

AM03

Notice of administrator's proposals



Companies House

MONDAY



A8I0WRQ9

A06

11/11/2019

#293

COMPANIES HOUSE

1 Company details

Company number 09310427

Company name in full Eversmart Energy Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Andrew James

Surname Stone

3 Administrator's address

Building name/number 1 St Peter's Square

Street

Post town Manchester

County/Region

Postcode M23AE

Country

4 Administrator's name ①

Full forename(s) William James

Surname Wright

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 15 Canada Square

Street

Post town London

County/Region

Postcode E145GL

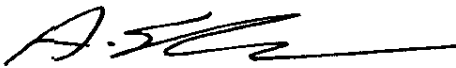
Country

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7	Sign and date	
Administrator's Signature	<div>Signature</div> <div><input checked="" type="checkbox"/> </div> <div><input checked="" type="checkbox"/></div>	
Signature date	<div><div><div>^d0</div><div>^d8</div></div><div><div>^m1</div><div>^m1</div></div><div><div>^y2</div><div>^y0</div><div>^y1</div><div>^y9</div></div></div>	

AM03 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	Mariya Patel								
Company name	KPMG LLP								
Address	1 St Peter's Square								
	Manchester								
Post town	M2 3AE								
County/Region									
Postcode	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>								
Country									
DX									
Telephone	Tel +44 (0) 20 7311 1000								



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Joint Administrators' proposals

Eversmart Energy Ltd - in
Administration

8 November 2019

Notice to creditors

We have made this document available to you to set out the purpose of the administration and to explain how we propose to achieve it.

We have also explained why the Company entered administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in the document such as the proposed basis of our remuneration.

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, <http://www.insolvency-kpmg.co.uk/case+KPMG+JJ83050026.html>. We hope this is helpful to you.

Please also note that an important legal notice about this statement of proposals is attached (Appendix 8).



See Notice: About this Report. All rights reserved. © 2019 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity. All rights reserved.

Contents

1	Executive summary	1
2	Background and events leading to the administration	2
3	Strategy and progress of the administration to date	4
4	Dividend prospects	7
5	Ending the administration	8
6	Approval of proposals	9
7	Joint Administrators' remuneration, disbursements and pre-administration costs	9
8	Summary of proposals	10
Appendix 1	Statutory information	13
Appendix 2	Joint Administrators' receipts and payments account	14
Appendix 3	Joint Administrators' fees estimate	16
Appendix 4	Joint Administrators' expenses estimate	18
Appendix 5	Joint Administrators' charging and disbursements policy	20
Appendix 6	Statement of Affairs, including creditor list	27
Appendix 7	Glossary	36
Appendix 8	Notice: About this statement of proposals	38

1 Executive summary

- The Company operated as an energy supplier to mainly domestic customers with a small number of commercial customers. The Company experienced acute cash-flow pressure as a consequence of a number of issues that are identified in Section 2.3.
- On 13 September 2019 the Qualifying Charge Holder appointed Andrew Stone and Will Wright as Joint Administrators of the Company. (Section 2 - Background and events leading to the administration).
- Ofgem implemented the supplier of last resort ('SoLR') process prior to the Administrators' appointment, resulting in the Company's entire customer base transferring to Utilita in the early hours of 11 September 2019. As part of this process, its licence to sell energy was revoked and the Company ceased to trade.
- The most significant asset of the Company is its debtor book and the Administrators will primarily focus on maximising realisations from this asset and will work closely with Utilita to ascertain the overall debtor balances and collect-out the individual sums due. (Section 3 - Strategy and progress of the administration to date).
- The Secured Creditor, Contract Natural Gas Limited ('CNGL'), will likely suffer a significant shortfall in respect of the funding provided to the Company. (Section 4 - Dividend prospects).
- We anticipate that the preferential creditors will receive a significant repayment. (Section 4 - Dividend prospects).
- Based on current estimates, it is likely that a distribution will be made to the unsecured creditors, however we are not yet able to confirm the quantum or timing of a dividend as this will be dependent on the overall asset realisations, costs of the administration estate and the final level of unsecured creditor claims. (Section 4 - Dividend prospects).
- We anticipate that the most likely exit route will be dissolution. (Section 5 - Ending the administration).
- The Proposals will be deemed approved eight business days following the delivery to creditors. (Section 6 – Approval of proposals).
- We propose that our remuneration will be drawn on the basis of time properly given by us and the various grades of staff in accordance with the fees estimate and charge-out rates provided. We will seek approval for our remuneration from the Secured Creditor and preferential creditors. (Section 7 - Joint Administrators' remuneration, disbursements and pre-administration costs).
- This document in its entirety is our statement of proposals. A summary list of the proposals is shown in Section 8 together with all relevant statutory information included by way of appendices. Unless stated otherwise, all amounts in the proposals and appendices are stated net of VAT.



Andrew Stone
Joint Administrator

2 Background and events leading to the administration

2.1 Background information

The Company was incorporated in November 2014 under the name of EnergyQ Limited. In June 2016, the Company changed its name to Eversmart Energy Ltd and the principal activity of the Company was the supply of energy to mainly domestic customers but with a small number of commercial customers as-well.

The Company traded from leased premises in Manchester and at the date of our appointment only had one director, Barnaby Cook.

Prior to our appointment, the Company employed 86 employees. However, on/around 3 September 2019 the Director resolved to make 44 employees redundant. A further 41 employees transferred to Utilita under the TUPE Regulations following the completion of the SoLR process referenced at Section 3.1.

2.2 Funding and financial position of the Company

The most recent set of accounts filed at Companies House are for the year ended 30 November 2016 and according to those accounts, the Company is exempt from audit and also entitled to file abbreviated accounts. According to draft management accounts, the turnover for the Company from 1 December 2018 to 31 August 2019 was £22.9m with a loss before tax of £6.8m.

CNGL are the secured lender to the Company and benefits from fixed and floating charges over the Company's assets. At the date of the administration, the amount understood to be owed to CNGL was approximately £9.1m, the claim for which will be agreed at the requisite time.

2.3 Events leading to the administration

There are a number of factors which have been identified as having contributed to the Company's failure and these are as follows: -

1. Sub-optimal pricing in a volatile and competitive market;
2. Challenges in extracting meaningful management information from the Company's systems;
3. Inadequate financial controls;
4. Poor operating systems; and
5. A weak balance sheet resulting in the Company being unable to hedge its energy purchases.

The combined effect of the above factors was to constrain the Company's cash-flow which resulted in an inability to pay creditors within their terms. Consequently, there was a build-up of creditor pressure resulting in one creditor presenting a winding up petition against the

Company. The resultant effect was that the Company's bank account was frozen and the Director resolved that the Company could not continue to trade.

KPMG was originally engaged in late June 2019 to deliver an Early Options process which explores the available options to allow a company's stakeholders to decide on the most appropriate route forward for that company as part of a structured process. Due to the acute cash-flow pressure that the Company was experiencing and the lack of investor appetite, the Early Options process was ultimately unsuccessful.

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

We are satisfied that the work carried out by KPMG before our appointment, including the pre-administration work summarised at Sections 2.4 and 7.2 below, 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.

