing the realisation process of the assets of Bulb US and amounts due from the other affiliates;
- Regular meetings with the Bulb People Team regarding various employee issues - including review of proposed vacancies, organisational changes, retention and formation of the Employee Group; dealing with any subsequent enquiries; liaising with Employee representatives elected to the Employee Group; managing the employees who continue to assist with the administration; and payroll processing;
- Progressing the appeal against an assessment raised by HMRC prior to administration;
- Completing administration corporation tax and VAT returns for the relevant periods from our appointment;
- Making distributions to the Secured Creditor (when funds allow);
- Agreeing claims and making a distribution(s) to unsecured creditors;
- Payment of administration expenses including our remuneration and KPMG Legal's costs as a Category 2 expense, in line with approvals from creditors;
- Seeking an extension to the period of the administration, initially by consent from the Secured Creditor and unsecured creditors for a period of 12 months; and
- Complying with statutory and compliance obligations.

### **6.2 Extension of the administration**

We are seeking approval from the Secured Creditor and unsecured creditors to a 12-month extension to the period of the administration.

At the present time, the period of the administration ends on 23 November 2022. An extension is required so that we can achieve the purpose of the administration, which includes (but is not limited to) addressing all matters raised throughout this progress report as summarised in Section 6.1 above.

Further details in relation to the decision procedure are set out in Section 4.1.

If the extension is granted, a notice of the extension will be made available for viewing and downloading on our Portal at [www.ia-insolv.com/case+INTERPATH+SLB2583759.html](http://www.ia-insolv.com/case+INTERPATH+SLB2583759.html). No other notice will be delivered to creditors in this regard.

### **6.3 Discharge from liability**

During the period, creditors voted against the Joint Administrators being discharged from liability in respect of any action of theirs as Joint Administrators of the Company on filing their final progress report with the Registrar of Companies.

It is likely that we will apply to Court seeking our discharge from liability once we are closer to concluding the administration.

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

### **6.4 Future reporting**

We will provide a further progress report within one month of 23 November 2022 or earlier if the administration has been completed prior to that time.

All future reports, along with reports circulated to date, can be found at [www.ia-insolv.com/case+INTERPATH+SLB2583759.html](http://www.ia-insolv.com/case+INTERPATH+SLB2583759.html).

## Appendix 1      Statutory information

Company name	Simple Energy Limited (in administration)
Date of incorporation	6 October 2014
Company registration number	09249540
Present registered office	10 Fleet Place, London, EC4M 7RB
Administration appointment	The administration appointment granted in High Court of Justice Business and Property Courts of England & Wales Insolvency and Companies List (ChD), CR-2021-002191
Appointor	The qualifying floating charge holder, BNY Mellon Corporate Trustee Services Limited, as Security Trustee on behalf of Sequoia IDF Asset Holdings S.A
Date of appointment	24 November 2021
Joint Administrators' details	Richard Heis, Mike Pink and Andrew Stone
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £20.8 million. Estimated Prescribed Part is £0.6 million. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.4).
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply.  Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
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 November 2022

## Appendix 2 Joint Administrators' receipts and payments account

### Simple Energy Limited (in administration)

#### Abstract of receipts & payments

Statement of affairs (£)		Period	Cumulative
		From 24/11/2021 To 23/05/2022 (£)	From 24/11/2021 To 23/05/2022 (£)
FIXED CHARGE ASSETS			
Uncertain	Intellectual property rights	NIL	NIL
Nil	Investment in subsidiaries	NIL	NIL
Uncertain	Other investments	NIL	NIL
		NIL	NIL
FIXED CHARGE CREDITORS			
(55,000,000.00)	Fixed charge creditor	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
Nil	Intercompany receivables	NIL	NIL
12,180.00	Other current assets	NIL	NIL
	Royalty - Property rights/Patents	10,500,000.00	10,500,000.00
	Tax refunds (pre-app'ent)	7,436,485.96	7,436,485.96
9,721,964.00	VAT refunds (pre-app'ent)	NIL	NIL
4,610,633.00	Cash at bank	4,610,001.96	4,610,001.96
	Trust account funds for employee costs	21,462,886.39	21,462,886.39
	Professional costs recharge per Bulb TSA	1,206,334.11	1,206,334.11
		45,215,708.42	45,215,708.42
OTHER REALISATIONS			
	Bank interest, gross	24,968.79	24,968.79
	Overseas subsidiaries - funding	18,030.10	18,030.10
	Costs recharge per Bulb Spain TSA	89,028.41	89,028.41
	Overseas subsidiaries - cost recharges	192,080.50	192,080.50
		324,107.80	324,107.80
COST OF REALISATIONS			
	Administrators' fees	(2,960,861.10)	(2,960,861.10)
	Agents'/Valuers' fees	(60,474.45)	(60,474.45)
	Legal fees	(1,023,664.21)	(1,023,664.21)

