



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

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

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 0	^m 4	^y 2	^y 0	^y 2	^y 3
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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**

**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 the form.

**Important information**

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

**Where to send**

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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

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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. ❶
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

❶ 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' third progress report

For the period from 24 September 2022 to 23 March 2023

21 April 2023

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1 Executive summary

- This progress report covers the period from 24 September 2022 to 23 March 2023.
- During the period our work has focussed on realising the Company's remaining assets, including the cash collateral lodged with suppliers prior to our appointment and the outstanding customer debtor book (Section 3 – Strategy and progress of the administration to date).
- There are a number of outstanding matters in the Company's administration, notably the legal claims referenced in section 3.1.5, which means that the level of unsecured claims in the Company's estate continues to remain uncertain. Despite this uncertainty, we anticipate there will be sufficient funds in the administration to enable us to make a distribution to the Company's unsecured creditors (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. We are not aware of any further secured claims against the Company (Section 4 – Dividend prospects).
- We are not aware of any preferential claims against the Company (Section 4 – Dividend prospects).
- Based on current estimates, we believe that unsecured creditors will receive a material dividend. We have yet to determine the quantum and timing of this due to the uncertainty surrounding the ongoing legal claims detailed in section 3.1.5 of this report, which may have a direct impact on the level of funds available for distribution to unsecured creditors (Section 4 – Dividend prospects).
- Please note you should read this progress report in conjunction with our previous progress reports 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 Trading Limited (“British Gas”) under the Office of Gas and Electricity Market’s (“Ofgem”) Supplier of Last Resort (“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 reports.

3.1 Strategy

During the period our work has focussed on realising the Company's remaining assets, including the outstanding customer debtor book, cash collateral lodged with suppliers prior to our appointment and settling the outstanding costs of the administration.

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

3.1.1 Pre-payments and collateral lodgings

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

During the period, we have successfully recovered pre-payments totalling £1,714,300. We are continuing to liaise with pre-paid suppliers, in order to determine whether there are any further unused pre-payment balances that are owed to the Company.

3.1.2 Merchant Acquirer – cash collateral

In order to release the customer monies held by the Company's former merchant acquirer, GoCardless Limited ("GoCardless"), and facilitate the ongoing use of GoCardless' systems, the Company lodged cash collateral of £1,393,286 with GoCardless in a prior period of the administration.

To reduce the Company's cash collateral risk with GoCardless, British Gas 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.

Given the level of chargebacks on the Company's GoCardless facility, the cash cover of £1,393,286 lodged with GoCardless has been refunded in full during the period. Having received this refund, we will account to British Gas for the balance of its £389,115 in cash cover, once any outstanding adjustments have been applied.

3.1.3 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").

We have continued to engage Credit Style to collect these residual debit balances with gross customer debt collections totalling £386,877 in the period. 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.

3.1.4 Intercompany Services Agreement (“ISA”)

As detailed in our previous report, an ISA was agreed between the Company and The People’s Energy Company Ltd – in administration (“PEC”) to allow PEC to recover the costs of services it provided to the Company in full, plus a 10% uplift to reflect a commercial contribution for the work PEC has undertaken on the Company’s behalf.

No further amounts have been recharged under the ISA during the period but the ISA position is being reconciled and a further recharge will take place in the forthcoming period.

3.1.5 Legal claims

As detailed in our previous progress reports, a number of legal claims have been made against the Company since and prior to our appointment. We are currently working with our legal advisers in relation to these claims.

Given the nature and complexity 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.

We will provide creditors with further details on these legal actions when it is appropriate to do so.

3.1.6 Unsecured creditors

As detailed in our previous report, there may be the potential for the Company to discharge its creditors in full.

However, there are a number of outstanding matters in the Company’s administration, notably the legal claims referenced in section 3.1.5 above, which means that the level of unsecured claims in the Company’s estate continues to remain uncertain, at this stage.

Despite this uncertainty, we anticipate there will be sufficient funds in the administration to enable us to make a distribution to the Company’s unsecured creditors.

We are therefore taking steps to agree the claims of the Company’s unsecured creditors and encourage creditors to submit their final proof of debts on our creditor portal (www.ips-docs.com) if they have not already done so.

3.1.7 Corporation Tax

As detailed in our previous progress reports, the Company’s hedging position was closed out in January 2022, which in turn created a material corporation tax liability of approximately £40,000,000.

A final payment on account of £9,639,204 was made to His Majesty’s Revenue and Customs (“HMRC”) in the period, settling this corporation tax liability in full.

