



For further information, please
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1 Company details

Company number	0	9	8	4	4	6	1	7
Company name in full	People's Energy (Supply) Limited							

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

2 Administrator's name

Full forename(s)	Jonathan
Surname	Marston

3 Administrator's address

Building name/number	Suite 3 Regency House
Street	91 Western Road
Post town	Brighton
County/Region	
Postcode	B N 1 2 N W
Country	

4 Administrator's name ①

Full forename(s)	Paul
Surname	Berkovi

① **Other administrator**
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	Suite 3 Regency House
Street	91 Western Road
Post town	Brighton
County/Region	
Postcode	B N 1 2 N W
Country	

② **Other administrator**
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 2	^d 4	^m 0	^m 3	^y 2	^y 0	^y 2	^y 2
To date	^d 2	^d 3	^m 0	^m 9	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 2	^d 1	^m 1	^m 0	^y 2	^y 0	^y 2	^y 2
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**Presenter information**

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

Contact name **Ruth Turner**

Company name **Alvarez & Marsal Europe LLP**

Address **Suite 3 Regency House
91 Western Road**

Post town **Brighton**

County/Region

Postcode **B N 1 2 N W**

Country

DX

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

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- ☐ You have signed the form.

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DX 33050 Cardiff.

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Continuation page

Name and address of insolvency practitioner

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

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

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

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

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

2 Insolvency practitioner's name

Full forename(s) Robert Andrew
Surname Croxen

3 Insolvency practitioner's address

Building name/number Suite 3 Regency House
Street 91 Western Road
Post town Brighton
County/Region
Postcode B N 1 2 N W
Country

PEOPLE'S ENERGY (SUPPLY) LIMITED - IN ADMINISTRATION

Joint Administrators' second progress report

For the period from 24 March 2022 to 23 September 2022

21 October 2022

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1 Executive summary

- This progress report covers the period from 24 March 2022 to 23 September 2022 (the “Reporting Period”).
- During the Reporting Period, we have completed the issuing of final statements to substantially all customers of People’s Energy (Supply) Limited (the “Company”). We have since undertaken a detailed reconciliation of post-appointment customer credit and debit receipts, allocating these funds between the Company’s Supplier of Last Resort (“SoLR”), British Gas Trading Limited (“British Gas”), and the Company respectively. Having finalised the above matters, the majority of our work under the Transitional Services Agreement (“TSA”) has now concluded (Section 3– Strategy and progress of the administration to date).
- Our work has since focussed on realising the other remaining assets of the Company, including its customer debtor book, and progressing the other outstanding matters in the administration (Section 3 – Strategy and progress of the administration to date).
- As previously reported, the security held by BP Gas Marketing Limited (“BP”) has been fully satisfied from the realisation of the Company’s hedged power and gas position (Section 4 – Dividend prospects).
- We are not aware of any preferential claims against the Company (Section 4 – Dividend prospects).
- Based on current estimates we anticipate that unsecured creditors should receive a material dividend. We have yet to determine the amount and timing of this due to the uncertainty surrounding asset realisations, costs and claims, including those relating to outstanding legal actions. We will provide further updates in our next progress report (Section 4 – Dividend prospects).
- The potential dividend to unsecured creditors may be sufficient to discharge the Company’s unsecured creditor liabilities in full. Should this situation arise, our view is that remaining in administration will provide the best outcome for creditors, as the level of post-insolvency interest that creditors could be entitled to would be higher, than when compared with it being placed into creditors voluntary liquidation (“CVL”) (Section 4 – Dividend prospects).
- During the Reporting Period, the Court granted a 24 month extension to the period of the administration, which is now due to end on 23 September 2024.
- Please note you should read this progress report in conjunction with our previous progress report and proposals which were issued to the Company’s creditors and are available on the Portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Jonny Marston
Joint Administrator

2 A message to customers

All customers have now been migrated to British Gas under the Office of Gas and Electricity Market ("Ofgem") SoLR process and the Company's operations and IT systems have been wound down.

If customers have any outstanding queries, including those regarding ongoing supply or outstanding credit balances then customers are kindly asked to consult the list of frequently asked questions on the British Gas website:

<https://www.britishgas.co.uk/energy/peoples-energy.html>

If these do not resolve your query, please contact British Gas directly. This also applies to customers who changed energy suppliers prior to the Company entering administration and are owed credit balances by the Company.

If customers have any outstanding queries relating to debit balances on their account, customers are kindly asked to contact our appointed accounts receivable agents, Credit Style Ltd ("Credit Style"), via the below website:

<https://www.creditstyle.co.uk/contact-us/>

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

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

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

<https://advice.scot/contact-us/>

3 Strategy and progress of the administration to date

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

3.1 Strategy

3.1.1 Overview

As previously reported, a TSA was agreed between British Gas, the Company and The People's Energy Company Limited ("PEC"). Under the terms of the TSA, the Company and PEC provided certain services to British Gas in connection with the finalisation of customer accounts and the transfer of information to British Gas.

During the Reporting Period, we have completed the final billing process, issuing final statements to substantially all of the Company's customers. Following completion of this process, we have undertaken a detailed reconciliation of post-appointment customer credit and debit receipts, allocating these funds between British Gas and the Company respectively. Having finalised the above matters, the majority of our work under the TSA has now concluded.

Our work has since focussed on realising the other remaining assets of the Company, including its customer debtor book, and progressing the other outstanding matters in the administration.

Further details of the work undertaken since the issuing of our previous progress report are provided below.

3.1.2 Extension

As previously reported, there is likely to be a material dividend payable to the Company's unsecured creditors. The potential dividend to unsecured creditors may be sufficient to discharge the Company's unsecured creditor liabilities in full. Should this situation arise, our view is that remaining in administration will provide the best outcome for creditors as the level of post-insolvency interest that creditors could be entitled to would be higher, than when compared with it being placed into CVL.

