

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 9 7 3 5 9 2 5

Company name in full Gas and Power Limited t/a Hub Energy

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, The Business and Property

Courts of England and Wales

Court case number C R - 2 0 2 1 - M A N - 4 6 8

3 Administrator's name

Full forename(s) Andrew James

Surname Stone

4 Administrator's address

Building name/number c/o Interpath Ltd

Street 10th Floor, One Marsden Street

Post town Manchester

County/Region

Postcode M 2 1 H W

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5**Administrator's name ①**

Full forename(s)

Richard John

Surname

Harrison

① Other administrator

Use this section to tell us about another administrator.

6**Administrator's address ②**

Building name/number

c/o Interpath Ltd

Street

10th Floor, One Marsden Street

Post town

Manchester

County/Region

Postcode

M 2 1 H W

Country

② Other administrator

Use this section to tell us about another administrator.

7**Appointor/applicant's name**

Give the name of the person who made the appointment or the administration application.

Full forename(s)

Director

Surname

8**Proposed liquidator's name**

Full forename(s)

Andrew James

Surname

Stone

Insolvency practitioner number

2 3 1 7 0

9**Proposed liquidator's address**

Building name/number

c/o Interpath Ltd

Street

10th Floor, One Marsden Street

Post town

Manchester

County/Region

Postcode

M 2 1 H W

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name^①

| | | | | | | | | | | | | |
|--------------------------------|--------------|---|---|---|---|--|--|--|--|--|--|--|
| Full forename(s) | Richard John | | | | | | | | | | | |
| Surname | Harrison | | | | | | | | | | | |
| Insolvency practitioner number | 2 | 3 | 3 | 3 | 0 | | | | | | | |

① Other liquidator

Use this section to tell us about another liquidator.

11 Proposed liquidator's address^②

| | | | | | | | | | | | | |
|----------------------|--------------------------------|---|--|--|---|---|---|--|--|--|--|--|
| Building name/number | c/o Interpath Ltd | | | | | | | | | | | |
| Street | 10th Floor, One Marsden Street | | | | | | | | | | | |
| Post town | Manchester | | | | | | | | | | | |
| County/Region | | | | | | | | | | | | |
| Postcode | M | 2 | | | 1 | H | W | | | | | |
| Country | | | | | | | | | | | | |

② Other liquidator

Use this section to tell us about another liquidator.

12 Period of progress report

| | | | | | | | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| From date | ^d 1 | ^d 3 | ^m 0 | ^m 2 | ^y 2 | ^y 0 | ^y 2 | ^y 2 |
| To date | ^d 0 | ^d 1 | ^m 0 | ^m 7 | ^y 2 | ^y 0 | ^y 2 | ^y 2 |

13 Final progress report☒ I have attached a copy of the final progress report.**14** Sign and date

Administrator's signature

Signature

X



X

Signature date

| | | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ^d 1 | ^d 1 | ^m 0 | ^m 7 | ^y 2 | ^y 0 | ^y 2 | ^y 2 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

**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 **Louis Noblet**

Company name **Interpath Ltd**

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

Post town **Glasgow**

County/Region

Postcode **G 2 5 H F**

Country

DX

Telephone **Tel +44 (0) 113 521 7510**

**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'
final progress
report for the
period 13
February 2022
to 1 July 2022

Gas and Power Limited t/a Hub Energy
- in Administration

8 July 2022

Notice to creditors

Please note that KPMG LLP sold its Restructuring practice in the UK to Interpath Ltd ('Interpath Advisory') on 4 May 2021. This will not have an impact on your day-to-day dealings of the administration of the Company and your case contacts remain the same. Please note that the contact details for your primary case contacts may have changed, please check the insolvency portal at <http://gasandpower.ia-insolv.com/> for the latest contact details.

This progress report provides a final update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since our previous progress report.

We have also explained the exit route from the administration and the outcome for each class of creditors.

You will find other important information in the document such as the costs we have incurred.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://gasandpower.ia-insolv.com/>. We hope this is helpful to you.