2.4 Pre-administration work

The Company was the holder of an Electricity Supply Licence and as a consequence of the Company being unable to pay its debts and at the invitation of the director, the Gas and Electricity Markets Authority (Ofgem) revoked the licence and initiated the process to appoint a supplier of last resort. The primary reason for that action being taken was for Ofgem to ensure continuity of supplies to the Company's customers.

As a direct result of the SoLR process being initiated, the following work was undertaken prior to our appointment, with a view to placing the Company into administration: -

- Rapid insolvency planning in order to be in position to take an appointment and successfully migrate the customer base of the Company to the SoLR. This work involved the identification of key systems and suppliers who would need to be maintained following an administration appointment to facilitate this approach;
- Liaison with key stakeholders including (but not limited to) CNGL, Utilita and Ofgem in relation to the administration appointment and the short-term post appointment strategy; and
- Liaison with Solicitors regarding the preparation and filing of the appointment documents and advising the Company and Director regarding the administration appointment.

We carried out this work with the objective of achieving the purpose of the administration in accordance with Paragraph 3(1) (b), which is to achieve a better result for the Company's creditors as a whole than would be likely if the Company was wound up.

2.5 Appointment of Joint Administrators

The Secured Creditor lodged the notice of appointment at the High Court of Justice, The Business and Property Courts in Manchester on 13 September 2019 and Andrew Stone and William Wright were duly appointed.

3 Strategy and progress of the administration to date

3.1 Strategy to date

Strategy

Subsequent to our appointment, the following strategies were implemented with the primary aim of maximising the return to creditors:

Trading on in administration

As a consequence of the SoLR process being initiated it was not possible to trade the business whilst in administration because the Company's customer base had transferred to Utilita and as such, the Company had no means of generating any income.

Employees

On 1 September 2019, it is understood from the Company's records that it employed 86 employees. Around 3 September 2019 a significant number of these employees are known to have been made redundant by the Director (the 'Redundant Employees') with the balance of the employees 41 transferring to Utilita under the TUPE Regulations. The benefit of this TUPE transfer to the wider body of creditors, has been to reduce the quantum of the preferential claims against the Company. One remaining employee was made redundant following the Administrators' appointment.

Immediately following our appointment, we worked with the Director to ensure that letters were issued to the employees informing them of the Joint Administrators' appointment and also (where appropriate) their respective redundancies. Our internal ERA specialists have been assisting the redundant employees throughout the process to ensure that the relevant forms have been completed and returned to the Redundancy Payments Office, thus facilitating the payment of employee claims.

Debtors – agreement with Utilita

The Debtor book is comprised of amounts owed to the Company for energy supply up to 00:01 on 11 September 2019, being the effective date of the SoLR transfer. The Administrators are working closely with Utilita, who will undertake the final billing for all customers including those who have transferred to them and those who left the Company prior to the commencement of the SoLR regime.

The actual quantum of the Company's debtor book will only be known once the billing process has been completed, which should be within the first two weeks of December. We estimate that the debtor book could total £1m on a low case and £2.5m on a high case and the collectability of the ledger is currently being established.

Following appointment, our immediate priority is to contact debtors, finalise billing and obtain payment. To assist in this regard, we have appointed Utilita under a Debt Service Agreement ("DSA") of 13 September 2019.

There are a number of advantages to utilising Utilita, which will maximise realisations for the benefit of creditors, as follows:

- As the ongoing supplier, Utilita can more efficiently manage billing and collections, where they are in contact with the customer base regarding ongoing supply, queries and future payments;
- It ensures that final billing for the Company matches opening billing for Utilita, minimising disputes and customer queries;
- Only one party will liaise with customers regarding payment, minimising customer confusion over who and how to pay and their ability to avoid paying anyone; and
- Utilita can utilise the existing direct debit mandates in order to take payment, increasing recovery rates.

We have entered into the DSA with Utilita to document the agreed terms of their assistance, under the terms of the agreement:

- The Company has retained access to certain IT systems and to the leased premises in the short term, pending migration of the customer data to Utilita's systems. Utilita is paying the costs of the IT services and premises, and has provided us with initial funding of £193,094 to cover the costs incurred to date. Following the signing of the agreement, Utilita has employed its own staff and contractors to undertake the work required to finalise billing and collect the debts.
- In exchange for its assistance, Utilita will receive debt collection commission calculated on the sums realised.

To date Utilita have provided significant assistance to us. Continued utilisation of Utilita's services will ensure customers can be billed (as accurately, efficiently and quickly as possible), sums received tracked and for a proper record of account to be maintained.

This strategy thus serves to improve the customer experience, minimise third party IT and system costs, reduces the need for ongoing employee costs to process customer account billing, and reduces the time costs for the Administrators to manage this process.

In due course, we may consider the appointment of an alternative debt collection agent(s) or the sale of a portfolio of parts of the ledger.

Cash at bank

Prior to our appointment, the Company's bank account had been frozen as a consequence of the issuance of the winding up petition. Immediately following our appointment, we made contact with the pre-appointment bank, Barclays, to reaffirm the freezing of the account and to request that all funds were transferred into our account. To date, Barclays have transferred £1.9m to our account and we are currently working with Utilita to establish the quantum of that money which is an asset of the Company in respect of the pre-appointment supplies and the quantum of that money relating to post SoLR service provision.

Office equipment

The Company owns a limited amount of office furniture and equipment. Gordon Brothers were engaged to value and dispose of these assets. Gordon Brothers have completed a

sale of these assets to the Director for consideration of £2,500 plus VAT, which was concluded to be in the best interest of creditors because it avoided any costs of removal and storage. Mindful of our duties under SIP 13, we confirm that the entire consideration was received before the sale was completed and we are currently waiting for Gordon Brothers to transfer to us the proceeds of sale.

Leasehold property

As at the date of appointment, the Company occupied leased premises at Chester Road, Manchester. Following our appointment we contacted the landlord to agree appropriate arrangements for the Company's use of the premises. As part of the arrangements reached with Utilita, the Administrators granted Utilita a short term licence to occupy and use the premises. The licence to occupy terminated on 30 September 2019 and the premises have now been returned to the landlord.

3.2 Asset realisations

Realisations from the date of our appointment to 1 November 2019 are set out in the attached receipts and payments account (Appendix 2).

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

Deposit from Utilita and contribution to costs

Immediately following our appointment we entered into the DSA and Licence to Occupy with Utilita. This agreement provided for the Company acting through its Joint Administrators to contract with certain suppliers to enable a seamless transfer of the customer base and to facilitate the collection of the debtor book.

Utilita transferred an amount of £193,094 to our bank account to cover the anticipated cost of the service provision by the mutually agreed suppliers. Further, Utilita paid an amount of £50,000 representing a security deposit that would be held in escrow in the event of any default on the part of Utilita in respect of debtor collections.

Cash at bank

As explained in more detail at Section 3.1, Barclays have transferred £1.9 million from the Company's pre-appointment bank account to our administration account. The initial review suggests that out of the total, circa £0.95 million relates to pre-appointment cash receipts. The balance of £0.93 million is being investigated as part of the customer account billing process.

Other assets

These include a small amount of office furniture for which consideration of £2,500 is in the process of being transferred from our agents and a miscellaneous refund of £580 from SSE Electricity Limited.

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.

In this regard, if you wish to bring to our attention any matters which you believe to be relevant, please do so by writing to Mariya Patel at KPMG LLP, 1 St Peter's Square, Manchester, M2 3AE, United Kingdom.