During the Reporting Period, we therefore made an application to Court that the period of the administration be extended by 24 months, to 23 September 2024. The Court subsequently granted a 24 month extension to the period of the administration, which is now due to end on 23 September 2024.

3.1.3 Agreements with British Gas

In conjunction with the TSA, an agreement was entered into with British Gas in May 2022, in order to govern the transfer of post-appointment customer credit balance receipts and associated information to British Gas (the "Credit Balance Agreement"). As with the TSA, British Gas has provided appropriate indemnities to the Company in connection with the work being undertaken under the terms of the Credit Balance Agreement.

During the Reporting Period, we have performed the following work in relation to the TSA and the Credit Balance Agreement:

- undertaken a detailed reconciliation of post-appointment customer balance receipts;
- allocated post-appointment customer balance receipts to customer accounts accordingly; and
- transferred post-appointment customer credit balance receipts to British Gas, as the appointed SoLR and in accordance with Ofgem guidance.

Having completed the above, the majority of work in connection with the TSA and Credit Balance Agreement has now concluded.

A reconciliation of the costs incurred by the Company in providing support to British Gas has therefore been undertaken, resulting in receipt of a further £497,165 from British Gas in the Reporting Period. This is likely to be the final payment we receive from British Gas for the services rendered by the Company and PEC under the TSA.

3.1.4 Intercompany Services Agreement (“ISA”)

As previously reported, an ISA between the Company and PEC was considered necessary due to a number of PEC’s suppliers and employees being critical to delivering the Company’s administration strategy.

During the Reporting Period, a total of £138,906 has been paid to PEC for its services rendered under the ISA during the previous period of the administration. In addition, a further £256,956 has been incurred by PEC in the Reporting Period in connection with the ISA, that is yet to be recharged to the Company.

The supplier relationships in PEC have now been brought to a close and the final level of costs to be recharged to the Company is being finalised. Once completed, these costs will also be recharged to the Company in due course, under the terms of the ISA.

In addition, the level of Joint Administrators’ time costs that has been incurred by PEC in supporting the Company’s administration strategy is being determined. Once completed, these outstanding costs will also be recharged to the Company under the terms of the ISA.

Further details on these amounts are provided in section 3.3.

3.1.5 Funds collected by merchant acquirer

As previously reported, customer direct debit mandates were held by the Company’s merchant acquirer GoCardless Ltd (“GoCardless”). It has therefore been critical to retain the services of GoCardless, in order to deliver the administration strategy.

As part of the final billing process, we have called on the existing direct debit mandates, in order to facilitate the collection of customer debts. We have also continued to accept other direct debits from customers, in line with Ofgem guidance, which has resulted in us receiving payments that have served to increase customers’ credit balances.

Having completed the final billing process, a detailed reconciliation of pre and post-appointment customer receipts has been completed during the Reporting Period. This reconciliation has been a time consuming process, however, our work has been in accordance with the TSA and Credit Balance Agreement, under which British Gas has agreed to provide a contribution of £180,000 towards our TSA related time costs, in addition to providing the Company with appropriate indemnities.

Following this exercise, gross customer receipts of approximately £54.0 million have been received from GoCardless, comprising of the below sums:

- approximately £9.0 million in gross pre-appointment customer receipts, that were received by GoCardless prior to our appointment but only transferred to us in the Reporting Period;
- approximately £6.0 million in gross post-appointment customer receipts, that relate to customer debit balances;
- approximately £39.0 million in gross post-appointment customer receipts, that relate to customer credit balances.

As noted in section 3.1.3, post-appointment customer credit balance receipts are due to British Gas, as the appointed SoLR and in accordance with Ofgem guidance. A total of approximately £39.0 million has been transferred to British Gas in the Reporting Period, representing post-appointment customer receipts that have either created or increased customers' credit balances.

Further details of the amounts received from GoCardless are provided in section 3.2.

Cash collateral

In order to release the customer monies held by GoCardless and facilitate the ongoing use of GoCardless' systems, the Company has lodged cash collateral of £1,393,286 with GoCardless, which is shown as a payment on the receipts and payments account attached at appendix 2.

To reduce the Company's cash collateral risk with GoCardless, British Gas has lodged cash collateral of £389,115 with the Company, which is shown as an asset on the receipts and payments account attached at appendix 2.

Both of these balances are being held as deposits, to cover potential chargeback liabilities associated with the Company's GoCardless account.

The Company's agreement with GoCardless is due to come to an end in the forthcoming period, following which the final level of chargeback liabilities will be determined. Subject to the level and allocation of these chargebacks, the net collateral balances will be returned to each of the relevant parties in the forthcoming period, once the Company's agreement with GoCardless reaches its conclusion.

3.1.6 Customer debtor book

Customer debtors consisted of debit balances owed by existing customers of the Company as at the SoLR date (the "Live Customers") and those of former customers of the Company, who had not settled their account in full as at the date of transfer to their new supplier (the "Closed Account Customers").

As detailed in section 3.1.5, existing direct debit mandates were left in place with the Company's merchant acquirer, GoCardless, to maximise realisations of customer book debts. Having completed a reconciliation of the funds held by GoCardless, gross customer debts totalling approximately £6.0 million have been received from GoCardless in the Reporting Period and allocated to debit account balances.

Having issued final statements to substantially all of the Company's customers, we have transferred the active direct debit mandates of Live Customers to British Gas. As we no longer have the ability to call upon customers' direct debit mandates, we do not anticipate receiving any further book debt receipts from GoCardless.

Having called on existing direct debits, there remain a number of Live Customers that have residual debit balances on their energy accounts. During the Reporting Period, we have continued to engage Credit Style to collect these residual debit balances on our behalf.

Credit Style has also been engaged to collect the outstanding balances owed by the Closed Account Customers.

Gross customer debts totalling £1,598,868 have been collected by Credit Style in the Reporting Period and paid to us, as detailed in section 3.3.