**Simple Energy Limited (in administration)**
**Abstract of receipts & payments**

Statement of affairs (£)	Period		Cumulative
	From 24/11/2021 To 23/05/2022 (£)		From 24/11/2021 To 23/05/2022 (£)
Utilities	(4,118.62)		(4,118.62)
Other costs	(15,695.69)		(15,695.69)
Overseas subsidiaries - funding	(18,493.86)		(18,493.86)
Bulb International Holdings Ltd - costs	(408,874.25)		(408,874.25)
Sub-contractor costs	(90,950.00)		(90,950.00)
Insurance of assets	(86,609.00)		(86,609.00)
Wages & salaries	(13,595,724.08)		(13,595,724.08)
PAYE & NIC	(7,742,666.49)		(7,742,666.49)
Bank charges	(945.00)		(945.00)
Bulb US LLC receivable	(3,368.49)		(3,368.49)
	(26,012,445.24)		(26,012,445.24)
FLOATING CHARGE CREDITORS			
Floating charge	(10,000,000.00)		(10,000,000.00)
	(10,000,000.00)		(10,000,000.00)
UNSECURED CREDITORS			
(21,166,497.00) Trade & expense	NIL		NIL
	NIL		NIL
DISTRIBUTIONS			
(234,907.00) Ordinary shareholders	NIL		NIL
	NIL		NIL
<b>(62,056,627.00)</b>	<b>9,527,370.98</b>		<b>9,527,370.98</b>
REPRESENTED BY			
Floating charge current			9,731,549.58
Net VAT position - VAT payable			(204,178.60)
			<b>9,527,370.98</b>



**Simple Energy Limited - in Administration****Abstract of receipts & payments (Euro account)**

Statement of affairs (£)	Period	Cumulative
	From 24/11/2021 To 23/05/2022 (€)	From 24/11/2021 To 23/05/2022 (€)
ASSET REALISATIONS		
Funds received on behalf of subsidiary - held to its account	3,652,666.00	3,652,666.00
	<hr/>	<hr/>
	3,652,666.00	3,652,666.00
	<hr/>	<hr/>
	<b>3,652,666.00</b>	<b>3,652,666.00</b>
	<hr/>	<hr/>
REPRESENTED BY		
EURO current account		3,652,666.00
		<hr/>
		<b>3,652,666.00</b>
		<hr/>

NOTE: please refer to the description in Section 2.3.

## Appendix 3

## Schedule of expenses

### Cost of realisations

Administrators' fees	2,960,861.10	770,289.50	<b>3,731,150.60</b>
Administrators' expenses	0.00	1,129.65	<b>1,129.65</b>
M&A Adviser fees	0.00	333,585.78	<b>333,585.78</b>
Agents'/Valuers' fees	60,474.45	0.00	<b>60,474.45</b>
Legal fees	1,023,664.21	592,272.92	<b>1,615,937.13</b>
Utilities	4,118.62	2,209.86	<b>6,328.48</b>
Other costs	15,695.69	0.00	<b>15,695.69</b>
Overseas subsidiaries - funding	18,493.86	0.00	<b>18,493.86</b>
Bulb International Holdings Ltd - costs	408,874.25	20,000.00	<b>428,874.25</b>
Sub-contractor costs	90,950.00	17,700.00	<b>108,650.00</b>
Insurance of assets	86,609.00	0.00	<b>86,609.00</b>
Wages & salaries	13,595,724.08	1,828,656.13	<b>15,424,380.21</b>
PAYE & NIC	7,742,666.49	935,014.96	<b>8,677,681.45</b>
Bank charges	945.00	0.00	<b>945.00</b>
Bulb US LLC receivable	3,368.49	0.00	<b>3,368.49</b>
<b>TOTAL</b>	<b>26,012,445.24</b>	<b>4,500,858.80</b>	<b>30,513,304.04</b>

### 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 emailing us at [simpleenergy@interpathadvisory.com](mailto:simpleenergy@interpathadvisory.com) or in writing to Francine Pearlman at 10 Fleet Place, London, EC4M 7RB.