3.3 Costs

An estimate of all the anticipated costs likely to be incurred throughout the duration of the administration is set out in the attached summary of expenses (Appendix 4).

A number of these costs are offset by the terms of the DSA with Utilita.

Payments made from the date of our appointment to 1 November 2019 are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made to date are provided below.

Finance subcontractors

Following the appointment of Administrators it was found that the Company had no employees performing a finance function. Instead, the Company engaged the services of two sub-contractors to assist with the all financial matters pertaining to the Company. Securing the support of these two individuals in respect of their knowledge of the Company systems and records was critical to the successful outcome of the administration and as such, their services were retained by the Company acting through its Joint Administrators and the requisite post appointment payments are being made as an expense of the administration.

IT systems

As detailed in Section 3.2, the Administrators were put in funds by Utilita to pay certain suppliers that were required to facilitate the smooth transition of the customer base and the associated recovery of debtors. To date, we paid £52,371 on account of these costs.

Rent

The Company operated from premises in Manchester and the Company's occupation was governed by a licence agreement. Immediately following our appointment, we met with the landlord's representative and agreed to pay the ongoing licence fee for the period of the Company's beneficial occupation of £1,793. The Company has now handed back the premises to the landlord.

4 Dividend prospects

4.1 Secured creditor

CNGL are the only secured creditor of the Company and they benefit from fixed and floating charges over all of the Company's assets that were both created and registered in January 2019.

As at the date of our appointment, CNGL are owed in excess of £9.1m and we are in the process of engaging Solicitors to confirm the validity of their security.

Based on the forecast asset realisations of the Company, there is no reasonable prospect of CNGL being fully repaid in this matter.

4.2 Preferential creditors

As you will be aware from previous sections in this report, a number of employees were made redundant by the Director prior to our appointment. Claims from these employees in respect of (1) arrears of wages up to a maximum of £800 per employee; (2) unlimited *accrued (and unpaid) holiday pay*; and (3) *certain pension benefits, rank preferentially*.

We estimate the total value of preferential claims against the Company at the date of our appointment to be circa £35,000.

Based on current estimates, we anticipate that preferential creditors should receive a significant dividend but the timing and amount of any distribution are dependent upon the realisations and associated costs of the administration.

4.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors should receive a dividend. 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.

5 Ending the administration

5.1 Exit route from administration

We consider it prudent to retain all of the options available to us, as listed in Section 8 to bring the administration to a conclusion in due course.

However, at this stage we anticipate that the most likely exit route will be dissolution.

5.2 Discharge from liability

We propose to seek approval from the Secured and preferential creditors that we will be discharged from liability in respect of any action as Joint Administrators upon the 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.

Should the circumstances of the administration change, we reserve the right to revert to the unsecured creditors in order to obtain discharge from liability.

6 Approval of proposals

6.1 Deemed approval of proposals

The administrators' proposals will be deemed approved, with no requirement to seek deemed consent or use a decision procedure, as it appears that the Company has insufficient property to enable us to make a distribution to the unsecured creditors other than by virtue of the Prescribed Part, as detailed in Appendix 1.

On expiry of eight business days from the date our proposals are delivered to the creditors, they will be deemed to have been approved by the creditors unless 10% in value of creditors request that a decision procedure is convened. Further details of the steps to convene a procedure are detailed below.

6.2 Creditors' right to request a decision

We will use a decision making procedure or deemed consent to seek approval of our proposals (1) if asked to do so by creditors whose debts amount to at least 10% of the total debts of the Company; and (2) if the procedures set out below are followed.

Requests for a decision must be made within eight business days of the date on which our proposals were delivered. They must include:

- a statement of the requesting creditor claim;
- a list of the creditors concurring with the request, showing the amounts of their respective debts in the administration;
- written confirmation of their concurrence from each concurring creditor; and
- a statement of the purpose of the proposed meeting;

In addition, the expenses of the decision procedure at the request of a creditor must be paid by that creditor. That creditor is required to deposit security for such expenses with us.

If you wish to request a decision, please complete and return the decision requisition form available on our insolvency portal at: <http://www.insolvency-kpmg.co.uk/case+KPMG+JJ83050026.html>.

7 Joint Administrators' remuneration, disbursements and pre-administration costs

7.1 Approval of the basis of remuneration and disbursements

We propose to seek approval from the Secured and preferential creditors 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 provided in Appendix 3 and the charge-out rates included in Appendix 5;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5.

Agreement to the basis of our remuneration and the drawing of Category 2 disbursements is subject to specific approval. It is not part of our proposals.

Should the circumstances of the administration change, we reserve the right to revert to the unsecured creditors in order to seek approval for the basis of remuneration and the drawing of Category 2 disbursements.

Time costs

From the date of our appointment to 1 November 2019, we have incurred time costs of £192,903. These represent 580 hours at an average rate of £333 per hour.

Disbursements

We have incurred disbursements of £5,383 during the period. None of these have yet been paid.

Additional information

We have attached (Appendix 5) an analysis of the time spent, the charge-out rates for each grade of staff and the disbursements paid directly by KPMG for the period from our appointment to 1 November 2019. We have also attached our charging and disbursements recovery policy.

7.2 Pre-administration costs

The following pre-administration costs have been incurred in relation to the pre-administration work detailed in Section 2.4:

Pre-administration costs			
	Paid (£)	Unpaid (£)	Total (£)
Joint Administrators' pre-administration costs	NIL	66,744.75	66,744.75
Pinsent Masons legal costs	NIL	25,788.50	25,788.50
Total	NIL	92,533.25	92,533.25

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.

8 Summary of proposals

The initiation of the SoLR process meant that rescuing the Company in accordance with Paragraph 3(1)(a) was not achievable.

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).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals.

We propose the following:

General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims the Company may have;
- to seek an extension to the administration period if we consider it necessary.

Distributions

- to make distributions to the Secured and preferential creditors where funds allow;
- to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

Ending the administration

We might use any, or a combination of the following exit routes in order to bring the administration to an end:

- 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;
- move the Company into creditors' voluntary liquidation. In these circumstances we propose that we, Andrew Stone and Will Wright, 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 us may be taken by us 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 us, Andrew Stone and Will Wright, as Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us 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.

Joint Administrators' remuneration and pre-administration costs

We propose 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 provided in Appendix 3 and the charge-out rates included in Appendix 5;*
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5;
- unpaid pre-administration costs be an expense of the administration.