The collection of residual customer debts remains ongoing. Our collection strategy remains subject to review; however, we will continue to pursue these outstanding balances until such time that it is no longer commercially viable to do so.

3.1.7 Prepayments and Collateral lodgings

The Company's balance sheet at 24 September 2021 showed assets in relation to certain prepayments and collateral lodgings.

During the Reporting Period, unused prepayments totalling £75,301 have been refunded to the Company. We are continuing to liaise with pre-paid suppliers, in order to determine whether there are any further unused prepayment balances that are owed to the Company.

During the Reporting Period, PEC has been refunded certain gas shipping prepayments, that the Company had made on PEC's behalf prior to our appointment. These prepayments were shown as a potential asset of the Company in the Directors' statement of affairs however PEC has received these refunds, on the basis the supplier contracts were in the name of PEC.

Given the Company had originally made payment of these costs on PEC's behalf, we anticipate that these amounts will therefore form part of the Company's intercompany claim against PEC.

3.1.8 Data

Certain data was held by third party IT system providers. As much of the work under the TSA has now concluded, PEC has finalised its supplier relationships during the Reporting Period. As part of this process, we have extracted relevant information from suppliers' systems, where retention of this data is considered necessary for the purposes of PEC's or the Company's administration.

3.1.9 Legal claims

A number of legal claims were made against the Company prior to our appointment. We are currently working with our legal advisers and the Company's pre-appointment solicitors to deal with these claims.

Given the nature of these legal claims, it is not appropriate to describe these actions in further detail in this report. However, the outcome of these claims may increase the level of unsecured creditor claims in the administration, which in turn could materially dilute the potential return to the Company's unsecured creditors or reduce any remaining surplus.

We will provide creditors with a further update on these legal actions in our next progress report.

3.1.10 Corporation Tax

As detailed in our last progress report, the Company's hedging position was closed out in January 2022. The unwinding of the Company's hedged power and gas position has resulted in a significant post-appointment asset realisation of £285,789,333, which in turn has created a material Corporation Tax liability.

We have therefore consulted with Alvarez & Marsal Europe LLP's ("A&M") tax specialists to ensure that any tax due in connection with this realisation has been dealt with in the most efficient manner possible and in accordance with the relevant tax rules.

The Corporation Tax liability has subsequently been calculated at approximately £40.0 million, against which payments on account of approximately £30.0 million have been made, to date. The balance of £10.0 million will be payable to HMRC during the course of 2023.

Corporation Tax interest

Having considered the most appropriate tax treatment, alongside A&M's tax specialists, the Corporation Tax liability was submitted to HMRC in a return for a Corporation Tax accounting period that ended prior to us receiving the hedge proceeds.

Whilst recognising the profit on the hedge portfolio in that earlier accounting period was most effective overall in minimising the liability, this has meant that the timing for a payment on account to be made, was accelerated to a point before the funds on the hedge realisation had been received.

We were, therefore, unable to make payments on account to HMRC as they fell due. This has meant that payments on account were technically overdue and had accrued interest at the time that they were made.

Total interest of £230,919 had accrued on these late payments, which has since been paid to HMRC in the Reporting Period. Having settled these overdue payments on account and the associated interest charges, we do not anticipate there being any further Corporation Tax interest arising in the administration.

We believe this realisation strategy and settlement of the associated tax liabilities was the most effective for the estate overall.

3.1.11 Customer communications

We continue to receive a significant volume of correspondence from the Company's customers regarding historical account queries and disputes. As the final billing process has now concluded, the Company's operational platform has been decommissioned. Under the circumstances, we continue to advise customers that we are unable to carry out detailed amendments to final bills.

As previously reported, due to the large volume of calls received directly by us from former customers of the Company, we utilised the services of Adetiq Limited ("Adetiq"), an external call centre provider. Adetiq has been engaged centrally by A&M with Adetiq's costs being recharged to the Company by A&M as a category 1 disbursement, as detailed in appendix 4.

Where appropriate, we continue to direct customers querying credit balances to British Gas, as the appointed SoLR, and customers querying debit balances to our third-party collection agent, Credit Style.

3.2 Asset realisations

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

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

Hedge realisation

As noted in our previous progress report, the Company's hedging position was fully unwound during the prior period. However, the final instalment of the realisation, totalling £94,513,111 was received from BP in the Reporting Period. Following this receipt, we do not anticipate there being any further realisations in connection with the Company's hedged power and gas position.

Book debts – GoCardless

As detailed in section 3.1.5, existing direct debit mandates were left in place with the Company's merchant acquirer, GoCardless, to maximise realisations of customer book debts. Having completed a reconciliation of the funds held by GoCardless, customer debts totalling £5,521,174 (net of VAT) have been received from GoCardless in the Reporting Period and allocated to debit account balances. We do not anticipate any further material realisations in this regard.

Book debts – Credit Style

As detailed in section 3.1.7, Credit Style has continued to be engaged to assist with the collection of debit balances owed by Live Customers and Closed Account Customers.

Gross customer debts totalling £1,598,868 have been collected by Credit Style in the Reporting Period. Credit Style is continuing to collect customer book debts on our behalf and we therefore anticipate receiving further book debts from Credit Style, as the administration progresses.

Cash at bank - GoCardless

Gross cash at bank totalling £9,102,590 has been received in the Reporting Period from GoCardless. These funds represent customer direct debit collections that had been collected by GoCardless prior to our appointment as administrators but were not transferred until the Reporting Period.

Third party monies received

As detailed in section 3.1.5, a detailed reconciliation has been undertaken to determine the split of funds held by the Company's merchant acquirer, GoCardless. Of the funds transferred by GoCardless, a total of £39,401,193 relates to post-appointment payments that have either created or increased a customer credit balance.

These amounts are due to British Gas as the appointed SoLR and have therefore been accounted for as third party monies, in the receipts and payments account attached at appendix 2.