Please also note that an important legal notice about this report is attached (Appendix 7).

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1 Executive summary

This is the final progress report in the administration of Gas and Power Limited t/a Hub Energy (the 'Company') and covers the period from 13 February 2022 to 1 July 2022 (the 'Period'). The administration will now be converted to Creditors' Voluntary Liquidation ('CVL').

Our strategy in the Period has concentrated on realising the Company's remaining assets, primarily book debts owed and deposit monies held by suppliers. This work has not yet been completed and will continue in the CVL (Section 2 - Progress to date).

We are not aware of any secured claims against the Company (Section 3 – Outcome for creditors).

We expect that ordinary preferential creditors will be repaid in full. However, the timing of a distribution is currently unknown and will be made in the subsequent CVL (Section 3.2 – Outcome for creditors).

We expect that secondary preferential creditors will be repaid in full. However, the timing of a distribution is currently unknown and will be made in the subsequent CVL (Section 3.3 – Outcome for creditors).

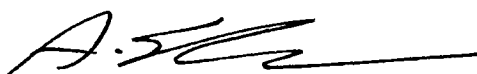
We expect that a distribution of funds will be made to unsecured creditors. The outcome to unsecured creditors is wholly dependent upon the level of final asset realisations, associated costs and the final level of unsecured claims admitted. These matters will be finalised in the subsequent CVL (Section 3.4 – Outcome for creditors).

During the Period, creditors provided their approval to the payment of further Category 2 expenses pertaining to KPMG Forensics in the sum of £16,249. This has been paid in the Period (Section 4 – Joint administrators' remuneration and expenses).

We consider that our Statement of Proposals ('Proposals') have been completed. There have been no amendments to, or deviations from, our original Proposals. In line with the exit routes identified in our Proposals, the Company will be placed into CVL, which is the most appropriate exit route from administration.

We have filed a copy of this final progress report with the Registrar of Companies, together with the requisite notices to place the Company into CVL. We will cease to act as Joint Administrators on the date these documents are registered by the Registrar of Companies, be discharged from liability in respect of any actions of ours as Joint Administrators and simultaneously be appointed Joint Liquidators of the Company on the same date (Section 5 – Conclusion of the administration).

Please note: you should read this progress report in conjunction with our previous progress report and Proposals issued to the Company's creditors at <http://gasandpower.ia-insolv.com/>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Andrew Stone
Joint Administrator

2 Progress to date

This section provides a final update on the strategy for the administration and on the progress made. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Strategy

During the Period, we have concentrated on realising the Company's remaining assets, primarily book debts owed and security deposits monies held by suppliers. However, this work has not yet been completed and remains ongoing.

The administration is due to automatically expire on 12 August 2022. We do not consider it appropriate to seek to extend the period of the administration. We are now converting the administration to CVL, which we consider to be the most appropriate exit route from administration.

We consider that the Joint Administrators' Proposals have now been completed. There have been no major amendments to, or deviations from, our Proposals. A copy of the Joint Administrators' Proposals is shown at Appendix 5.

Conversion to Creditors' Voluntary Liquidation

The administration is due to automatically expire on 12 August 2022, however the administration will convert to CVL prior to that date. All remaining matters will be attended to during the subsequent CVL.

Remaining book debts and outstanding security deposit monies held by suppliers will continue to be pursued during the CVL, so long as it remains cost effective to do so. Creditor claims adjudication will also commence during the CVL and distributions to creditors can be made thereafter. There are also tax, VAT and other statutory matters that will be attended to during the CVL, which are obligations of the officeholders.

We have filed a copy of this final administration progress report with the Registrar of Companies together with the requisite notice to place the Company into CVL. The administration will end and the CVL will commence once these documents are registered by the Registrar of Companies.

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.

Book debts

The Company's debtor ledgers totalled £5.4 million, which is inclusive of sales generated from the final billing exercise that we carried out for the pre-administration period.