Corporation Tax interest

As set out in our last report, we have sought detailed advice from A&M’s tax specialists in order to deal with the tax liability in the most efficient manner possible and in accordance with the relevant tax rules.

The strategy agreed with A&M’s tax specialists, which is considered to be the most beneficial for the estate, resulted in us accruing interest on payments on account that were made after their due date.

A total of £352,546 in corporation tax interest has been incurred on these late payments, of which £121,627 was paid to HMRC in the period. However, we believe the strategy for

dealing with the tax liability was the most effective for the estate overall as the interest charges that have been paid have been significantly outweighed by the benefit of the tax reliefs, that our strategy has enabled us to utilise.

3.1.8 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.

3.1.9 Court directions application

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

We sought guidance on these claims by way of a directions application. The directions application was heard during the period and has provided clarity on the claims that can be submitted into the estate.

As part of the hearing, a costs order was made against the Company (and other applicants) for certain legal advisers' fees. This included the legal fees of Freshfields Bruckhaus Deringer LLP ("Freshfields") detailed at Appendix 3.

Please refer to our previous progress reports for further information in relation to the directions application.

3.2 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.

Bank interest

In the period we have received a total of £1,439,715 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.

Book debts – Credit Style

As detailed in section 3.1.3, 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 £386,877 have been collected by Credit Style in the 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.

Pre-paid collateral – Electricity

As detailed in section 3.1.1, the Company made a number of pre-payments and posted various collateral lodgings with its suppliers prior to appointment.

We have successfully recovered pre-payments totalling £1,714,300 in the period.

Refund of cash cover – Merchant Acquirer

As detailed in section 3.1.2, given the low level of chargebacks on the Company's GoCardless facility, the cash cover of £1,393,286 lodged with GoCardless has been refunded in full during the period.

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 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.

Corporation Tax

As detailed in section 3.1.7, corporation tax instalments and interest totalling £9,760,831 have been paid to HMRC in the period.

Legal fees and disbursements

As per the attached receipts and payments account, legal fees totalling £346,269 have been paid in the period, as detailed below:

- *Post-appointment legal fees – Eversheds Sutherland (International) LLP (“Eversheds”)*
A total of £165,839 has been paid to Eversheds in the period, for its ongoing post-appointment legal advice and assistance.
- *Post-appointment legal fees - Womble Bond Dickinson (UK) LLP (“WBD”):*
A total of £180,431 has been paid to WBD in the 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 collection agents' commission

During the period, payments totalling £88,408 have been made to Credit Style, based on the customer book debt collections in the period. We anticipate making further payments to Credit Style, as the collection of customer book debts continues.

3.4 Schedule of expenses

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

A summary of the most significant expense incurred in the period that has not yet been paid is provided below.

Legal fees and disbursements – Eversheds

Legal fees of £306,202 have been incurred in the period by Eversheds, for its ongoing legal advice and assistance. Of this sum, a total of £291,812 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.

4 Dividend prospects

4.1 Secured creditors

As previously reported, BP's secured charge was fully satisfied in the first 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 believe that unsecured creditors will receive a material dividend. We have yet to determine the quantum and timing of this due to the uncertainty surrounding the ongoing legal claims detailed in section 3.1.5 of this report, which may have a direct impact on the level of funds available for distribution to unsecured creditors.

While the final level of unsecured claims in both the Company's and PEC's administrations remains uncertain, we anticipate there will be sufficient funds in the administration to enable us to make a distribution to the Company's unsecured creditors.

We are therefore taking steps to agree the claims of the Company's unsecured creditors and encourage creditors to submit their final claims on our creditor portal (www.ips-docs.com) if they have not already done so.

5 Joint Administrators' remuneration and category 2 expenses

5.1 Joint Administrators' remuneration and category 2 expenses

5.1.1 Basis of remuneration and category 2 expenses

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

- our remuneration will be drawn by reference to the work reasonably undertaken by us and the various grades of our staff in attending to matters arising in the administration, in accordance with the 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 outlays and disbursements paid directly by A&M and charged in accordance with our charging policy as set out in Appendix 4; and
- unpaid pre-administration costs will be paid as an expense of the estate.

We have previously estimated that the total amount of remuneration to be paid from the estate will be £3,170,816, in addition to our pre-administration fees of £283,198.

Given the outstanding matters outlined in section 3, the total remuneration to be paid from the estate has exceeded this figure, however we are unable to update the estimate at this stage due to the various uncertainties.

We will provide a further update to creditors in our next progress report and should we wish to draw additional remuneration in excess of the fees estimate, we will make the necessary disclosures and seek the appropriate approval.