As detailed in section 3.3, these amounts have subsequently been transferred to British Gas, under the terms of the Credit Balance Agreement, resulting in a net nil effect on the administration estate.

SoLR support services

A total of £497,165 has been received from British Gas in the Reporting Period, as a contribution to the costs incurred by the Company and PEC for the work carried out under the TSA. As noted in section 3.1.3, an element of the payment made by British Gas will be used as a contribution to our related time costs.

As the majority of work in connection with the TSA has now concluded, this is likely to be the final payment we receive from British Gas, for the services rendered by the Company and PEC under the TSA.

Cash cover for SoLR

As detailed in section 3.1.5, cash collateral of £389,115 has been lodged with the Company in the Reporting Period by British Gas as a deposit, to cover potential future liabilities in connection with the Company's GoCardless facility.

Subject to the level of fees and chargebacks associated with maintaining the Company's GoCardless facility, the net balance will be returned to British Gas in the forthcoming period, once the Company's agreement with GoCardless reaches its conclusion.

Bank interest

To date, we have received a total of £495,691 in bank interest.

Given the significant level of funds received into the estate, it has been necessary to diversify these between a number of bank accounts, in order to minimise risk.

We are continuing to review the post-appointment fund management strategy to minimise risk while ensuring a return on the deposits held.

3.2.2 Investigations

We have reviewed the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors and can confirm no such claims have been identified.

3.3 Expenses

3.3.1 Payments

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

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

Third party monies to SoLR

A total of £39,401,193 has been transferred to British Gas in the Reporting Period, representing post-appointment customer receipts that have either created or increased a customers' credit balance.

Corporation Tax

As detailed in section 3.1.11, Corporation Tax instalments and interest totalling £30,083,100 have been paid to HMRC in the Reporting Period.

Cash cover

As detailed in section 3.1.5, cash collateral of £1,393,286 has been lodged with GoCardless in the Reporting Period as a deposit, to cover potential future liabilities in connection with the Company's GoCardless facility.

Subject to the level and allocation of chargebacks and costs associated with maintaining the Company's GoCardless facility, the net balance will be returned to the Company in the forthcoming period, once the Company's agreement with GoCardless reaches its conclusion.

Joint Administrators' fees

During the Reporting Period we have drawn post-appointment fees and disbursements totalling £1,052,544. Further details of our remuneration are provided in section 6 of this report.

Legal fees

As per the attached receipts and payments account, legal fees totalling £729,511 have been paid in the period, as detailed below:

- *Pre-appointment legal fees - Eversheds Sutherland (International) LLP ("Eversheds"):*
£46,579 was paid to Eversheds in the Reporting Period, for its legal advice and assistance provided to us prior to our appointment as administrators. As previously reported, we obtained approval from creditors to pay these unpaid pre-administration costs as an expense of the administration on 17 February 2022.
- *Post-appointment legal fees – Eversheds:*
A total of £485,486 has been paid to Eversheds in the Reporting Period, for its ongoing post-appointment legal advice and assistance.
- *Post-appointment legal fees - Womble Bond Dickinson (UK) LLP ("WBD"):*
A total of £197,446 has been paid to WBD in the Reporting Period, for its ongoing legal advice in regards to the claims received from certain creditors and court directions, as detailed in section 5.

As we continue to seek legal advice in the administration, we anticipate making further payments to both Eversheds and WBD in the forthcoming period of the administration.

Debt collectors' commission

During the Reporting Period, payments totalling £244,623 have been made to Credit Style, for its ongoing assistance with the collection of customer book debts. We anticipate making further payments to Credit Style, as the collection of customer book debts continues.

Suppliers

A total of £187,434 has been paid in the Reporting Period to suppliers of the Company, that have been considered critical for delivering the administration strategy. As previously reported, British Gas is covering a proportion of these supplier costs, in accordance with the TSA, given that British Gas has benefited from the Company's ongoing supplier relationships.

As the majority of work in connection with the TSA has now concluded, we do not anticipate any further material payments being made to former suppliers.

ISA

During the Reporting Period, costs totalling £138,906 have been paid to PEC under the ISA for services rendered during the previous period of the administration. This sum is comprised of £126,278 in recharged costs and £12,628 in respect of the 10% uplift agreed in the ISA (as set out in section 3.1.4).

In addition, a further £256,956 has been incurred by PEC in the Reporting Period, that has not yet been recharged to the Company.

The supplier relationships in PEC have now been brought to a close and the final level of costs to be recharged to the Company is being finalised. In addition, the level of Joint Administrators' time costs that has been incurred by PEC in supporting the Company's administration strategy and to be recharged, is being determined.

Once completed, these costs will also be recharged to the Company in due course, under the terms of the ISA.

Category 2 expenses

The table below sets out the category 2 expenses, excluding disbursements, incurred during the Reporting Period.

For further details in relation to disbursements falling within category 2 expenses please refer to our charging policy (Appendix 4).

Name of payee	Nature of expense	Incurred in the Reporting Period (£)	Paid in the Reporting Period (£)
PEC	Intercompany recharge	256,956	138,906
Total		256,956	138,906

3.4 Schedule of expenses

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

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

Legal fees and disbursements – Eversheds

Legal fees of £228,312 have been incurred in the Reporting Period by Eversheds, for its ongoing legal advice and assistance. Of this sum, a total of £152,206 has not yet been paid.

We anticipate further costs being incurred by Eversheds, as we continue to seek its legal advice and assistance in the administration.

ISA

During the Reporting Period, a total of £138,906 has been paid to PEC for its services rendered under the ISA during the previous period of the administration.

A total of £256,956 has been incurred in the Reporting Period in connection with the ISA, which has not yet been paid.

The level of costs incurred by PEC in supporting the Company's administration is in the process of being finalised. In addition, the level of Joint Administrators' time costs that has been incurred by PEC in supporting the Company's administration strategy and to be recharged, is being determined.