Eon continues to assist us in pursuing consumer debts, pursuant to the debt collection agreement detailed in our prior reports. A specialist receivables collections team within Interpath continues to pursue commercial debts with the assistance of third-party agents.

Total collections of £3.9 million have been received into the administration estate across both consumer and commercial debt. Of this sum, £130,452 has been collected in the Period.

It is estimated that £4.2 million is collectable, but this is being kept under review. Book debts will continue to be pursued during the subsequent CVL until it remains no longer cost effective to do so.

Security deposits

We have continued to seek to recover security deposits given by the Company to its suppliers as a condition of providing credit. In certain instances, security deposits have been set off by the supplier where there were sums owed to the supplier by the Company at the date it entered administration.

During the Period, a further £109,753 in security deposits has been collected. This brings recoveries to date to £228,360.

We continue to pursue outstanding security deposits. However, due to ongoing and retrospective industry-wide reconciliations of actual usage versus the value of deposit monies held by those suppliers, the quantum of deposit monies that may be recovered by the Company is presently unknown. However, deposit monies will continue to be pursued during the subsequent CVL until it remains no longer cost effective to do so.

Rates refund

During the Period, we have obtained a refund of £2,601 relating to business rates.

Investigations

We reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for creditors. No such actions have been 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 Costs

Payments made in the 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.

Debt collection costs

A total of £27,482 has been paid for assistance with debt collection in the Period, to several third-party collection agents.

KPMG Forensics

As approved by the Company's creditors on 4 April 2022, we paid £16,249 to forensic accounting and technology specialists from KPMG, for assistance in handing over systems and data to Eon, and investigations into the data incident outlined in our previous reports.

Debt overpayment refunds

During the Period, we have returned funds of £11,758 relating to duplicate or overpayments received from the Company's debtors.

IT systems costs

A total of £6,287 has been paid in the Period for IT services critical to the migration of customers, final billing and debt collection.

Legal fees

Legal fees of £3,475 have been paid to Pinsent Masons in the Period, in relation to ongoing legal assistance.

Insurance of assets

Fees of £2,939 have been paid in the Period for insurance of the Company's assets throughout the Transitional Service Agreement period and maintaining public liability cover for the Company's leasehold trading premises thereafter.

2.4 Schedule of expenses

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

3 Outcome for creditors

3.1 Secured creditors

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

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".

Although we have yet to receive a final proof of debt from the Redundancy Payment Service, we currently estimate that ordinary preferential claims will total approximately £18,054,

We expect that ordinary preferential creditors will be repaid in full. The timing of the dividend is currently unknown but will be attended to during the subsequent CVL.

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

Claims from the Financial Services Compensation Scheme and HM Revenue & Customs, in relation to VAT, PAYE, employees' National Insurance contributions ('NIC') and Construction Industry Scheme deductions, rank preferentially, but secondary to the employee, ordinary preferential creditors above. These claims are therefore referred to as "secondary preferential creditors".

Although we have yet to receive a final proof of debt from HM Revenue & Customs, we currently estimate that secondary preferential claims will total £825,002.

We expect that secondary preferential creditors will be repaid in full. The timing of the dividend is currently unknown but will be attended to during the subsequent CVL.

3.4 Unsecured creditors

We expect that a distribution will be made to unsecured creditors in due course. However, the outcome to unsecured creditors is wholly dependent upon the level of final asset realisations, associated costs and the final level of unsecured claims admitted for dividend purposes, all of which are yet to be finalised. These matters will be attended to during the subsequent CVL.

4 Joint Administrators' remuneration and expenses

4.1 Joint Administrators' remuneration and expenses

Time costs

From 13 February 2022 to 1 July 2022, we have incurred time costs of £269,556. These represent 558 hours at an average rate of £483 per hour. Cumulative time costs for the duration of the administration total £1,516,225.

Remuneration

During the Period, we have not drawn any remuneration. Remuneration totalling £845,000 was drawn during a prior reporting period, as approved by the Company's creditors on 21 October 2021.