Discharge from liability

We propose that we shall be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Appendix 1 Statutory information

Company information

Company and Trading name	Eversmart Energy Ltd
Date of incorporation	13 November 2014
Company registration number	09310427
Trading address	Unit 10, Empress Business Park, 380 Chester Road, Manchester, M16 9EA
Previous registered office	Unit 10, Empress Business Park, 380 Chester Road, Manchester, M16 9EA
Present registered office	1 St Peter's Square, Manchester, M2 3AE
Company Directors	Barnaby Cook
Company Secretary	None appointed

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, The Business and Property Courts in Manchester, 000921 of 2019
Appointor	QFC
Date of appointment	13 September 2019
Joint Administrators	Andrew Stone and Will Wright
Purpose of the administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.
Functions	<i>The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2).</i>
Current administration expiry date	12 September 2020
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 4).
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £1,061,462. Estimated Prescribed Part is £215,292.
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.
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

Appendix 2 Joint Administrators' receipts and payments account

Eversmart Energy Ltd - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 13/09/2019 To 01/11/2019 (£)	From 13/09/2019 To 01/11/2019 (£)
ASSET REALISATIONS			
	Deposit from Utilita	50,000.00	50,000.00
	Contribution to costs	193,094.00	193,094.00
14,057.00	Furniture & equipment	NIL	NIL
	Cash pending analysis (1)	931,680.80	931,680.80
	Cash at bank (1)	952,707.56	952,707.56
		<u>2,127,482.36</u>	<u>2,127,482.36</u>
OTHER REALISATIONS			
	Bank interest, gross	684.65	684.65
	Sundry refunds	580.00	580.00
		<u>1,264.65</u>	<u>1,264.65</u>
COST OF REALISATIONS			
	IT systems	(52,371.25)	(52,371.25)
	Heat & light	(79.62)	(79.62)
	Rent	(1,793.47)	(1,793.47)
	Other property expenses	(472.26)	(472.26)
	Wages & salaries	(630.00)	(630.00)
		<u>(55,346.60)</u>	<u>(55,346.60)</u>
FLOATING CHARGE CREDITORS			
(9,725,235.00)	Floating charge	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
UNSECURED CREDITORS			
(2,523,788.00)	Trade & expense	NIL	NIL
(62,731.00)	Employees	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS			
(1.00)	Ordinary shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(12,297,698.00)</u>		<u>2,073,400.41</u>	<u>2,073,400.41</u>
REPRESENTED BY			
	Floating ch. VAT rec'able		10,943.31
	Floating charge current		2,100,976.10

Eversmart Energy Ltd - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 13/09/2019	From 13/09/2019
	To 01/11/2019 (£)	To 01/11/2019 (£)
Floating ch. VAT payable		(38,519.00)
		2,073,400.41

Notes:

1) As detailed at section 3.2, a balance of £1.9 million has been transferred from the pre-administration account, out of which £0.93 million is subject to a further analysis.

Appendix 3 Joint Administrators' fees estimate

Estimated time costs for the engagement				
	Narrative	Estimated total hours	Estimated time cost (£)	Estimated average hourly rate (£)
Administration & Planning				
Bankrupt/Director/Member		0.50	222.50	445.00
Cashiering - processing receipts, payments and bank reconciliations	Note 1	225.10	74,475.00	330.85
General - books & records, fees & work in progress	Note 2	153.10	48,213.25	314.91
Statutory and compliance - appointment & related formalities, bonding, checklist & reviews, reports to secured creditors, advertising, strategy	Note 3	304.70	107,331.00	352.25
Tax - VAT & Corporation tax, initial reviews, pre and post appointment tax	Note 4	131.00	44,609.50	340.53
Creditors				
Committees - committee meetings and reports to the committee	Note 6	0.00	0.00	0.00
Creditors and claims - general correspondence, notification of appointment, statutory reports	Note 5	505.40	155,002.50	306.69
Employees - correspondence	Note 7	66.75	22,619.00	338.86
Investigations				
Directors - correspondence, statement of affairs, questionnaires	Note 8	23.00	8,234.00	358.00
Investigations - director conduct and affairs of the Company	Note 9	26.10	8,969.50	343.66
Realisation of Assets				
Asset Realisation - including insurance of assets	Note 10	434.55	168,937.75	388.76
Trading - Supplier liaison				
Trading - purchases, sales, cash projections	Note 11	29.20	12,994.00	445.00
Total		1,899.40	651,608.00	343.06

Below is further detail of the work to be undertaken for this engagement. Whilst specific notes have been detailed below to give more context around the fees estimate, these should be read in conjunction with the report as a whole.

Note 1

This work involves liaising with the Company's pre-appointment bankers to add debit markers to the pre-appointment account to prevent any payments being made. Further, this work includes liaising with the Company's pre-appointment bankers to obtain bank statements for the period leading up to the appointment of Administrators. Prior to our appointment, the Company's bank account had been frozen and the Company's on-line access to its bank account had been revoked. Consequently, the operating Company had no visibility over its bank account from the end of August 2019. This work also involves maintaining the administration bank account including weekly bank reconciliations and processing the large volume of transactions anticipated during the course of administration.

Note 2

Arranging for the electronic records of the Company to be forensically backed-up by our in-house forensic experts. Also, the paper records pertaining to the Company will need to be sorted, catalogued, archived and removed from the Company's premises. This work also involves fee approvals being obtained, time costs being monitored regularly and fee notes being raised.

Note 3

Undertaking post-appointment related formalities including notifying the Registrar of Companies and other relevant parties of our appointment, formulating and regularly reviewing the administration strategy, arranging an adequate level of bonding and ensuring compliance with all statutory obligations arising under the Act and Rules.

Note 4

This work involves engaging our in-house experts to undertake a review of the Company's VAT and tax affairs, with a view to identifying any potential recoveries for the benefit of creditors. In conjunction with the Company's finance sub-contractor we are currently completing the pre-appointment VAT Return which we anticipate will be a refund due to the Company. Further, we will be required to complete quarterly VAT Returns for the duration of the Administration and also complete and file

Corporation Tax Returns. Prior to closure of the administration the Company will need to be deregistered for VAT and Tax clearance sought.

Note 5

Notifying the creditors of our appointment, attending to creditors and customers enquiries, preparing our statutory reports as well as adjudicating on the claims of the unsecured creditors. We are currently experiencing a high volume of enquiries from customers and former customers of the Company and we are liaising with Utilita to ensure that these queries are dealt with in a timely manner and that correct information is passed on.

Note 6

There is currently no creditors committee in this matter.

Note 7

Activities include the processing of the payroll, processing employee claims and attending to their queries, liaising with the Redundancy Payments Office, and supporting employees through the administration and redundancy processes.

Note 8

Corresponding with the Director, requesting completion of the Company's statement of affairs and questionnaire and dealing with ongoing correspondence from and with the Director.

Note 9

As part of our statutory obligations, we are required to formally investigate the affairs of the Company and the conduct of Directors prior to the Joint Administrators' appointment and submit our findings to the Secretary of State. We will also be investigating if any antecedent transactions were entered into, which if successfully challenged and recovered, could enhance asset realisations for the general body of creditors.

Note 10

Estimated time required to realise the Company's assets, most notably finalisation and collection of the Company's debtor book. Our work will also include reconciling the cash balances received from the pre-administration account relating to debtors. Time costs will also be incurred in identifying, quantifying and pursuing the Company's other assets which include a small quantity of office equipment, certain security bonds (likely to be subject to offset) and prepayments.

Note 11

Although the Company is not trading in Administration, time-costs have been incurred (and will be incurred) in maintaining certain of the Company's systems and IT infrastructure to facilitate the debt recovery process, including liaising with key suppliers to secure required services and the giving of certain commitments to suppliers.

Appendix 4 Joint Administrators' expenses estimate

Summary of Expenses from appointment		
		Total for Administration
Expenses (£)	Narrative	Initial Estimates(£)
Cost of realisations		
Finance subcontractors	1	3,500.00
Agents'/Valuers' fees	2	500.00
Legal fees	3	42,500.00
Legal disbursements	3	5,000.00
Insurance of assets	4	3,000.00
Commission on debtor ledger	5	212,493.00
Wages & salaries	6	29,242.00
PAYE & NIC	6	4,035.00
Joint Administrators' pre-administration costs	7	66,744.75
Pre-administration legal costs	7	25,788.50
Costs covered by Utilita under DSA		
Rent, Rates and utilities	8	-
IT/key supplier costs	9	-
TOTAL		392,803.25

Below are further explanatory notes, which should be read in conjunction with the report as a whole.