Once completed, these costs will also be recharged to the Company, under the terms of the ISA.

4 Dividend prospects and dividends paid

4.1 Secured creditors

As previously reported, BP's secured charge was fully satisfied in the previous reporting period, with BP having deducted sums owed to it from the realisation of the Company's hedged power and gas position.

4.2 Preferential creditors

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

4.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors may receive a material dividend. We have yet to determine the quantum and timing of this due to the uncertainty surrounding asset realisations, costs and level of creditor claims in the administration. We will do so when we have completed the realisation of assets, the payment of associated costs and adjudicated claims.

We invite creditors to submit their claims to us via the Portal as soon as possible if they have not already done so. If creditors require assistance in accessing the Portal or would prefer to submit a claim offline using a paper form, please contact us using the contact details provided at Appendix 1.

As previously reported, there is likely to be a material dividend payable to the Company's unsecured creditors. The potential dividend to unsecured creditors may be sufficient to discharge the Company's unsecured creditor liabilities plus interest, in full. Should this situation arise, our view is that remaining in administration will provide the best outcome for creditors as the level of post-insolvency interest that creditors could be entitled to would be higher, than when compared with it being placed into CVL.

Given the above, we anticipate that the potential distribution to unsecured creditors will take place while the Company remains in administration. During the Reporting Period we have therefore obtained Court approval to a 24 month extension to the period of the administration, in order to deal with the outstanding matters detailed in section 7.1.

5 Other matters

5.1 Court directions application

As detailed in our previous progress report, there are a number of potential creditor claims or contingent creditor claims that have been, or could be, lodged in the administration estate.

These claims could be substantial and, if admitted, could impact on the return to unsecured creditors of the estate or any surplus available to members.

We are continuing to work with Ofgem, a number of relevant SoLRs and a significant unsecured creditor to some of the relevant insolvent energy companies, in relation to the Court directions application to ensure the Court can consider the arguments and provide clear guidance on how these claims should be treated.

6 Joint Administrators' remuneration and category 2 expenses

6.1 Joint Administrators' remuneration and category 2 expenses

6.1.1 Basis of remuneration and category 2 expenses

During the administration, the Company's creditors have provided approval that:

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

We estimated that the total amount of remuneration to be paid from the estate would be £3,170,816, in addition to our pre-administration fees of £281,328.

However, as explained at section 6.1.4, it has become apparent during the Reporting Period that we have exceeded our previous fees estimate and we wish to draw remuneration in excess of our previous estimate. Therefore, we will shortly be seeking approval from creditors that we be authorised to draw additional remuneration.

6.1.2 Time costs

During the Reporting Period, we have incurred time costs of £1,243,887. These represent 2,020 hours at an average rate of £616 per hour.

6.1.3 Remuneration

During the Reporting Period, we have drawn floating charge remuneration of £1,046,978.

6.1.4 Additional information

Fees estimate

Our fees estimate of £3,170,816 has been exceeded during the Reporting Period.

At the time of preparing this original fees estimate, we had anticipated the Company being placed into CVL within 12 months. However, as detailed in section 3.1.2, we believe it is in the best interest of creditors for the Company to remain in administration. We therefore anticipate incurring a greater level of time costs in administration, than we had originally anticipated.

At this stage in the administration, we are not seeking to draw remuneration in excess of the previously approved amount of £3,170,816. However, when we seek approval to draw

remuneration in excess of the approved amount, we will ensure that the requisite disclosures are made to the relevant creditors and that the requisite approvals are obtained.

Expenses estimate

It is anticipated that the expenses to be incurred during the administration will exceed our original expenses estimate of £4,584,234 primarily due to the extended duration of the administration.

Time spent and charging policy

We have attached at Appendix 4 an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Alvarez & Marsal Europe LLP for the period of this report, together with a summary of the cumulative time costs to 23 September 2022. We have also attached our charging policy.

7 Future strategy

7.1 Future conduct of the administration

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

- continuing the collection of customer debit balances alongside our appointed collection agents, Credit Style;
- continuing to respond to queries raised by former customers of the Company;
- reconciling and paying costs in accordance with the ISA;
- once the Company's agreement with GoCardless comes to a conclusion, finalising the release of any residual cash collateral amounts detailed in section 3.1.5 and arranging for the refund of such balances to British Gas, as part of the work in connection with the TSA, and the Company respectively;
- continuing to correspond with key stakeholders and creditors, as the administration progresses;
- continuing to seek legal advice and deal with the legal claims made against the Company prior to our appointment;
- making an application to court for permission to distribute to unsecured creditors in the administration, agreeing unsecured creditors' claims and arranging for the payment of a dividend to unsecured creditors;
- discharging any outstanding costs and expenses of the administration;
- concluding our application to the Court for directions;
- should asset realisations be sufficient, making an application to court for permission to distribute to unsecured creditors in the administration, agreeing unsecured creditors' claims and arranging for the payment of a dividend to unsecured creditors;
- submitting tax, VAT and Climate Change Levy ("CCL") return, paying outstanding liabilities to HMRC as appropriate and seeking tax clearance from His Majesty's Revenue and Customs ("HMRC"), in due course; and
- once outstanding matters have been dealt with, concluding all closure related formalities, in order to bring the administration to a close. This will include consideration of an appropriate exit mechanism to make a distribution to members, in the event that there is a surplus in the estate.

7.2 Extension of the administration

The duration of the administration is restricted to 12 months from the date of commencement unless it is extended with the permission of the creditors or the Court.

During the Reporting Period, the Court granted a 24 month extension to the period of the administration.

The administration is currently due to end on 23 September 2024.

7.3 Future reporting

We will provide a further progress report within one month of 23 March 2023, or earlier, if the administration has been completed prior to that time.