Administrators' Expenses

During the Period, we have incurred and paid category 2 disbursements of £16,249 to KPMG Forensics, which represents time spent supporting the migration of customers and data to Eon and the data incident outlined in previous reports. Further details of payments to KPMG are detailed in section 4.2.

Additional information

We have attached (Appendix 4) 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 13 February 2022 to 1 July 2022. We have also attached our charging and expenses policy.

4.2 Payments to KPMG (if applicable)

The Joint Administrators engaged forensic accounting and technology specialists from KPMG to carry out the electronic books and records collection, assist with the customer migration to Eon and support investigations into the data incident, as previously reported.

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

Time incurred by KPMG Forensics was based on an arm's length agreement, paid and disclosed separately to the Joint Administrators' fees. Whilst the KPMG Forensics team is no longer part of the same organisation as the Joint Administrators, and are not considered to be an associate for the purposes of SIP 9, for transparency, payments were subject to the same disclosure and approval as the Joint Administrators' Category 2 expenses.

The Joint Administrators sought approval to pay KPMG Forensics for the work detailed above from the creditors. Fees of £29,505 and £16,249 were approved on 21 October 2021 and 4 April 2022, respectively.

5 Conclusion of the administration

We have filed a copy of this final administration progress report with the Registrar of Companies, together with the requisite notices to place the Company into Creditors' Voluntary Liquidation.

We will cease to act as Joint Administrators when these documents are registered by the Registrar of Companies and on the same date will be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of the final receipts and payments account with the Registrar of Companies.

Surplus administration funds totalling £3,845,804 have been transferred to the CVL. Additionally, £225,776 of VAT to be repaid to the Company by HM Revenue & Customs has also been transferred to the CVL. Accordingly, the opening balance in the CVL of sums transferred from the administration will total £4,071,580. This is reflected in the receipts and payments account at Appendix 2.

Appendix 1 Statutory information

Company information

| | |
|-----------------------------|-------------------------------------------------------------------|
| Company name | Gas and Power Limited t/a Hub Energy |
| Date of incorporation | 17 August 2015 |
| Company registration number | 09735925 |
| Present registered office | Interpath Ltd, 10th Floor, One Marsden Street, Manchester, M2 1HW |

Administration information

| | |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Administration appointment | The administration appointment granted in High Court of Justice, The Business and Property Courts of England and Wales, CR-2021-MAN-000468 |
| Appointor | Director |
| Date of appointment | 13 August 2021 |
| Joint Administrators' details | Andrew Stone and Rick Harrison |
| Functions | The functions of the Joint Administrators have been exercised by them individually or together in accordance with Paragraph 100(2). |
| Current administration expiry date | 12 August 2022 |