5.1.2 Time costs

During the period we have incurred time costs of £658,173. These represent 994 hours at an average rate of £662 per hour.

5.1.3 Additional information

Fees estimate

Our fees estimate of £3,170,816 has been exceeded because at the time of preparing the original fees estimate, we had anticipated the Company being placed into Creditor's Voluntary Liquidation within 12 months. However, as detailed in our previous progress report, 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 expected.

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

Should we wish to seek approval to draw remuneration in excess of £3,170,816, we will ensure that the requisite disclosures are made to the relevant creditors and that the requisite approvals are obtained.

Expenses estimate

The expenses incurred during the administration have exceeded our original expenses estimate of £4,584,234, primarily due to an increase in the following expenses:

- *Cash cover for merchant acquirer:* The GoCardless cash cover was not previously included in our original expenses estimate, as the cash collateral figure was agreed subsequent to it being issued. As detailed in section 3, the cash cover has since been refunded to the Company in full during the period.
- *Corporation Tax and interest:* Corporation tax and interest were not previously included in our original expenses estimate as the associated tax calculations were completed subsequent to it being issued.
- *Debt collection agents' commission:* Debt collection agents' commission was not previously included in our original expenses estimate as the debt collection strategy was finalised subsequent to it being issued. As detailed in section 3, the collection of customer book debts remains ongoing and we will therefore incur additional commission as this process continues.
- *Legal fees and disbursements:* We have exceeded the legal fees and disbursements included in our original expenses estimate, primarily due to:
 - the Court directions application, further details of which are provided in our previous progress reports and section of this report; and
 - the legal claims referred to in section 3 of this progress report.

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

- *Repayment of third party monies:* The repayment of third party funds was not included in our original expenses estimate, given the level of third party monies that would be received in the administration was not known at the time
- *Suppliers:* Supplier costs have exceeded our original fees estimate, primarily due to the additional costs incurred in maintaining the Company's GoCardless facility.

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 March 2023. We have also attached our charging policy.

6 Future strategy

6.1 Future conduct of the administration

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

- 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;
- finalising the release of any residual cash collateral amounts to British Gas, as detailed in section 3.1.3;
- continuing to correspond with key stakeholders and creditors, as the administration progresses;
- continuing to liaise with our legal advisors to develop a strategy to deal with the pre-appointment legal claims, ensuring that appropriate systems are in place, to manage the claims;
- 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;
- submitting tax, VAT and Climate Change Levy ("CCL") returns, paying outstanding liabilities to HMRC as appropriate and seeking tax clearance from 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.

6.2 Future reporting

We will provide a further progress report within one month of 23 September 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 Tel: +44 (0) 20 7715 5200 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 24/09/2022 To 23/03/2023 £	From 24/09/2021 To 23/03/2023 £
	ASSET REALISATIONS		
280,000,000.00	Hedge realisation	NIL	285,789,333.18
11,796,004.00	Book Debts		
	Credit Style	386,876.61	3,049,338.22
	GoCardless	NIL	5,521,173.50
	Direct Receipts	13.50	180,105.08
	Unfinalised Account Receipts	NIL	73,444.88
17,751,538.00	Cash at Bank	NIL	26,854,124.96
		386,890.11	321,467,519.82
	OTHER REALISATIONS		
	SOLR Support Services Fees		
	Operational Platform Fees	NIL	2,097,165.00
	Bank Interest	1,439,714.99	1,943,577.75
	Prepaid energy supplied pre SoLR dat	62,385.51	132,608.23
	Sundry Refunds	25,188.95	152,723.84
	Refund of Cash Cover - Merchant Acq	1,393,286.00	1,393,286.00
	Refund of Merchant Acq Future Usage	39,550.74	39,550.74
	Third Party Monies Received		
	SOLR	NIL	39,401,192.81
	Customers	594.93	594.93
	Other	NIL	310,907.00
	Gas supplied post SoLR date	NIL	2,122,993.00
2,500,000.00	Collateral Lodgings – Gas	NIL	NIL
	Cash Cover for SoLR	NIL	389,115.00
	Prepaid collateral - Electricity	1,714,299.98	1,789,601.04
		4,675,021.10	49,773,315.34
	COST OF REALISATIONS		
	Repayment of Third Party Monies Rec'		
	SOLR	NIL	39,401,192.81
	Customers	548.78	548.78
	Suppliers	NIL	212,420.76
	Debt Collector's commission	87,240.06	538,161.28
	Debt Collector's commission - direct	1,167.74	13,144.11
	Cash Cover for Merchant Acquirer	NIL	1,393,286.00
	Merchant Acquirer Future Usage Cost		
	Net	NIL	32,959.27
	VAT	NIL	6,591.47
	Pre Appt Account Bank Charges	NIL	178.30
	Specific Bond	NIL	200.01
	Preparation of SoA	NIL	10,000.00
	Unallocated charge backs	NIL	6,648.01
	Administrators' Fees		
	Pre-administration Fees	NIL	281,327.50
	Post-appointment Administrators' Fees	NIL	3,170,816.00
	Administrators' Disbursements		
	Pre-administration Disbursements	NIL	1,879.29
	Post-appointment Administrators' Disb	NIL	13,049.41
	Sundry Expenses	NIL	60.00
	Agents/Valuers Fees/Disbursements		
	Post-appointment Agents/Valuers Fe	NIL	1,400.00
	Post-appointment Agents/Valuers Di	NIL	5,050.00
	Legal Fees/Disbursements		
	Pre-administration Legal Fees	NIL	46,538.50