Appendix 1 – Statutory information

Company information

Company name	People's Energy (Supply) Limited in administration
Date of incorporation	27 October 2015
Company registration number	09844617
Present registered office	Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW

Administration information

Administration appointment	The administration appointment granted in the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD), CR-2021-001740
Appointor	The Directors
Date of appointment	24 September 2021
Joint Administrators	Jonny Marston, Paul Berkovi and Rob Croxen
Joint Administrators' contact details:	Address: Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW Email: INS-PES@alvarezandmarsal.com
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	23 September 2024

Appendix 2 – Receipts and payments account

People's Energy (Supply) Limited (In Administration) Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 24/03/2022 To 23/09/2022 £	From 24/09/2021 To 23/09/2022 £
11,796,004.00		
ASSET REALISATIONS		
Book Debts		
Credit Style	1,598,867.86	2,662,461.61
GoCardless	5,521,173.50	5,521,173.50
Direct Receipts	174,413.51	180,091.58
Unfinalised Account Receipts	73,444.88	73,444.88
17,751,538.00	9,102,589.68	26,854,124.96
280,000,000.00	94,513,111.06	285,789,333.18
	<u>110,983,600.49</u>	<u>321,080,629.71</u>
OTHER REALISATIONS		
Bank Interest	495,691.38	503,862.76
Cash Cover for SoLR	389,115.00	389,115.00
2,500,000.00		
Collateral Lodgings – Gas	NIL	NIL
Gas supplied post SoLR date	NIL	2,122,993.00
Prepaid collateral - Electricity	75,301.06	75,301.06
Prepaid energy supplied pre SoLR date	70,222.72	70,222.72
SOLR Support Services Fees		
Operational Platform Fees	497,165.00	2,097,165.00
Sundry Refunds	85,340.78	127,534.89
Third Party Monies Received		
SOLR	39,401,192.81	39,401,192.81
Other	NIL	310,907.00
	<u>41,014,028.75</u>	<u>45,098,294.24</u>
COST OF REALISATIONS		
Administrators' Disbursements		
Pre-administration Disbursements	NIL	1,879.29
Post-appointment Administrators' Disb	5,566.07	13,049.41
Administrators' Fees		
Pre-administration Fees	NIL	281,327.50
Post-appointment Administrators' Fees	1,046,978.20	3,170,816.00
Agents/Valuers Fees/Disbursements		
Post-appointment Agents/Valuers Fe	1,400.00	1,400.00
Post-appointment Agents/Valuers Di	NIL	5,050.00
Bank Charges	26.34	58.88
Cash Cover for Merchant Acquirer	1,393,286.00	1,393,286.00
Corporation Tax	29,852,180.36	29,852,180.36
Corporation Tax Interest	230,919.39	230,919.39
Debt Collector's commission	234,928.56	450,921.22
Debt Collector's commission - direct	9,694.45	11,976.37
Intercompany recharge	138,905.90	2,477,239.77
Irrecoverable VAT	2,000.00	2,000.00
Legal Fees/Disbursements		
Pre-administration Legal Fees	46,538.50	46,538.50
Pre-administration Legal Disburseme	40.00	40.00
Post-appointment Legal Fees	607,629.63	667,437.76
Post-appointment Legal Disburseme	75,303.04	111,106.52
Merchant Acquirer Future Usage Cost		
Net	55,446.28	55,446.28
VAT	11,089.26	11,089.26
Pre Appt Account Bank Charges	NIL	178.30
Preparation of SoA	10,000.00	10,000.00
Re-direction of Mail	NIL	519.00

People's Energy (Supply) Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 24/03/2022 To 23/09/2022 £	From 24/09/2021 To 23/09/2022 £
Repayment of Third Party Monies Rec'		
SOLR	39,401,192.81	39,401,192.81
Specific Bond	NIL	200.01
Sundry Expenses	60.00	60.00
Suppliers	187,433.75	189,933.75
Unallocated charge backs	6,648.01	6,648.01
	(73,317,266.55)	(78,392,494.39)
UNSECURED CREDITORS		
Trade & Expense Creditors	NIL	NIL
	NIL	NIL
294,601,297.22	78,680,362.69	287,786,429.56
REPRESENTED BY		
BOS Current Account		60,803,942.83
Floating Charge Current		44,300,339.09
Floating VAT Payable		(845,338.16)
Floating VAT Receivable		990,019.01
Lloyds Current Account		60,803,942.83
NatWest Current Account		60,803,942.83
Santander Corporate Bonus		60,929,581.13
		287,786,429.56

Please note that funds are held in interest bearing accounts.

It has been necessary to diversify funds held between a number of bank accounts, as shown in the above receipts and payments account.

We are continuing to review the post-appointment fund management strategy, in order to minimise risk while ensuring a return on the deposits held.

Appendix 3 – Schedule of expenses

A3.1 Schedule of expenses

Schedule of expenses for the period from 24 March 2022 to 23 September 2022

Category	Incurred in a prior period but not previously disclosed (£)	Incurred in the period (£)
Bank charges	-	26
Cash cover for merchant acquirer	-	1,393,286
Corporation Tax and interest	19,933,087	10,150,013
Debt Collector's commission - Credit Style	-	244,623
ICO registration fee	-	60
Intercompany services agreement	-	256,956
Joint Administrators' post-appointment disbursements	2,252	3,439
Legal fees and disbursements – Eversheds	-	228,312
Legal fees and disbursements – WBD	-	156,506
Merchant acquirer future usage costs	-	66,536
Repayment of third party monies	-	39,401,193
Suppliers - GoCardless	48,677	22,633
Unallocated chargebacks	-	6,648
Total	19,984,015	51,930,230

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

Creditors' requests for further information

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

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

Creditors' right to challenge our remuneration and expenses

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

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

The full text of the relevant rules can be provided on request by writing to Ruth Turner at INS-PES@alvarezandmarsal.com or Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW.