## Appendix 4

## Joint Administrators' revised fees estimate

Estimated time costs for the engagement	Narrative	Initial Estimated time costs (£)	Revised Estimated total hours	Revised Estimated time costs (£)	Revised Estimated average hourly rate (£)
<b>Strategy, statutory and compliance</b> - strategic planning and execution, appointment & related formalities, bonding, checklist & reviews, advertising	Note 1	672,684	1,068	798,724	747.87
<b>Asset Realisation</b> - including insurance of assets	Note 2	1,724,040	2,410	2,047,790	849.71
<b>Tax</b> - VAT & corporation tax, initial reviews, pre and post appointment tax	Note 3	375,550	528	436,950	827.56
<b>Creditors and claims</b> - general correspondence, notification of appointment, statutory reports	Note 4	384,505	743	546,445	735.46
<b>Cashiering</b> - processing receipts, payments and bank reconciliations	Note 5	97,175	284	132,800	467.61
<b>General</b> - books & records, fees & work in progress	Note 6	126,128	200	149,761	748.81
<b>Investigations</b> - director conduct and affairs of the Company	Note 7	42,042	67	49,920	745.07
<b>Employees</b> - correspondence, payroll	Note 8	580,910	1,349	1,032,235	765.19
<b>Trading</b> - purchases, sales and cash projections	Note 9	541,910	954	721,185	755.96
<b>Total</b>		<b>4,544,945</b>	<b>7,603</b>	<b>5,915,810</b>	<b>778.09</b>

Note 1 – Strategy, statutory and compliance

This workstream includes detailed strategy, planning and execution work for maximising realisations of the Company's assets and working in conjunction with the Company's staff. Further statutory and compliance work will also include notifying the Registrar of

Companies and other relevant parties of our appointment, arranging bonding and ensuring compliance with all statutory obligations such as reporting to creditors.

#### Note 2 - Asset realisation

As previously reported, the Company's principal assets as at the date of our appointment were: the shares in Bulb UK and BIHL; various intellectual property (including the 'Bulb' brand); IT software including the Company's distinctive Bulb customer interface; intercompany and tax debtors; and cash at bank. Our work will include pursuing the realisation of these assets.

#### Note 3 – Tax

VAT and Tax specialists from within KPMG will review the Company's tax and VAT affairs. We will submit post-administration tax and VAT returns as required.

#### Note 4 – Creditors and claims

This workstream includes correspondence with all creditors of the Company, including answering creditors' enquiries regarding their entitlement to claim in the administration. This will also include preparation and issue of the Joint Administrators' statutory reports which will be made available to the creditors throughout the administration.

#### Note 5 – Cashiering

Cashiering costs will include processing of receipts and payments, bank reconciliations, day to day administration of bank accounts, and fund management.

#### Note 6 – General

General time costs include matters such as securing the Company's books and records and maintaining files.

#### Note 7 – Investigations

We have performed our statutory investigations into the conduct of the Directors and the affairs of the Company prior to our appointment as Joint Administrators. This involved directorship searches, compliance with our statutory duties and submitting an assessment of the directors' conduct to the Insolvency Service.

#### Note 8 – Employees

Work undertaken in relation to employees comprises holding initial employee meetings to notify them of the administration; regular meetings with the Bulb People Team regarding various employee issues - including review of proposed vacancies, organisational changes, retention and formation of the Employee Group; dealing with any subsequent enquiries; liaising with Employee representatives elected to the Employee Group; managing the employees who continue to assist with the administration; and payroll processing.

## Note 9 – Trading

The primary strategy of the administration is to continue trading in administration (benefiting from the TSA with Bulb UK) whilst seeking to ascertain the feasibility of a going concern rescue of the Company. Our work will include reviewing, assessing and implementing the necessary financial controls to support trading in the administration – this includes purchases, sales and cash projections and reconciliations.