Costs of realisations

Note 1

As detailed in section 3.2 the Company had no employees involved in a finance function, but instead engaged two individuals on a sub-contract basis. The Administrators retained their services to assist with all financial matter relating to the Company during the course of the administration.

Note 2

Relates to anticipated agents' costs relating to disposal of the Company's fixtures and equipment.

Note 3

Relates to legal advice in relation to validity of our appointment, validity of security and other legal matters arising during the course of the administration.

Note 4

Costs of open cover insurance required during the course of the administration.

Note 5

Estimated commission payable to Utilita in respect of debtors collected under the terms of the DSA.

Note 6

Although a certain number of employees transferred to Utilita under the TUPE provision, the Joint Administrators agreed to pay these employees' wage arrears and employee taxes for the period from 1 September to 11 September 2019. This was a commercial agreement made during the negotiations of the DSA.

Note 7

As a direct result of the SoLR process being initiated, certain work was undertaken prior to our appointment, with a view to placing the Company into administration. Please refer to Sections 2.4 and 7.2 above for further details. The payment of unpaid pre-administration costs as an expense of the administration is subject to the same approval as our remuneration, as outlined in Section 7 above.

Costs covered by Utilita

Note 8

Any rental costs, rates and utilities incurred relating to the Company's occupation of the Manchester leasehold premises during the initial period of the administration, will be covered in full by Utilita.

Note 9

These costs relate to payments that will need to be made to certain supplies that are critical to the smooth transition of the customer case and to facilitate the collection of the Company's debtors. As detailed in section 3.2, Utilita will cover these costs under the terms of the Debt Services Agreement and have provided an initial contribution of £193,094.

Further update of costs will be provided in our subsequent progress report.

Appendix 5 Joint Administrators' charging and disbursements 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, employee, pensions and health and safety advice from KPMG 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 "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/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact Rosie Bostock on 0207 3114316.

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 (£) for: Restructuring		
Grade	From 01 Jan 2019 £/hr	From 01 Oct 2019 £/hr
Partner	655	655
Director	590	590
Senior Manager	535	535
Manager	445	445
Senior Administrator	310	310
Administrator	225	225
Support	140	140

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 disbursements

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

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. 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 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG 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 partner's car – 60p per mile.

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

We have incurred the following disbursements during the period 13 September 2019 to 1 November 2019.

SIP 9 - Disbursements			
Disbursements	Category 1	Category 2	Totals (£)
	Paid (£)	Paid (£)	
Accommodation	1,215.11	NIL	1,215.11
Meals	735.75	NIL	735.75
Mileage	NIL	386.45	386.45
Software licence fees	170.00	NIL	170.00
Postage	134.22	NIL	134.22
Telecommunications	133.32	NIL	133.32
Travel	2,608.40	NIL	2,608.40
Total	4,996.80	386.45	5,383.25

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

Category 2 disbursements are to be approved in the same manner as our remuneration.

Narrative of work carried out for the period 13 September 2019 to 1 November 2019

The key areas of work have been:

Statutory and compliance	<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; ■ providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment; ■ <i>preparation of a press release and posting information on a dedicated web page;</i> ■ preparing statutory receipts and payments accounts; ■ arranging bonding and complying with statutory requirements; ■ ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ <i>formulating, monitoring and reviewing the administration strategy;</i> ■ 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; ■ <i>meeting with management to review and update strategy and monitor progress;</i> ■ 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 advisors regarding the various instructions, including agreeing content of engagement letters; ■ compliance with internal filing and information recording practices, including documenting strategy decisions.
Reports to debenture holders	<ul style="list-style-type: none"> ■ providing written and oral updates to representatives of the Secured Creditor regarding the progress of the administration and case strategy.
Cashiering	<ul style="list-style-type: none"> ■ setting up an administration bank account and dealing with the Company's pre-appointment account; ■ <i>preparing and processing vouchers for the payment of post-appointment invoices;</i> ■ 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 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	<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 HM Revenue and Customs; ■ reviewing the Company's pre-appointment corporation tax and VAT position; ■ dealing with post appointment tax compliance.
Shareholders	<ul style="list-style-type: none"> ■ providing notification of our appointment; ■ responding to enquiries from shareholders regarding the administration.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage.
Supplier liaison	<ul style="list-style-type: none"> ■ attending to supplier and customer queries and correspondence; ■ raising, approving and monitoring purchase orders and setting up control systems for trading; ■ negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions, in order to ensure continued support; ■ ensuring ongoing provision of emergency and other essential services to site.
Asset realisations	<ul style="list-style-type: none"> ■ collating information from the Company's records regarding the assets; ■ liaising with finance companies in respect of assets subject to finance agreements; ■ liaising with agents regarding the sale of assets; ■ reviewing outstanding debtors and management of debt collection strategy; ■ seeking legal advice in relation to book debt collections; ■ liaising with Utilita regarding debtor recoveries; ■ reviewing the inter-company debtor position between the Company and other group companies.
Property matters	<ul style="list-style-type: none"> ■ reviewing the licences governing the property occupation; ■ communicating with landlords regarding rent, property occupation and other issues;

	<ul style="list-style-type: none"> ■ performing land registry searches.
Health and safety	<ul style="list-style-type: none"> ■ liaising with 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	<ul style="list-style-type: none"> ■ <i>arranging ongoing insurance cover for the Company's business and assets;</i> ■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; ■ <i>assessing the level of insurance premiums.</i>
Employees	<ul style="list-style-type: none"> ■ dealing with queries from employees regarding various matters relating to the administration and their employment; ■ <i>dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments;</i> ■ holding employee briefing meetings to update employees on progress in the administration and our strategy; ■ 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; ■ dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office; ■ managing claims from employees; ■ ensuring security of assets held by employees.
Pensions	<ul style="list-style-type: none"> ■ 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; ■ liaising with the trustees of the defined benefit pension scheme, the Pensions Regulator and the Pensions Protection Fund concerning the changes caused to the pension scheme as a result of our appointment; ■ communicating with employees representatives concerning the effect of the <i>administration on pensions and dealing with employee queries.</i>
Creditors and claims	<ul style="list-style-type: none"> ■ 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; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records.
Investigations/ directors	<ul style="list-style-type: none"> ■ reviewing Company and directorship searches and advising the director of the effect of the administration; ■ liaising with the Director to produce the Statement of Affairs and filing this document with the Registrar of Companies; ■ submitting the online director conduct assessment to the relevant authority.