Appendix 4 – Charging policy

Joint Administrators' charging policy

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

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

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 (£/hour) for: Restructuring

Grade	From 24 September 2021	From 28 March 2022
Managing Director	985	1,150
Senior Director	935	1,030
Director	865	950
Associate Director	690	760
Senior Associate	595	655
Associate	450	495
Analyst	255	280
Support	190	210

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.

A copy of "Administration: A Guide for Creditors on Insolvency Practitioner Fees" from SIP 9 produced by the Association of Business Recovery Professionals is available via the Portal.

If you are unable to access this guide and would like a copy, please contact Ruth Turner at INS-PES@alvarezandmarsal.com or Suite 3, Regency House, 91 Western Road, Brighton BN1 2NW.

Policy for the recovery of disbursements

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

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

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

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

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

Disbursements falling within category 1 expenses:

Nature of disbursement	Amounts incurred in the previous period (£)	Amounts incurred in the Reporting Period (£)	Amounts paid in the Reporting Period (£)
Air fares	214.50	-	-
Call centre costs	6,803.07*	2,897.94	4,930.73
Business research costs	13.20	-	-
Change of registered office fee	41.67	-	-
Courier costs	-	6.85	-
Hotel costs	686.36	-	-
Postage & mail scanning	514.57	48.92	55.77
Public relations costs	218.75*	-	218.75
Subsistence	215.88	-	-
Taxi fares	157.24	-	-
Statutory advertising	99.90	-	-
Rail fares	590.90	-	-
IT system costs	-	485.00	360.82
Total	9,556.04	3,438.71	5,566.07

** The total disbursements incurred and disclosed in the period covered by the previous report were understated by £2,251.54 due to a delay in the receipt of invoices relating to these categories.*

Disbursements falling within category 2 expenses:

We have not incurred or paid any disbursements falling within category 2 expenses during the period covered by this report.

Our time cost summary in accordance with SIP 9

Please refer to the tables below for a detailed breakdown and narrative of our time costs to 23 September 2022 in accordance with SIP 9.

Classification of work function	Total hours	Total time cost (£)	Average hourly rate (£)
Engagement control	110.80	71,391.50	644.33
Appointment and risk	46.17	32,357.60	700.84
Reports, decision making and remuneration	160.65	92,143.00	573.56
Correspondence and statutory filing	450.40	197,898.75	439.38
Investigations	8.50	6,064.50	713.47
Asset realisations	865.85	577,185.50	666.61
Costs of realisation	23.90	13,824.00	578.41
Tax	180.30	100,737.05	558.72
Cashiering	55.60	38,911.00	699.84
Claims and distributions	100.70	95,224.50	945.63
Exit routes and closure	17.40	18,150.00	1,043.10
Total	2,020.27	1,243,887.40	615.70
Brought forward time (24 September 2021 to 23 March 2022)*	3,444.56	2,180,821.60	633.12
Carried forward time (24 September 2021 to 23 September 2022)	5,464.83	3,424,709.00	626.68

** A total of £6,192.30 in time costs were incurred in the previous reporting period however were charged to the administration in the Reporting Period. This has resulted in our brought forward time costs of £2,174,481.55 being £6,192.30 higher than the amount disclosed in our previous progress report.*

SIP 9 narrative for the period from 24 March 2022 to 23 September 2022

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Engagement control	<ul style="list-style-type: none"> Monitoring and reviewing the administration strategy Briefing our staff on the administration strategy and matters in relation to various work-streams Regular case management and reviewing of process, including regular team update meetings and calls Reviewing and authorising junior staff correspondence and other work Dealing with queries arising during the appointment Reviewing matters affecting the outcome of the administration Allocating and managing staff/case resourcing and budgeting exercises and reviews Liaising with legal advisers regarding the various instructions Complying with internal filing and information recording practices, including documenting strategy decisions 	<p>To ensure appropriate oversight, decision making and overall control of the administration.</p> <p>This will ensure the case is progressed efficiently, maximising realisations and minimising costs.</p>	No direct financial benefit.
Appointment & risk	<ul style="list-style-type: none"> Collating initial information to enable us to carry out our statutory duties, including creditor information and details of assets Complying with our statutory requirements 	To comply with statutory requirements and to ensure the administration is managed efficiently and effectively.	No direct financial benefit.
Reports, decision making & remuneration	<ul style="list-style-type: none"> Preparing statutory receipts and payments accounts Drafting and publishing our first progress report Obtaining court order for a 24 month extension of the administration Ensuring compliance with all statutory obligations within the relevant timescales Reviewing our fees estimate Reviewing our expenses estimate Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9 	To comply with statutory requirements and to ensure creditors are informed of progress of the administration.	No direct financial benefit.

SIP 9 narrative for the period from 24 March 2022 to 23 September 2022

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Correspondence & statutory filing	<ul style="list-style-type: none"> ▪ Uploading information to the Portal ▪ Providing statutory notifications to the Registrar of Companies, creditors and other stakeholders ▪ Dealing with queries received from creditors of the Company ▪ Dealing with a high level of customer queries, ensuring customers are directed to the appropriate customer service team or to the SoLR ▪ Dealing with other stakeholders' queries 	To comply with statutory requirements and to ensure creditors are informed of progress of the administration.	No direct financial benefit.
Investigations	<ul style="list-style-type: none"> ▪ Reviewing pre-appointment transactions ▪ Finalising the submission of the statutory conduct report and submitting to the relevant authority 	To comply with statutory requirements and to pursue any potential asset recoveries for the estate.	Maximising asset realisations which may increase dividend prospects for the Company's creditors.
Asset realisations	<ul style="list-style-type: none"> ▪ Collating information from the Company's records regarding assets ▪ Reviewing outstanding debtors and overseeing management of debt collection strategy ▪ Seeking legal advice in relation to book debt collections ▪ Liaising with Credit Style regarding debtor recoveries ▪ Reviewing the intercompany creditor position between the Company and PEC ▪ Reviewing the Company's leasehold property, including review of leases ▪ Communicating with landlords regarding rent, property occupation and other issues ▪ Finalising the closure of the Company's hedged power and gas position ▪ Concluding the final billing strategy for Live Customers ▪ Monitoring the business infrastructure costs necessary for the delivery of the administration strategy ▪ Liaising with suppliers regarding collateral and pre-paid balances posted by the Company prior to appointment ▪ Undertaking a detailed reconciliation of the customer receipts collected by GoCardless prior to appointment ▪ Undertaking a detailed reconciliation of the customer receipts collected by GoCardless following our appointment 	<p>To identify, secure and realise the value of the Company's assets.</p> <p>To realise the value of the Company's assets and provide the relevant information to British Gas.</p> <p>To ensure a smooth transition of the Company's customers under the SoLR transfer process.</p>	Maximising asset realisations and minimising potential liabilities may increase the dividend prospects for creditors.