## Appendix 5

## Joint Administrators' revised expenses estimate

Employee costs	1	24,700,000	65,000,000	65,000,000
Legal fees	2	1,500,000	2,500,000	2,500,000
M&A Adviser fees	3	1,250,000	1,500,000	1,500,000
KPMG legal costs	4	-	365,000	365,000
Overseas – legal and adviser fees	5	200,000	200,000	200,000
IT	6	200,000	200,000	200,000
Insurance	7	150,000	150,000	150,000
Contractor costs	8	25,000	75,000	75,000
Agents' fees	9	50,000	50,000	50,000
Sundry costs	10	15,000	15,000	15,000
<b>TOTAL</b>		<b>28,090,000</b>	<b>70,055,000</b>	<b>70,055,000</b>
<b>Less: Costs recharged under TSAs or to BIHL</b>	11	<b>(25,770,000)</b>	<b>(67,635,000)</b>	<b>(67,635,000)</b>
<b>NET TOTAL EXPENSES</b>		<b>2,320,000</b>	<b>2,420,000</b>	<b>2,420,000</b>

### Note 1: Employee costs

Employee costs represent the gross payroll costs (i.e. salary, employers' taxes and pension contribution) in relation to staff retained during the administration. Employee costs will be recharged to Bulb UK in line with the terms agreed per the TSA – the employee costs recharges are included in the "Costs recharged under TSAs" estimate.

### Note 2: Legal fees

Legal fees comprise the costs expected to be incurred during the administration by our lawyers, primarily Freshfields, on a number of matters including advice in relation to: employment matters; TSAs; realising equity interests and realising any other assets; data protection related issues; counsel and Court fees for any other applications to Court; and general matters arising in the administration.

### Note 3: M&A Adviser fees

As noted in Section 2, the Joint Administrators of Simple Energy and the Joint Energy Administrators of Bulb UK have had discussions with potential third-party advisers regarding instructing them to undertake a sales process for the businesses and assets of

the Company and Bulb UK. We have included an indicative estimate above for the fees should any adviser be appointed to assist with the sales process.

#### Note 4: KPMG Legal Costs

As set out in Sections 2 and 5.2, we have engaged KPMG Legal to assist us in pursuing a VAT appeal with HMRC. Payment of these costs is subject to creditor approval in the same manner as our remuneration.

#### Note 5: Overseas – legal and adviser fees

In order to protect the Company's interests in the overseas subsidiaries, we have committed to paying certain legal and adviser costs associated with the consideration of options and processes for each of the overseas subsidiaries/directors.

#### Note 6: IT

IT costs relate to data capture. We have carried out an initial discovery phase to establish a clear understanding of the current IT environment across the combined UK business. It is our intention to engage a third-party operator, jointly with the Joint Energy Administrators of Bulb UK, to assist with capturing and retaining data across both companies in line with the Joint Administrators' and Joint Energy Administrators' respective statutory duties.

#### Note 7: Insurance

We understand the insurance premium was paid by the Company prior to administration for the period to 26 May 2022. However, as a result of the administration, we anticipate there may be an increase in the insurance premiums for the administration period. Insurance requirements will be reviewed on an ongoing basis and reduced where possible during the administration.

#### Note 8: Agents' fees

Agents' fees relate to our initial estimate of costs for appraisal of the Company's intellectual property and assistance for running the Company's payroll on a monthly basis.

#### Note 9: Contractor costs

Contractor costs relate to ongoing services provided solely to the Company and/or its subsidiaries during the period of administration.

#### Note 10: Sundry costs

Sundry costs comprise our estimate of general overheads associated with the Company such as storage of books and records, bank charges and statutory costs.

#### Note 11: Costs recharged under TSAs or to BIHL

As noted above, employee costs will be recharged to Bulb UK in line with the terms of the TSA. In addition, 50% of certain professional costs incurred during the period of administration will also be recharged to Bulb UK in line with the terms of the TSA (as



applicable). Certain costs paid by the Company on behalf of BIHL will also be recharged to BIHL in due course.

## Appendix 6 Joint Administrators' charging and expenses 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 in-house Interpath Advisory tax, VAT and employee 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 "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please email us at [simpleenergy@interpathadvisory.com](mailto:simpleenergy@interpathadvisory.com) or contact Francine Pearlman on 0118 214 5925.

### 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.

Managing Director	920	985
Director	810	910
Senior Manager	710	810
Manager	565	650
Senior Administrator	415	475
Administrator	315	350

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

## Policy for the recovery of expenses

Where funds permit, the officeholders will seek to recover both Category 1 and Category 2 expenses from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

*Expenses:* These are any payments which are neither an officeholder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the officeholder, and then reimbursed to the officeholder from the estate.

*Category 1 expenses:* These are payments to persons providing the service to which the expense relates who are not an associate of the officeholder. 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.