Appendix 2

Joint Administrators' final receipts and payments account

Gas and Power Limited t/a Hub Energy - in Administration

Abstract of receipts & payments

| Statement of affairs (£) | | From 13/02/2022 To 01/07/2022 (£) | From 13/08/2021 To 01/07/2022 (£) |
|--------------------------|-----------------------------------------|--------------------------------------|--------------------------------------|
| ASSET REALISATIONS | | | |
| 2,600.00 | Office Equipment | NIL | 1,500.00 |
| 3,545,634.00 | Book debts | 130,451.80 | 3,922,118.32 |
| 1,245,264.00 | Cash at bank | NIL | 1,245,264.35 |
| | | 130,451.80 | 5,168,882.67 |
| OTHER REALISATIONS | | | |
| | Bank interest, gross | 215.61 | 294.42 |
| 26,200.00 | Security Deposits | 109,752.69 | 228,359.77 |
| | Deposit from EON | NIL | 60,000.00 |
| | EON contribution to costs | NIL | 215,728.00 |
| | Rates refunds | 2,601.18 | 2,601.18 |
| | | 112,569.48 | 506,983.37 |
| COST OF REALISATIONS | | | |
| | Funds to liquidation | (4,071,579.58) | (4,071,579.58) |
| | Customer Refunds | NIL | (229.59) |
| | Forensic investigation costs | (16,249.00) | (45,753.50) |
| | Debt overpayment refunds | (11,758.42) | (13,807.85) |
| | IT costs | (6,286.68) | (10,833.32) |
| | Billing Systems Costs | NIL | (135,349.00) |
| | Third Party Payroll Costs | NIL | (1,203.90) |
| | Statement of affairs work | NIL | (5,000.00) |
| | Data Validation Costs | NIL | (61,980.56) |
| | Administrators' fees | NIL | (845,000.00) |
| | Administrators' expenses | NIL | (3,013.48) |
| | Duress Payments | NIL | (90,293.78) |
| | Debt collection costs | (27,481.78) | (35,754.04) |
| | Administrators' pre-appointment fees | NIL | (104,052.00) |
| | Agents'/Valuers' fees and disbursements | NIL | (2,023.40) |
| | Legal fees | (3,475.00) | (98,640.50) |
| | Brokers' commission | NIL | (23,000.00) |
| | Telephone/Telex/Fax | NIL | (3,618.67) |
| | Utilities | (631.74) | (631.74) |
| | Storage costs | (37.85) | (37.85) |
| | Statutory advertising | NIL | (166.00) |

Gas and Power Limited t/a Hub Energy - in Administration

Abstract of receipts & payments

| Statement of affairs (£) | | From 13/02/2022 To 01/07/2022 (£) | From 13/08/2021 To 01/07/2022 (£) |
|--------------------------|-------------------------|--------------------------------------|--------------------------------------|
| | Rent and Service Charge | NIL | (5,431.49) |
| | Other property expenses | (49.98) | (1,082.79) |
| | Insurance of assets | (2,938.96) | (2,938.96) |
| | Wages & salaries | NIL | (73,581.18) |
| | PAYE & NIC | NIL | (31,154.86) |
| | Bank charges | (30.00) | (300.00) |
| | Website expenses | NIL | (9,408.00) |
| | | (4,140,518.99) | (5,675,866.04) |
| | PREFERENTIAL CREDITORS | | |
| (825,002.00) | Value added tax etc | NIL | NIL |
| (16,717.00) | Employees' holiday pay | NIL | NIL |
| | | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (5,201,404.00) | Trade & expense | NIL | NIL |
| (138,026.00) | Employees | NIL | NIL |
| (10,843.00) | HMRC Unsecured | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (1,201.00) | Ordinary shareholders | NIL | NIL |
| | | NIL | NIL |
| (1,373,495.00) | | (3,897,497.71) | NIL |
| | REPRESENTED BY | | |
| | Floating charge current | | NIL |
| | | | NIL |

Cost of realisations

| | | | |
|-----------------------|------------------|-------------|------------------|
| Debt collection costs | 27,481.78 | 0.00 | 26,866.56 |
| Legal fees | 1,964.00 | 0.00 | 3,475.00 |
| Utilities | 631.74 | 0.00 | 631.74 |
| Storage costs | 37.85 | 1.56 | 37.85 |
| Insurance of assets | 750.00 | 0.00 | 2,938.96 |
| Bank charges | 30.00 | 0.00 | 15.00 |
| TOTAL | 30,895.37 | 1.56 | 30,896.93 |

Please note that there is a difference between the payments made during the Period of £4,140,519 (per the receipts and payments account) and expenses incurred and paid in the period of £30,895 (per the schedule of expenses). This is due to some of those payments made relate to expenses incurred prior to the Period or they do not fall within the definition of an expense (for example, funds transferred to the CVL), as set out in Appendix 4.

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

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

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

Creditors' right to challenge our remuneration and expenses

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

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

The full text of the relevant rules can be provided on request by writing to Matthew Herbert at Interpath Ltd, 10th Floor, One Marsden Street, Manchester, M2 1HW.

Appendix 4 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 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 contact Matthew Herbert on 0161 529 8869.

Hourly rates

Set out below are the relevant charge-out rates per hour worked 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.