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

Statement of Affairs £	From 24/09/2022 To 23/03/2023 £	From 24/09/2021 To 23/03/2023 £
Pre-administration Legal Disburseme	NIL	40.00
Post-appointment Legal Fees	228,745.37	896,183.13
Post-appointment Legal Disburseme	117,523.84	228,630.36
Corporation Tax Interest	121,626.60	352,545.99
Corporation Tax	9,639,203.93	39,491,384.29
Irrecoverable VAT	NIL	2,000.00
Re-direction of Mail	NIL	519.00
Intercompany recharge	NIL	2,477,239.77
Bank Charges	48.60	107.48
	(10,196,104.92)	(88,584,101.52)
UNSECURED CREDITORS		
(17,446,244.78) Trade & Expense Creditors	NIL	NIL
	NIL	NIL
294,601,297.22	(5,134,193.71)	282,656,733.64
REPRESENTED BY		
Floating VAT Receivable		1,081,337.16
Floating Charge Current		15,396,547.08
Floating Money Market-Natwest FTD-3		53,429,955.71
Floating Money Market-Barclays FTD-		53,293,000.00
Floating Money Market-Santander FTD		53,293,000.00
Floating Money Market-Lloyds FTD-3		53,293,000.00
Floating Money Market-BOS FTD-3 Mt		53,293,000.00
Lloyds Current Account		78,247.93
BOS Current Account		78,241.10
Santander Corporate Bonus		217,059.14
NatWest Current Account		71,054.03
Floating VAT Payable		(867,708.51)
		282,656,733.64

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 September 2022 to 23 March 2023

Category	Incurred in a prior period but not previously disclosed (£)	Incurred in the period (£)
Bank charges	-	48.60
Corporation Tax and interest	-	9,760,830.53
Debt Collector's commission - Credit Style	-	88,407.80
Joint Administrators' post-appointment disbursements	-	3,144.80
Legal fees and disbursements – Eversheds	-	306,201.56
Legal fees and disbursements – Freshfields *	-	47,226.94
Legal fees and disbursements – WBD	-	147,377.47
Repayment of third party monies	-	548.78
Suppliers - GoCardless	22,487.01	-
Total	22,487.01	10,353,786.48

* Please see section 3 for further details regarding the legal fees incurred by Freshfields.

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 period (£)	Amounts paid in the period (£)
Call centre costs	2,897.94	10.00	-
Courier costs	6.85	-	-
IT system costs *	613.71	508.14	-
Postage & mail scanning *	49.77	226.66	-
Public relations costs	-	2,400.00	-
Rail fares	-	194.39	-
Total	3,568.27	3,339.19	-

** The total disbursements incurred and disclosed in the period covered by the previous report were understated by £130 due to a delay in the receipt of invoices relating to these categories.*

Disbursements falling within category 2 expenses:

No disbursements falling within category 2 expenses have been incurred or paid during the period.

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 March 2023 in accordance with SIP 9.