SIP 9 narrative for the period from 24 March 2022 to 23 September 2022

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
	<ul style="list-style-type: none"> Allocating funds collected by GoCardless to customers' accounts Arranging for the transfer of post-appointment credit balance receipts to British Gas, as appropriate Ongoing work in connection with the operation of the TSA 		
Costs of realisation	<ul style="list-style-type: none"> Liaising with third parties regarding costs incurred Reviewing costs incurred to ensure recorded accurately Arranging payment of the costs in a timely manner as and when funds allow Arranging the payment of costs recharged to the Company by PEC, under the terms of the ISA Attending to supplier queries and correspondence 	To settle costs of third parties who have facilitated the realisation of the Company's assets and mitigation of the administration costs/liabilities, including suppliers required to implement the TSA.	Minimising the costs/liabilities of the administration may increase the dividend prospects for creditors.
Tax	<ul style="list-style-type: none"> Gathering information from the Company's records in relation to the taxation position of the Company; Submitting relevant notifications to HM Revenue and Customs 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 on tax returns relating to the periods affected by the administration Analysing VAT related transactions Dealing with post appointment tax compliance and making tax payments to HMRC 	To comply with statutory requirements and ensure mitigation of the tax liabilities/expenses of the administration.	<p>Minimising the costs/liabilities of the administration may increase the dividend prospects for creditors.</p> <p>Where there are potential tax assets, maximising such asset realisations may increase the dividend prospects for creditors.</p>
Cashiering	<ul style="list-style-type: none"> 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 	Minimising the costs/liabilities of the administration may increase the dividend prospects for creditors.	Receipt of bank interest maximises asset realisations which may increase the dividend prospects for creditors.

SIP 9 narrative for the period from 24 March 2022 to 23 September 2022

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
	<ul style="list-style-type: none"> Continuing to review the funds management strategy, in order to minimise risk while ensuring a return on the deposits held 		
Claims & distributions	<ul style="list-style-type: none"> Reviewing and updating the list of unsecured creditors Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records Responding to creditors regarding queries about the administration and their claims Liaising with our legal advisors and the Company's pre-appointment advisors regarding the pre-appointment legal claims received Formulating a strategy in regards to the pre-appointment legal claims and ensuring appropriate systems have been put in place, to manage the claims Applying to Court for directions in relation to potential claims in the estate 	<p>To comply with statutory requirements.</p> <p>To ensure that creditors are informed of the progress of the administration.</p> <p>To advise creditors of the progress of their claims.</p>	Ensuring creditor records are kept up to date, claims are agreed at the correct value and funds are distributed accurately to the relevant creditors (where appropriate).
Exit routes & closure	<ul style="list-style-type: none"> Assessing the potential exit routes in light of the potential outcome to creditors Considering the potential routes alongside our legal advisers, Eversheds 	To comply with statute and assess the strategy to maximise creditor returns.	Depending on the outcome of the administration, staying in administration may potentially increase the return to unsecured creditors.

Appendix 5 – Glossary

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 (England and Wales) Rules 2016 respectively.

Defined Terms	Definition
A&M	Alvarez & Marsal Europe LLP
Adetiq	Adetiq Limited
BP	BP Gas Marketing Limited
British Gas	British Gas Trading Limited, the SoLR to the Company's former customers
CCL	Climate change levy
Closed Account Customers	Former customers of the Company, who had not settled their accounts in full as at the date of appointment
Company	People's Energy (Supply) Limited – in administration
Credit Style	Credit Style Ltd
Credit Balance Agreement	A letter agreement entered into with British Gas in May 2022, governing the transfer of post-appointment customer credit balance receipts to British Gas
CVL	Creditors Voluntary Liquidation
Directors of the Company	David Pike and Karin Sode
Eversheds/Solicitors	Eversheds Sutherland (International) LLP
GoCardless	GoCardless Ltd
HMRC	His Majesty's Revenue & Customs
ISA	Intercompany Services Agreement between PEC and the Company which ensures that the Company covers the costs incurred by PEC for the benefit of the Company in full
Joint Administrators/we/our/us	Jonny Marston, Paul Bervoki and Rob Croxen
Live Customers	Existing customers at the SoLR date
Ofgem	Office of Gas and Electricity Markets
PEC	The People's Energy Company Limited – in administration
Reporting Period	24 March 2022 to 23 September 2022
SIPs	Statements of insolvency practice
SIP 9	Payments to insolvency office holders and their associates from an estate
SoLR	Supplier of Last Resort
SoLR date	19 September 2021, the date that the Company's customers were transferred to British Gas
TSA	Transitional Service Agreement with British Gas
WBD	Womble Bond Dickinson (UK) LLP

Appendix 6 – Notice: About this progress report

This progress report has been prepared by Jonny Marston, Rob Croxen and Paul Berkovi, the Joint Administrators of People's Energy (Supply) Limited ('the Company'), solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

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

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

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

Jonny Marston, Rob Croxen and Paul Berkovi are authorised to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales.

We are bound by the Insolvency Code of Ethics.

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