Table of charge-out rates

| | | |
|----------------------|-----|-----|
| Managing Director | 985 | 985 |
| Director | 910 | 910 |
| Senior Manager | 810 | 810 |
| Manager | 650 | 650 |
| Senior Administrator | 475 | 475 |
| Administrator | 350 | 350 |
| Support | 475 | 165 |

Policy for the recovery of expenses

We have recovered 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 office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder 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 office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

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 office holder or their firm. Included in the summary of expenses table are the costs incurred by KPMG Forensics who until 4 May 2021 were part of the same firm as the office holders. On 4 May 2021 KPMG LLP sold its Restructuring business in the UK to Interpath Ltd ('Interpath Advisory'). Whilst we do not consider KPMG are an associate of Interpath Advisory, for transparency, we requested approval to pay KPMG Forensics up to the amounts detailed below, from the general body of creditors.

Category 2 expenses charged by Interpath Advisory 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 Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses (excluding VAT) during the period 13 February 2022 to 1 July 2022:

| | | | |
|--------------|---------------|------------|---------------|
| Postage | 8.67 | NIL | 8.67 |
| Stationery | 226.16 | NIL | 226.16 |
| Sundry | 190.00 | NIL | 190.00 |
| Travel | 30.06 | NIL | 30.06 |
| Total | 454.89 | NIL | 454.89 |

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 13 August 2021 to 1 July 2022

The key areas of work have been:

| | |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Statutory and compliance | preparing statutory receipts and payments accounts; dealing with all closure related formalities; 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 advisors regarding the various instructions, including agreeing content of engagement letters; undertaking file reviews to ensure the administration is progressing efficiently and effectively and recordkeeping meets the standard required by our regulatory body; complying with internal filing and information recording practices, including documenting strategy decisions. |
| Cashiering | preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments. |
| Tax | reviewing the Company's pre-appointment corporation tax and VAT position; analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; working initially on tax returns relating to the periods affected by the administration; analysing VAT related transactions; dealing with post appointment tax compliance. |
| 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 preferential and unsecured creditors; liaising with KPMG Forensics in relation to the collection and storage of Company books and records and assistance in relation to the SoLR transition; locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage; |
| Asset realisations | collating information from the Company's records regarding the assets; 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 the SoLR regarding debtor recoveries; reviewing the inter-company debtor position between the Company and other group companies. |
| Open cover insurance | liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; assessing the level of insurance premiums. |
| Creditors and claims | 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; preparing and issuing our first and final progress reports. |

Time costs

SIP 9 –Time costs analysis (13/02/2022 to 01/07/2022)

| | Hours | Time Cost (£) | Average Hourly Rate (£) |
|--------------------------------------------|--------|---------------|-------------------------|
| Administration & planning | | | |
| Bankrupt/Director/Member | | | |
| General correspondence | 6.20 | 2,945.00 | 475.00 |
| General | | | |
| Books and records | 1.50 | 587.50 | 391.67 |
| Fees and WIP | 0.50 | 237.50 | 475.00 |
| Statutory and compliance | | | |
| Appointment and related formalities | 0.30 | 142.50 | 475.00 |
| Appointment documents | 1.20 | 570.00 | 475.00 |
| Budgets & Estimated outcome statements | 2.50 | 1,625.00 | 650.00 |
| Checklist & reviews | 35.30 | 18,365.50 | 520.27 |
| Closure and related formalities | 12.15 | 8,233.75 | 677.67 |
| Statutory receipts and payments accounts | 0.80 | 280.00 | 350.00 |
| Strategy documents | 20.00 | 11,457.50 | 572.88 |
| Cashiering | | | |
| Fund management | 8.40 | 2,940.00 | 350.00 |
| General (Cashiering) | 10.35 | 4,257.00 | 411.30 |
| Reconciliations (& IPS accounting reviews) | 1.70 | 917.00 | 539.41 |
| Tax | | | |
| Initial reviews - CT and VAT | 3.60 | 2,340.00 | 650.00 |
| Post appointment corporation tax | 0.80 | 520.00 | 650.00 |
| Post appointment corporation tax | 5.30 | 3,004.50 | 566.89 |
| Post appointment VAT | 40.10 | 20,873.00 | 520.52 |
| Creditors | | | |
| Creditors and claims | | | |
| General correspondence | 59.45 | 22,557.75 | 379.44 |
| Pre-appointment VAT / PAYE / CT | 10.20 | 3,930.00 | 385.29 |
| Statutory reports | 132.10 | 62,217.00 | 470.98 |
| Realisation of assets | | | |
| Asset Realisation | | | |
| Debtors | 99.35 | 57,648.75 | 580.26 |
| Insurance | 1.80 | 630.00 | 350.00 |
| Leasehold property | 0.80 | 342.50 | 428.13 |
| Other assets | 6.15 | 3,428.75 | 557.52 |
| Pre-appointment tax & VAT refunds | 3.50 | 1,815.00 | 518.57 |