Time costs

Pre-administration costs (04/09/2019 to 12/09/2019)						
	Hours					
	Partner / Director	Manager	Administrator	Support	Total	Average Hourly Rate (£)
Pre-Administration transfer of ledger under SoLR and agreement of the DSA	7.00	80.80	49.25		137.05	53,280.25
Appointment documents		4.20	10.00		14.20	4,841.00
Pre-administration checks		1.10	32.50		33.60	8,623.50
Total	7.00	86.10	91.75		184.85	66,744.75

SIP 9 –Time costs analysis (13/09/2019 to 01/11/2019)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Bankrupt/Director/Member			
Notification of appointment	0.50	222.50	445.00
Cashiering			
General (Cashiering)	15.10	4,232.00	280.26
General			
Books and records	83.20	21,221.25	255.06
Fees and WIP	3.75	1,261.75	336.47
Statutory and compliance			
Appointment and related formalities	55.50	15,709.00	283.05
Bonding & Cover Schedule	1.30	512.50	394.23
Budgets & Estimated outcome statements	9.40	4,714.00	501.49
Checklist & reviews	26.00	7,893.00	303.58
Reports to debenture holders	1.30	695.50	535.00
Statutory advertising	3.00	1,770.00	590.00
Strategy documents	15.35	6,350.25	413.70
Tax			
Initial reviews - CT and VAT	6.90	3,270.00	473.91
Post appointment corporation tax	6.00	2,310.00	385.00
Post appointment VAT	3.50	1,482.50	423.57
Creditors			
Creditors and claims			
General correspondence	102.40	30,211.00	295.03

SIP 9 –Time costs analysis (13/09/2019 to 01/11/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Notification of appointment	2.20	495.00	225.00
Pre-appointment VAT / PAYE / CT	2.00	450.00	225.00
Secured creditors	1.10	379.50	345.00
Statutory reports	26.40	11,295.00	427.84
Employees			
Correspondence	20.00	5,204.00	260.20
Pension funds	1.90	589.00	310.00
Pensions reviews	6.40	2,018.25	315.35
Investigation			
Directors			
Correspondence with directors	5.70	2,117.50	371.49
D form drafting and submission	2.60	717.00	275.77
Directors' questionnaire / checklist	3.00	982.00	327.33
Statement of affairs	1.80	801.00	445.00
Investigations			
Correspondence re investigations	1.00	445.00	445.00
Review of pre-appt transactions	2.60	1,264.50	486.35
Realisation of assets			
Asset Realisation			
Cash and investments	23.75	8,198.75	345.21
Debtors	89.35	35,250.75	394.52
Health & safety	0.40	178.00	445.00
Insurance	1.90	625.50	329.21
Leasehold property	16.20	4,459.00	275.25
Office equipment, fixtures & fittings	11.70	4,546.50	388.59
Other assets	3.40	1,073.00	315.59
Pre-appointment tax & VAT refunds	0.40	214.00	535.00
Rent	1.70	646.50	380.29
Vehicles	2.00	890.00	445.00
Trading (Supplier liaison)			
Employee Matters / PAYE	2.70	1,201.50	445.00
Negotiations with suppliers / landlords	7.00	3,115.00	445.00
Purchases and trading costs	9.20	3,891.50	422.99
Total in period	579.60	192,903.00	332.82

Brought forward time (appointment date to SIP 9 period start date) 0.00 0.00

SIP 9 –Time costs analysis (13/09/2019 to 01/11/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	579.60	192,903.00	
Carry forward time (appointment date to SIP 9 period end date)	579.60	192,903.00	

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 6 Statement of Affairs, including creditor list

This is the Statement of Affairs for the Company as at the date of our appointment, as prepared by the Director of the Company.

We have not carried out anything in the nature of an audit on the information provided but it is our view that the Statement of Affairs is significantly inaccurate because it omits to include any estimated realisations relating to the Company's debtors. Also, the document fails to include any figures relating to the preferential creditors of the Company, being certain redundant employees. The figures do not take into account the costs of the administration.

Rule 3.30

Statement of Affairs

Name of company Eversmart Energy Ltd	Company number 9310427
In the High Court Of Justice Business and Property Courts In Manchester <small>(full name of court)</small>	Court case number 0009212019

Statement as to the affairs of (a)

(a) Insert name and address of registered office of the company


Eversmart Energy Ltd
Unit 10 , Empress Business Park , 380 Chester Road
Manchester , Greater Manchester
M16 9EA

on the (b) 13/09/2019 the date that the company entered administration.

(b) Insert date of appointment

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) [date of appointment], the date that the company entered administration.

Full name Barnaby John Cook
Signed 
Dated 09/10/2019

A - Summary of Assets

Assets	NBV	
	Book Value £	Estimated to Realise £
Assets subject to fixed charge:	0	
Total assets subject to fixed charge:	0	0
Less: Amount(s) due to fixed charge holder(s)		
Shortfall/surplus to fixed charge holder(s) c/d	0	0
Assets subject to floating charge:	0	
Total assets subject to floating charge	0	0
Uncharged assets:		
Furniture	15,019	11,545
TV Screens	2,660	2,512
Total uncharged assets	17,679	14,057
Estimated total assets available for preferential creditors		14,057
Signature <u>BQ</u>	Date: 05/10/2019	

Enter as a negative value

A1 - Summary of Liabilities

	E	Estimated to Rebate E
Estimated total assets available for preferential creditors (carried from page A)		14,057
Liabilities		
Preferential creditors:		
Preferential (employee) creditors (No.)		0
Other preferential creditors		
Estimated deficiency/surplus as regards preferential creditors		14,057
Less uncharged assets		-14,057
Net property		0
Estimated prescribed part of net property where applicable (to carry forward)		0
Estimated total assets available for floating charge holders		0
Debts secured by floating charges		
Estimated deficiency/surplus of assets after floating charges		0
Estimated prescribed part of net property where applicable (brought down)		0
Uncharged assets		14,057
Total assets available to unsecured creditors		14,057
Unsecured (trade) (non-preferential) creditors		-12,249,025
Unsecured (employee) creditors (No.)		62,731
Unsecured (pre-paid consumer) creditors (No.)		0
Estimated deficiency/surplus as regards unsecured creditors		-12,287,689
Shortfall to fixed charge holders (brought down)		0
Shortfall to preferential creditors (brought down)		0
Shortfall to floating charge holders (brought down)		0
Estimated deficiency/surplus as regards creditors		-12,287,689
Issued and called up capital		1
Estimated total deficiency/surplus as regards members		-12,287,688

Enter as a negative value

Signature

BOR

Date: 09/10/2019

COMPANY TRADE CREDITORS

NOTE: You must include all creditors with the EXCEPTION of employee creditors and pre-paid consumer creditors. You must confirm if any of the