*Category 2 expenses:* These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

*Associates:* are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the officeholder or their firm. Included in our revised expenses estimate (Appendix 4) is an estimate of the costs that will be incurred by KPMG Legal who until 4 May 2021 were part of the same firm as the officeholders. On 4 May 2021 KPMG LLP sold its Restructuring business in the UK to Interpath Limited ('Interpath Advisory'). Whilst we do not consider KPMG Legal are an associate of Interpath Advisory, for transparency, we are requesting approval from creditors to pay KPMG Legal up to the amounts estimated in Section 5.2.

Category 2 expenses charged by Interpath Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.

- Use of company car – 60p per mile.

- Use of managing director's car – 60p per mile.

For all of the above car types, when carrying Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses from the date of our appointment to 23 May 2022.

Accommodation	236.25	NIL	<b>236.25</b>
Meals	57.98	NIL	<b>57.98</b>
Postage	214.69	NIL	<b>214.69</b>
Professional and legal fees	11.00	NIL	<b>11.00</b>
Stationery	46.50	NIL	<b>46.50</b>
Sundry	189.99	NIL	<b>189.99</b>
Travel	373.24	NIL	<b>373.24</b>
<b>Total</b>	<b>1,129.65</b>	<b>NIL</b>	<b>1,129.65</b>

We have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Category 2 expenses have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 24 November 2021 to 23 May 2022

The key areas of work have been:

Statutory and compliance	collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences; providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment; posting information on a dedicated web page; arranging bonding and complying with statutory requirements; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, checklist, and reviews	formulating, monitoring and reviewing the administration strategy, including the decision to trade and meetings with internal and external parties to agree the same; briefing of our staff on the administration strategy and matters in relation to various work-streams; regular case management and reviewing of progress, 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.
Reports to debenture holders	providing written and oral updates to representatives of Sequioa regarding the progress of the administration and case strategy.
Cashiering	setting up administration bank accounts and dealing with the Company's pre-appointment accounts; preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reviewing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks;

	reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	gathering initial information from the Company's records in relation to the taxation position of the Company; submitting relevant initial notifications to HM Revenue and Customs; reviewing the Company's pre-appointment corporation tax and VAT position; arranging for the submission of the VAT return for the month to 23 November 2021; liaising with HMRC in relation to pre-administration VAT owed; Engaging KPMG Legal to assist with the Tribunal in relation to the appeal of HMRC's VAT assessment; 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.
Shareholders	providing notification of our appointment; responding to enquiries from shareholders regarding the administration; providing copies of statutory reports to the shareholders.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; drawing remuneration in accordance with the basis which has been approved by creditors; locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage.
Trading	preparing cash flow statements to monitor the cash position; attending to supplier queries and correspondence; negotiating and making direct contact with suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions, in order to ensure continued support; dealing with issues in relation to assets required for trading; communicating and negotiating with the Joint Energy Administrators of Bulb UK; applying the rights set out in the TSA.
Asset realisations	collating information from the Company's records regarding the assets; reviewing the intercompany debtor position between the Company and other group companies; in conjunction with the international subsidiaries' management team, we have sought to better understand each of the subsidiaries, assess their investment value and how they will fit into the overall strategy for the administration.
Sale of business	collating relevant information in relation to the sale of the Company's shares, business and/or assets; strategic evaluation of options for the sale of the Company's shares, business and/or assets; appointing a third party M&A adviser in conjunction with the Joint Energy Administrators of Bulb UK; responding to due diligence requests from interested parties; working with incumbent management of the overseas subsidiaries in Spain and USA in relation to respective sales processes overseen the setting up on the virtual data room; negotiated non-disclosure agreements with interested parties; participated in M&A project management and strategies for engagement with interested parties; reviewed Bulb UK and the Company forecast model; liaised regularly with Lazard and the Joint Energy Administrators/Bulb UK; drafted communications relating to the sales process; evaluated TUPE, tax and other issues related to different sale structures; Exploration of alternative realisation strategies for the Company's assets.
Health and safety	liaising with internal health and safety specialists in order to manage all health and safety issues and environmental issues, including ensuring that legal and licensing obligations are complied with; liaising with the Health and Safety Executive regarding the administration and ongoing health and safety compliance.
Open cover insurance	arranging ongoing insurance cover for the Company's business and assets; liaising with the pre- and post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; assessing the level of insurance premiums.