SIP 9 –Time costs analysis (13/02/2022 to 01/07/2022)

| | Hours | Time Cost (£) | Average Hourly Rate (£) |
|-----------------------------|---------------|-------------------|-------------------------|
| Trading | | | |
| Data protection matters | 24.50 | 9,985.00 | 407.55 |
| Final billing matters | 3.00 | 1,950.00 | 650.00 |
| Purchases and trading costs | 19.30 | 7,430.00 | 384.97 |
| Queries from customers | 42.30 | 16,025.00 | 378.84 |
| SOLR TSA related matters | 4.60 | 2,300.00 | 500.00 |
| Total in period | 557.75 | 269,555.50 | 483.29 |

| | | |
|----------------------------------------------------------------------|----------|--------------|
| Brought forward time (appointment date to SIP 9 period start date) | 2,629.40 | 1,246,669.70 |
| SIP 9 period time (SIP 9 period start date to SIP 9 period end date) | 557.75 | 269,555.50 |
| Carry forward time (appointment date to SIP 9 period end date) | 3,187.15 | 1,516,225.20 |

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 our rates.

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

The initiation of the SOLR process meant that rescuing the Company in accordance with Paragraph 3(1)(a) is 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).

We consider an administration a better result for the Company's creditors due, but not limited, to:

- An administration allowing us to utilise the expertise of retained Company staff to final bill accounts more accurately and achieve better debt collection results; and
- The continuity of service provided by the SOLR process and agreements signed enhancing the potential for debtor realisations as well as incurring lower time costs in relation to customer queries.

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 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, if and where applicable.

Ending the administration

We might use any or a combination of the following exit route strategies 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;
- formulate a proposal for either a company voluntary arrangement (CVA) or a scheme of arrangement and put it to meetings of the Company's creditors, shareholders or the Court for approval as appropriate;
- place the Company into creditors' voluntary liquidation. In these circumstances we propose that we, Andrew Stone and Richard Harrison, 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 Richard Harrison, 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;
- 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 Appendix 5 and in accordance with the estimate of payments to KPMG provided within 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.

| | |
|---------------------------------------|-------------------------------------------------------------------|
| Company | Gas and Power Limited t/a Hub Energy - in Administration |
| CVL | Creditors' Voluntary Liquidation |
| Eon | E.on Next Limited |
| Interpath/Interpath Advisory | Interpath Ltd |
| Joint Administrators/we/our/us | Andrew Stone and Richard Harrison |
| KPMG | KPMG LLP |
| Period | 13 February 2022 to 1 July 2022 |
| Pinsent Masons | Pinsent Masons LLP |
| Proposals | Joint Administrators' Statement of Proposals dated 1 October 2021 |
| SIP 9 | Statement of Insolvency Practice 9 |

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.

Appendix 7 Notice: About this report

This report has been prepared by Andrew Stone and Richard Harrison, the Joint Administrators of 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.

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.

Andrew James Stone and Richard John Harrison 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.

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.

www.interpathadvisory.com

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