People's Energy (Supply) Limited in administration
Time costs for the period 24 September 2022 to 23 March 2023

Classification of work function	Total hours	Total time cost (£)	Average hourly rate (£)
Engagement control	64.35	47,193.50	733.39
Appointment and risk	10.65	5,351.50	502.49
Reports, decision making and remuneration	87.50	44,996.00	514.24
Correspondence and statutory filing	148.30	87,315.50	588.78
Asset realisations	142.00	80,642.00	567.90
Costs of realisation	8.90	5,216.00	586.07
Tax	125.60	71,092.25	566.02
Cashiering	74.80	38,989.00	521.24
Employees and pensions	3.25	2,470.00	760.00
Claims and distributions	314.05	259,572.50	826.53
Exit routes and closure	15.00	15,334.50	1,022.30
Total	994.40	658,172.75	661.88
Brought forward time (24 September 2021 to 23 September 2022)*	5,473.03	3,429,979.00	626.71
Carried forward time (24 September 2021 to 23 March 2023)	6,467.43	4,088,151.75	632.11

** A total of £5,270 in time costs were incurred in the previous period however were charged to the administration in this period. This has resulted in our brought forward time costs of £3,429,979 being £5,270 higher than the amount disclosed in our previous progress report.*

SIP 9 narrative for the period from 24 September 2022 to 23 March 2023

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 Meeting with management to review and update strategy and monitor progress Reviewing and authorising junior staff correspondence and other work Dealing with queries arising during the appointment Reviewing matters affecting the outcome of the administration Allocating and managing staff/case resourcing and budgeting exercises and reviews Liaising with legal advisers regarding the various instructions 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 information to enable us to carry out our statutory duties, including creditor information and details of assets Complying with 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 progress reports Ensuring compliance with all statutory obligations within the relevant timescales Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9 Reviewing the fees estimate Reviewing the expenses estimate 	To comply with statutory requirements and to ensure creditors are informed of progress of the administration	No direct financial benefit
Correspondence & statutory filing	<ul style="list-style-type: none"> Uploading information to the Portal Providing statutory notifications of our appointment and ongoing matters to the Registrar of Companies, creditors and other stakeholders Dealing with queries received from creditors of the Company 	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 September 2022 to 23 March 2023

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Asset realisations	<ul style="list-style-type: none"> 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 		
	<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 and responding to queries raised by debit balance customers Reviewing the intercompany creditor position between the Company and PEC Liaising with suppliers regarding collateral and pre-paid balances posted by the Company prior to appointment Reconciling the cash cover position with GoCardless and British Gas Ongoing work in connection with the operation of the transitional service agreement with British Gas ("TSA") 	<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>	<p>Maximising asset realisations and minimising potential liabilities may increase the dividend prospects for creditors.</p>
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 	<p>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</p>	<p>Minimising the costs/liabilities of the administration may increase the dividend prospects for creditors</p>
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 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 	<p>To comply with statutory requirements and ensure mitigation of the tax liabilities/expenses of the administration</p>	<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>

SIP 9 narrative for the period from 24 September 2022 to 23 March 2023

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Cashiering	<ul style="list-style-type: none"> ▪ Liaising with A&M's tax specialists in order to ensure that any tax due in connection with the hedging realisation has been dealt with in the most efficient manner possible and in accordance with the relevant tax rules ▪ Preparing and processing vouchers for the payment of post-appointment invoices ▪ Creating remittances and sending payments to settle post-appointment invoices ▪ Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employees' banks ▪ Reviewing and processing employee expense requests ▪ Reconciling post-appointment bank accounts to internal systems ▪ Ensuring compliance with appropriate risk management procedures in respect of receipts and payments ▪ Continuing to review the funds management strategy, in order to minimise risk while ensuring a return on the deposits held 	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
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 ▪ Applying to Court for directions in relation to potential claims in the estate ▪ Liaising with our legal advisers and the Company's pre-appointment advisers regarding the pre-appointment legal claims received ▪ Formulating a strategy to deal with the pre-appointment legal claims and ensuring appropriate systems have been put in place, to manage the claims ▪ As detailed in section 3, due to the complexity of the claims this has been a time intensive workstream. However, given the nature of the claims, we are unable 	<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)

SIP 9 narrative for the period from 24 September 2022 to 23 March 2023

Type of work	Narrative description of work	Why was/is this work necessary?	What, if any, financial benefit will the work provide to creditors?
Exit routes & closure	to provide any detailed analysis of the work undertaken, at this juncture	To comply with statute	No direct financial benefit
	<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		

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	David Pike and Karin Sode
Eversheds/Solicitors	Eversheds Sutherland (International) LLP
Freshfields	Freshfields Bruckhaus Deringer LLP
GoCardless	GoCardless Ltd
HMRC	His Majesty's Revenue & Customs
ICO	Information Commissioner's Office
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	The Office of Gas and Electricity Market
PEC	The People's Energy Company Limited – in administration
Period	24 September 2022 to 23 March 2023
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, Paul Berkovi and Rob Croxen, 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, Paul Berkovi and Rob Croxen are authorised to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales.

We are bound by the Insolvency Code of Ethics.

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