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £	HP/Chattel/ Conditional Sale	Claiming ROT
A&B PAYROLL AND BOOKKEEPING LTD	canal wharf, canal street, littleborough, lancashire, OL15 0HA	615					
Adaptica Limited	18 northgate, shefford, lincolnshire, NG34 7BU	16794					
Alan Sample	N/A	270					
Anyline	zirkungasse 13/2b, 1020 vienna, austria	7085.22					
Arcane Trading Limited	8George House, bannerley road, barretts green industrial estate, birmingham, b33 0d	8978.5					
Barclaycard PDQ payments	1 churchill place, london, e14 5hp	2337.59					
BBH Sales Solutions Ltd	office 2 teleware house, york road, thirsk, yo7 3bx	26124					
Bhupesh Khosla	N/A	320					
Bi-Jingo Ltd	BI-JINGO LIMITED, 5 Bedford Hill, Batham, London, SW12 9ET	6690					
Blue Mountain Water	po box 4104, birmingham, west midlands, b16 8dq	746.93					
brands2life	2nd floor, blue fin building, 110 southwark street, london, se1 0su	86889.6					
Cadent Gas Ltd	ashbrook court, prologis park, coventry, cv7 8pp	79.61					
Capital Meters Limited	CAPITAL METERS LIMITED, Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD	4817.51					
CC33 FS Ltd	43 allen street, sheffield, s3 7aw	25768					
Censeo	130 old street, london, ec1v 2db	194880					
Change 4 Less Limited	CHANGE 4 LESS LIMITED, Black Bull House 353-355 Station Road, Bamber Bridge, Preston, Lancashire, United Kingdom, PR5 6EE	216					
Churchill Knight Umbrella Ltd	1st floor, metropolitan house, darkes lane, potters bar, hertfordshire, en6 1ag	1320					
Clarion Security Systems Ltd	Oak House, 103 Manchester Road, Audenshaw, Manchester M34 5PT	306.4					
Contigo	Contigo Radcliffe House Blenheim Court Solihull B91 2AA UK	25200					
CONTINENTAL SALES EXECUTIVES LIMITED	CONTINENTAL SALES EXECUTIVES LIMITED, 14 Bell Street, Sunderland, United Kingdom, SA4 6JR	540					
Contract Natural Gas Limited	CNG Ltd, 2 Victoria Avenue, Harrogate, North Yorkshire, HG11EL	9723235.94					
Cartles Ormerod	Norwood, Brogden lane, Barnoldswick, BB18 5XE	89.06					
Cyan Solutions Ltd	Unit 14 The Briers, Waterberry Drive, Waterlooville, Ha mpshire PO7 7PH	8376.18					
Daniel Crooks	N/A	1450					
DCUSA	3rd Floor, Northumberland House, 303-306 High Holborn, London, WC1V 7JZ	2242.09					
DHL International (UK) Ltd	DHL INTERNATIONAL (UK) LIMITED, Southern Hub, Unit 1, Horton Road, Colnbrook, Berkshire, England, SL3 0BB	4.56					
Digital Wave Solutions	Digital Wave Solutions, 25 Fortunes Way, Havant, Hampshire, PO9 3LX	5662.8					
Dove Cleaning and Environmental Services Ltd	More House, 429 Chester Road, Old Trafford, Manchester, M16 9HA	4450.19					
Dyball Associates Limited	2nd Floor, Independence House, 16 Queen Street, Worcester, Worcs, WR1 2PL	87245.76					
E.ON E	Business Customer Service, E.ON Energy Solutions Ltd, PO Box 2010, NG1 9GQ	810					
E.ON ENERGY SOLUTIONS LIMITED	Business Customer Service, E.ON Energy Solutions Ltd, PO Box 2010, NG1 9GQ	42469.6					
E.on Office Supply	Business Customer Service, E.ON Energy Solutions Ltd, PO Box 2010, NG1 9GQ	528.37					
E3 Compliance Training Ltd	89-90 Paul Street, London, EC2A 4NE	2520					
EDF Energy customers PLC	atlantic house, henson road, three bridges, west sussex, rh10 1qq	303.9					
Electralink Limited	3rd Floor, Northumberland House, 303-306 High Holborn, London, WC1V 7JZ	954.18					

Electricity North West Limited	304 Bridgewater Place, Birchwood Park, Warrington WA3 6XG	49519.19		17/09/2018	12,947		
Electricity Settlements company Ltd	Reebank house, 2-6 Salisbury square, London, ec4y 8jr	495.77		17/09/2018	26,477		
Flexon	keats house, the office park, springfield drive, leatherhead, surrey, kt22 7jo	14780.24		12/04/2019	18,800		
Elkott Parkinson	19 Glade Close, northampton, nn3 9jn	1400					
Energetics Electricity Ltd	Fenick House, Lister Way, Hamilton International Technology Park, Glasgow, G72 0FT	985.21					
Energy Saving Trust	30 north colonnade, canary wharf, London, e14 5gp	78.41					
Entrust Energy Bus. Ltd	Entrust Energy Bus. Ltd 0/1 13 Clarence Drive Glasgow G12 9QJ	2515.2					
ESP Electricity Limited	Bluebird House, Mole Business Park, Leatherhead, KT22 7BA	2748.78					
EuroOffice	EuroOffice Ltd, Dome House, 48 Artillery Lane, London, E1 7LS	27.65					
Evolve Document Solutions	Units 44 45 Dollywaggon Way, Bamber Bridge, Preston, Lancashire, PR5 6EW	124.56					
Experton	Sir John Peace Building Experian Way Nottingham NG80 1ZZ	4800					
ForeSight Metering Management	The Shard, 32 London Bridge Street, London, SE1 9SG	79371.02					
Fundraising Innovations	The Cart Wagon Lodge, Friday Street Farm, Friday Street, East Sutton, Kent, ME17 3DD	49043.2					
GEEEX Limited	GEEEX Limited, 2 Brandhall Road, Oldbury, West Midlands, b68 8dp	3415					
Gemserv Ltd	8 Fenchurch Place, London, EC3M 4AJ	1489.12					
Gentrack	203 Eversholt Street, London, NW1 1BU	69248.84					
gpcardless ltd	65 Goswell Rd, London, EC1V 7EN	16055.1					
Grace Bowden	1 Tollbar Close, Ouspring, Sheffield, S36 8WJ	57.85					
Harlaston Energy Networks Ltd	Toll Bar Road, Marston, Grantham, Lincolnshire, NG32 2HT	15.88					
Hyrum Cook	apartment 3, carleton house, 20 lyndhurst road, liverpool, l18 8af	150					
Independent Power Networks Ltd	INDEPENDENT POWER NETWORKS LIMITED, Synergy House Windmill Avenue, Woolpit, Bury St. Edmunds, England, IP30 9UP	617.04					
Iron metering solutions uk ltd	Langer Road, Felixstowe, Suffolk, IP11 2ER	16996.37					
JC DIGITAL	4 maple road, swinton, manchester, m27 5gu	3600					
John harrison sports ltd	79 Hough Lane, Leyland, Lancashire, PR25 2YD	1509.8					
Jonathan Hartwell	N/A	260					
Joseph chimeura exp	25 Hopder Way, Whitefield, m45 8ht	189.09					
Josh Field	162 Preston Road, Chorley, pr6 7az	169.09					
Joshua Field	162 Preston Road, Chorley, pr6 7az	168.99					
LEEDY HUSSEY	N/A	60					
Limitless PR & Marketing Ltd	East Park Lodge, East Park Road, BLACKBURN, Lancashire, BB1 8DW	4226.4					
Low Carbon Contract Company Ltd	Reebank house, 2-6 Salisbury square, London, ec4y 8jr	42254.14		25/04/2019	9,435		
Lowri Beck Services Ltd	mayor's quay, swan, meadow road, ulgan, wn3 5bb	4602.8					
Macquarie Meters 3 Limited	Suites 3&4 Warners Mill, Silks Way, Braintree, Essex, CM7 3GB	22760.31					
Macquarie Meters 5	Suites 3&4 Warners Mill, Silks Way, Braintree, Essex, CM7 3GB	4.16					
Manchester United	MANCHESTER UNITED LIMITED, Old Trafford, Manchester, M16 0RA	26412					
Maple Co	St Lawrence House Station, Approach Horley Surrey RH6 9HJ	2397.39					
MARC MURPHY	N/A	60					
MC&C Media Limited	Stephen Buildings, 30 Gresse Street, London W1T 1QR	6000					
Melanie Dugdale	N/A	180					
MERRILL CORPORATION LTD	15 Bonhill Street, London, EC2A 4DN United Kingdom	309.4					
MeteoGroup UK Ltd	14 New Street EC2M4TR LONDON United Kingdom	540					
Meter Corp Limited	Meter Corp Limited Communication House, Victoria Avenue, Camberley Surrey GU14 3HX	2341.34					
meter fit 10	Meter Fit (North West) Ltd, , 5th Floor, 1 Marsden Street, Manchester, M2 1HW	3564.72					
meter fit 2	Meter Fit (North West) Ltd, , 5th Floor, 1 Marsden Street, Manchester, M2 1HW	1525.26					