Employees	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 weekly employee briefing meetings to update employees on progress in the administration and our strategy; Set up and ran weekly employee representatives meetings; administering the Company's payroll, including associated taxation and other deductions, and preparing PAYE and NIC returns; communicating and corresponding with HM Revenue and Customs.
Pensions	collating information and reviewing the Company's pension schemes; calculating employee pension contributions and review of pre-appointment unpaid contributions; ensuring compliance with our duties to issue statutory notices; ensuring death-in-service cover for employees remains in place; communicating with employees representatives concerning the effect of the administration on pensions and dealing with employee queries.
Creditors and claims	drafting and circulating our Proposals; creating and updating the list of unsecured creditors; responding to enquiries from creditors regarding the administration and submission of their claims; agreeing the Secured Creditor's claim; arranging a distribution to the Secured Creditor; drafting our progress report.
Investigations/ Directors	reviewing Company and directorship searches and advising the directors of the effect of the administration; liaising with management to produce the Statement of Affairs and filing this document with the Registrar of Companies; reviewing the questionnaires submitted by the directors of the Company; reviewing pre-appointment transactions; submitting the online director conduct assessment to the relevant authority; participating in daily calls with directors and management to ensure smooth running and resolution of problems.

#### Time costs

IT discovery and support	<b>88.40</b>	66,748.00	755.07
TSA management	<b>70.60</b>	45,121.50	639.11
TSA negotiation	<b>164.95</b>	147,657.00	895.16
Cash & profit projections & strategy	<b>0.75</b>	682.50	910.00
Employee Matters / PAYE	<b>580.05</b>	470,325.50	810.84
Negotiations with customers	<b>0.40</b>	394.00	985.00
Negotiations with suppliers / landlords	<b>0.60</b>	552.00	920.00
Post trading related matters	<b>4.40</b>	4,004.00	910.00
Purchases and trading costs	<b>9.50</b>	7,632.50	803.42
Sales	<b>15.30</b>	14,089.00	920.85
Health & safety	<b>14.50</b>	11,415.00	787.24
Insurance	<b>118.25</b>	93,291.00	788.93

**SIP 9 –Time costs analysis (24/11/2021 to 23/05/2022)**

	Hours	Time Cost (£)	Average Hourly Rate (£)
Trading Management	<b>66.55</b>	60,951.50	915.88
<b>Realisation of assets</b>			
Asset Realisation			
Cash and investments	<b>48.50</b>	37,419.00	771.53
Debtors	<b>1.50</b>	712.50	475.00
Goodwill	<b>33.00</b>	30,704.50	930.44
Intellectual Property	<b>24.40</b>	19,369.00	793.81
M&A process	<b>434.25</b>	399,132.50	919.13
Other assets	<b>24.15</b>	21,098.00	873.62
Overseas subsidiaries - monitoring	<b>241.40</b>	213,477.50	884.33
Overseas subsidiaries - sale	<b>223.90</b>	203,329.00	908.12
Pre-appointment tax & VAT refunds	<b>15.20</b>	12,205.00	802.96
Recoveries from Investigations	<b>3.50</b>	3,447.50	985.00
Sale of business	<b>388.55</b>	318,716.50	820.27
<b>Administration &amp; planning</b>			
Cashiering			
Fund management	<b>0.40</b>	140.00	350.00
General (Cashiering)	<b>73.50</b>	36,677.00	499.01
Reconciliations (& IPS accounting reviews)	<b>17.60</b>	13,311.00	756.31
General			
Books and records	<b>17.60</b>	13,739.50	780.65
Fees and WIP	<b>43.20</b>	31,613.50	731.79
Other officeholders	<b>16.20</b>	15,885.50	980.59
Engagement management	<b>256.66</b>	231,092.10	900.38
Statutory and compliance			
Appointment and related formalities	<b>119.55</b>	66,679.00	557.75
Appointment documents	<b>5.60</b>	5,097.00	910.18
Bonding & Cover Schedule	<b>1.50</b>	1,200.00	800.00
Budgets & Estimated outcome statements	<b>196.00</b>	155,030.00	790.97
Checklist & reviews	<b>19.70</b>	15,487.25	786.15
Pre-administration checks	<b>25.50</b>	23,937.50	938.73
Reports to debenture holders	<b>1.00</b>	810.00	810.00
Strategy documents	<b>83.05</b>	66,451.75	800.14
Tax			
Initial reviews - CT and VAT	<b>85.70</b>	49,013.50	571.92

**SIP 9 –Time costs analysis (24/11/2021 to 23/05/2022)**

	Hours	Time Cost (£)	Average Hourly Rate (£)
Post appointment corporation tax	<b>175.70</b>	127,462.50	725.46
Post appointment overseas tax	<b>38.70</b>	27,095.00	700.13
Post appointment PAYE (Non-Trading)	<b>1.10</b>	715.00	650.00
Post appointment VAT	<b>99.40</b>	76,913.00	773.77
<b>Creditors</b>			
Creditors and claims			
Agreement of claims	<b>0.60</b>	249.00	415.00
Agreement of unsecured claims	<b>0.30</b>	142.50	475.00
General correspondence	<b>24.05</b>	16,408.50	682.27
Legal claims	<b>23.60</b>	23,176.00	982.03
Notification of appointment	<b>1.70</b>	1,297.00	762.94
Pre-appointment overseas tax	<b>7.20</b>	6,624.00	920.00
Pre-appointment VAT / PAYE / CT	<b>8.20</b>	7,514.50	916.40
Secured creditors	<b>118.25</b>	109,185.50	923.34
Statutory reports	<b>157.20</b>	124,971.75	794.99
Share Registrars	<b>0.10</b>	98.50	985.00
Employees			
Correspondence	<b>398.80</b>	256,916.00	644.22
Pensions reviews	<b>0.40</b>	284.00	710.00
<b>Investigation</b>			
Directors			
Correspondence with directors	<b>10.40</b>	8,932.00	858.85
D form drafting and submission	<b>7.80</b>	7,078.00	907.44
Directors' questionnaire / checklist	<b>19.50</b>	11,892.50	609.87
Statement of affairs	<b>15.75</b>	13,407.75	851.29
Investigations			
Correspondence re investigations	<b>0.40</b>	394.00	985.00
Review of pre-appt transactions	<b>1.95</b>	1,754.50	899.74
<b>Total in period</b>	<b>4,646.46</b>	<b>3,731,150.60</b>	<b>803.01</b>
Brought forward time (appointment date to SIP 9 period start date)	0.00	0.00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	4,646.46	3,731,150.60	
Carry forward time (appointment date to SIP 9 period end date)	4,646.46	3,731,150.60	



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

All time shown in the above analysis is charged in units of six minutes.

## Appendix 7      Glossary

<b>BIHL</b>	Bulb International Holdings Limited
<b>Bulb France</b>	Bulb France SAS (now called Bcomollf SAS)
<b>Bulb Spain</b>	Bulb Energía Ibérica S.L.U.
<b>Bulb UK</b>	Bulb Energy Limited (in energy supply company administration)
<b>Bulb US</b>	Bulb US LLC
<b>Company</b>	Simple Energy Limited (in administration)
<b>Court</b>	The High Court of Justice Business and Property Courts of England & Wales Insolvency and Companies List (ChD)
<b>Freshfields</b>	Freshfields Bruckhaus Deringer LLP
<b>Group</b>	The Company together with Bulb UK, BIHL; and its subsidiaries: Bulb France, Bulb Spain (until 30 December 2021), Bulb Energy US Inc. and Bulb US
<b>Interpath/Interpath Advisory</b>	Interpath Limited
<b>Joint Administrators/we/our/us</b>	Richard Heis, Mike Pink and Andrew Stone
<b>Joint Energy Administrators</b>	The joint energy administrators of Bulb UK, namely Matthew Smith, Matthew Cowlshaw and Daniel Butters, all of Teneo Restructuring Limited.
<b>KPMG</b>	KPMG LLP

<b>Lazard</b>	Lazard & Co Limited
<b>Proposals</b>	Statement of proposals
<b>Secured Creditor / Sequoia</b>	Sequoia IDF Asset Holdings S.A.
<b>Security Trustee / BNY Mellon</b>	BNY Mellon Corporate Trustee Services Limited
<b>TSA</b>	Transitional Services Agreement

Any references in this progress report 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.

This report has been prepared by Richard Heis, Mike Pink and Andrew Stone, the Joint Administrators of Simple Energy Limited – in Administration (the ‘Company’), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and 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 Group.

Any estimated outcomes for creditors included in this 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 report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its 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 this report to any such person.

Richard Heis and Michael Robert Pink and Andrew James Stone are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [www.interpathadvisory.com/privacy-insolvency](http://www.interpathadvisory.com/privacy-insolvency).

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

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