meter fit 20 limited	Meter Fit (North West) Ltd , 5th Floor , 1 Marsden Street , Manchester , M2 1HW	1772.34					
meter fit 3	Meter Fit (North West) Ltd , 5th Floor , 1 Marsden Street , Manchester , M2 1HW	9052.75					
meter fit 4	Meter Fit (North West) Ltd , 5th Floor , 1 Marsden Street , Manchester , M2 1HW	10142.8					
meter fit 5	Meter Fit (North West) Ltd , 5th Floor , 1 Marsden Street , Manchester , M2 1HW	17316.93					
meter fit asset	Meter Fit (North West) Ltd , 5th Floor , 1 Marsden Street , Manchester , M2 1HW	1529.65					
meter fit north east	Meter Fit (North West) Ltd , 5th Floor , 1 Marsden Street , Manchester , M2 1HW	2059.31					
meter fit north west	Meter Fit (North West) Ltd , 5th Floor , 1 Marsden Street , Manchester , M2 1HW	13931.41					
Michael Trenfield	31 Ethel Fleda Road, Hockley, Tamworth, Staffordshire , b77 5hs	620.84					
Mohammed Wajid	25 Carlton Drive, Thornaby, Stockton-On-Tees , ts17 0ew	54.1					
MICHAEL RICKY MARKERN	N/A	240					
MIRA SERVICE COMPANY LIMITED	8 Fenchurch Place, London, EC3M 4AJ	1559.79					
My Energy Switch	MY ENERGY SWITCH LTD , Bellarmine House, 14 Upper Church Street, Chepstow, Monmouthshire, United Kingdom, NP16 5EX	1080					
national grid electricity transmission plc	1-3 Strand, London, WC2N 5EH	213165					
National Grid Gas plc	National Grid, 1st Floor, 35 Homer Road, B91 3QJ	41394.8					
national grid metering limited	National Grid, 1st Floor, 35 Homer Road, B91 3QJ	4067.35					
National Grid Smart Ltd	1-3 Strand, London WC2N 5EH	36454.45					
NewVoiceMedia LTD	NewVoiceMedia House, Jays Close, Basingstoke, Hampshire, RG22 4BS	50656.04					
Nexus Vehicle Management Ltd	Nexus Vehicle Management Limited, Nexus House, 2 Owlcoates Court, 141 Richardshaw Lane, Leeds. LS28 6AA	17367.73					
NIR Outsourced HR	Sirius House, 2 Charles Way, Kioof, 3610	14671.71					
NORTHERN GAS NETWORKS	1100 Century Way, Thorpe Park Business Park, Colton, Leeds LS15 8TU	64.32					
Northern Powergrid	Lloyds Court 78 Grey Street Newcastle upon Tyne NE1 6AF	109552.86					
npower limited	npower Cygnet Way, Rainton Bridge Business Park, Houghton le Spring, DH4 5QZ	1490.84					
ofgem	Assurance and Compliance Hub , Ofgem , Commonwealth House , 3rd Floor , 32 Albion Street , Glasgow , G1 1UH	121770.95					
phil larkin	N/A	240					
Pragmatix UK Limited	Pragmatix UK Limited Head Office 39 Windsor End, Beaconsfield, Buckinghamshire, HP9 2JH	418.62					
Red Cow Media Ltd	Red Cow Media Ltd Suite 40 Blackfriars House Parsonage Manchester M3 2JA UNITED KINGDOM	12537.98					
Red Fish System	Red Fish Systems Limited Black Swan House 23 Baldock Street Ware SG12 8QH	38139.12					
Reed Online Limited	Reed Specialist Recruitment Ltd California 120 Coombe Lane London SW20 0BA	1220.4					
Reed Specialist Recruitment Ltd	Reed Specialist Recruitment Ltd California 120 Coombe Lane London SW20 0BA	329.56					
Referral SaaSquatch	N/A	2837.95					
Ruby Pension	16a Stockport Road, Romiley, sk6 4bn	10.9					
salesforce.com EMEA Limited	Floor 26 Salesforce Tower, 110 Bishopsgate London EC2N 4AY	9273.11					
Scottish & Southern Electricity Networks	Inverlorn House 200 Dunkeld Road Perth PH1 3AQ	27499.13					
Scottish Power	SCOTTISHPOWER GENERAL ADMINISTRATION 10TH FLOOR, 320 ST. VINCENT STREET GLASGOW, G2 5AD	2402.46					
Secure SMSO Limited	Secure SMSO Limited, UK Secure House, Lufworth Close, Chandlers Ford, Hampshire Eastleigh, SO53 3TL	98418.69		06/03/2018	20,000		
Shakeel Shah	Apartment 106 The Franklin, 81 Bourneville Lane, Birmingham , b50 2bz	556.1					
Shell Energy Retail Ltd	Shell Energy Retail Ltd Shell Energy House Columbus House Westwood Way Westwood Business Park Coventry CV4 8HT	0.6					
Shuraah Bham	N/A	480					
Siemens Managed Services	Siemens plc GBS O2C GB I2C Princess Road Manchester M20 2LR, United Kingdom	1061.91					

Signature

COMPANY SHAREHOLDERS

[illegible]

Signature

BA

Date: 09/10/2019

Appendix 7 Glossary

Bank	Barclays Bank Plc
Company	Eversmart Energy Ltd- in Administration
DSA	Debt Service Agreement
Licence	Electricity Supply Licence
Gordon Brothers	Gordon Brothers International LLC
Joint Administrators/we/our/us	Andrew Stone and Will Wright
KPMG	KPMG LLP
Ofgem	Office of Gas and Electricity Markets <i>Government office</i>
Pinsents	Pinsent Masons LLP
Secured creditor/CNGL	Contract Natural Gas Limited holder of a qualifying charge
SoLR	Supplier of Last Resort
QFC	Qualifying Floating Chargeholder - CNGL
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Utilita	Utilita Energy Limited

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.

Appendix 8 Notice: About this statement of proposals

This statement of proposals ('proposals') has been prepared by Andrew Stone and Will Wright, the Joint Administrators of Eversmart Energy Ltd – in Administration (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 purposes 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.*

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.

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.

Andrew James Stone and William James Wright 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 – home.kpmg.com/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html.

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, KPMG 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.

www.kpmg.com

© 2019 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

For full details of our professional regulation please refer to 'Regulatory Information' at www.kpmg.com/uk

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are registered trademarks or trademarks of KPMG International Cooperative.

