

AM25

Notice of court order ending administration



Companies House

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

1 Company details

Company number 06993060

Company name in full
Genergy Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)
Nicholas

Surname
Stratten

3 Administrator's address

Building name/number
58

Street
Leman Street

Post town
London

County/Region

Postcode
E18EU

Country

4 Administrator's name ①

Full forename(s)
Hasib

Surname
Howlader

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number
58

Street
Leman Street

Post town
London

County/Region

Postcode
E18EU

Country

② Other administrator

Use this section to tell us about
another administrator.

AM25

Notice of court order ending administration

6 Administration end date

End date

7 Date of court order

Court order date

8 Attachments

- ☒ I have attached a copy of the court order
- ☒ I have attached a copy of the final progress report

9 Sign and date

Administrator's
signature

Signature

X



X

Signature date

**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 Ellie Knapp

Company name Hudson Weir

Address 58 Leman Street

Post town London

County/Region

Postcode E 1 8 E U

Country ellie@hudsonweir.co.uk

DX

Telephone 020 7099 6086

**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 all the required documents.
- ☐ You have signed the form.

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

Joint Administrators' Final Progress Report relating to
Gnergy Limited ("the Company") – In Administration

Energy Limited – In Administration
Formerly Lumen Energy Supply Limited

Final date: 17 March 2023

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EXECUTIVE SUMMARY

Please note that this report should be read in conjunction with the Joint Administrators' Proposals and the Joint Administrators' previous progress reports to creditors, copies of which are available upon request.

Asset realisations

Asset	Estimated to realise per Statement of Affairs (£)	Realisations to date (£)	Anticipated future realisations (£)	Total anticipated realisations (£)
Book Debts	800,000	1,313,217	5,000	1,318,217
Cash at Bank	139,212	135,496	Nil	135,496
Furniture and Equipment	3,000	Nil	Nil	Nil
Pre-Appointment Solicitors Client Account	-	1,941	Nil	1,941
Sundry Refunds	-	5,730	Nil	5,730
VAT Refund	20,000	25,752	Nil	25,752
Bad Debt Relief Claim	-	Nil	40,000	40,000
Preference Settlement	-	32,000	Nil	32,000
Total	962,212	1,514,136	45,000	1,559,136

Expenses

Expense	Estimated per Proposal's Expenses Estimate (£)	Expense paid to date (£)	Anticipated further expense to closure (£)	Total anticipated expense (£)
Pre-Administration Legal Fees	26,403	26,403	Nil	26,403
Pre-Appointment Administration Fees	19,463	19,463	Nil	19,463
Joint Administrators' Remuneration**	254,279	238,137	16,138	254,275
Legal Fees and Disbursements	10,000	55,859	14,749	70,608
Agent's and Valuers	500	4,369	Nil	4,369
Book Debt Collection Fees	98,344	82,661	800	83,461
Book Debt Collection Disbursements	-	57,003	250	57,253
ERA Specialists	15,000	5,010	500	5,510
Accounting Fees	1,000	330	Nil	330
Statutory Advertising	250	83	167	250
Bonding	465	654	450	1,104
Document Storage	500	1,191	800	1,991
Insurance	500	1,094	Nil	1,094
Stationery and Postage	-	1,602	700	2,302
Travel Costs	-	89	Nil	89
Reapportionment to Bulb	-	156,288	Nil	156,288
Wages and Salaries	-	51,179	Nil	51,179
PAYE and NI	-	12,271	Nil	12,271
Post-Appointment Pension Contributions	-	2,391	Nil	2,391
Website Hosts	-	1,000	Nil	1,000
IT Support Costs	-	50,499	Nil	50,499
Rents Payable	-	9,300	Nil	9,300
Prepayments	-	201	Nil	201
Customer Refunds	-	935	400	1,058
Direct Debit Transactional Costs	-	7,601	Nil	7,601
Sundry Costs	-	-	2,000	2,000
Total	426,704	785,613	36,954	821,840

**This sum reflects the increased fees estimate approved by creditors on 10 May 2022

N.B. Anticipated future realisations and anticipated further expenditure will be within the Liquidation.

Dividend prospects

Creditor class	Distribution / dividend paid to date	Previously anticipated distribution / dividend, based upon the above
Secured creditor	£530,000 paid in total:- £400,000 on 21.01.21, £100,000 on 15.03.21 £30,000 on 30.05.22 Representing 81.38p in £	89p in the £
Preferential creditors	£15,733 paid in total:- £7,634 on 07.12.20 £8,100 on 04.03.22 Representing 100p in £	100p in the £
Unsecured creditors under the Prescribed Part	£100,000 in total paid 12.04.21 Representing 5.66p in £	7p in the £

STATUTORY INFORMATION

Company name:	Gnergy Limited
Court name and reference	High Court of Justice 002036 of 2020
Company number:	06993060
Trading address:	119 Wren Way, Farnborough, GU14 8TA
Registered office:	Third Floor, 112 Clerkenwell Road, London, EC1M 5SA
Former registered office:	119 Wren Way, Farnborough, GU14 8TA
Principal trading activity:	Trade of electricity
Joint Administrators' names:	Nicholas Andrew Stratten and Hasib Howlader
Joint Administrators' address:	Third Floor 112 Clerkenwell Road London EC1M 5SA
Date of appointment	27 March 2020
Appointment made by:	Board of Directors
Actions of Administrators	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

On 14 January 2021, the secured (and preferential) creditors agreed to extend the Administration of the Company for a period of 12 months, to 26 March 2022.

A subsequent Court Order made on 15 March 2022, extended the Administration of the Company for a period of 12 months, to 26 March 2023.

An application was made to the Court in order to move the Company into compulsory liquidation, the hearing was on 17 March 2023 whereby an Order appointed Nicholas Stratten as Liquidator of the Company.

SUMMARY OF THE ADMINISTRATORS' PROPOSALS

The following proposals were approved by the creditors by way of Correspondence and Deemed Consent Procedure on 28 May 2020:

In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:

The Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:

(i) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and

(ii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.

- the time costs that the Joint Administrators incurred during the pre-appointment period, totalling £29,463 plus VAT, be approved.

- the time costs and expenses that the appointed Solicitors incurred during the pre-appointment period, totalling £26,403 plus VAT, respectively, be approved.

- The Joint Administrators propose to fix their fees on the following basis of the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Hudson Weir at the time the work is performed (plus VAT)

- In summary, the Joint Administrators propose that their fees be fixed on the basis of time costs and they estimate that they and their staff will spend time totalling £123,231 in conducting the tasks described. This estimate includes the time spent to date of £66,761, as described in Appendix IV.

The Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.

The Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:

(i) In the event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or

(ii) In the unlikely event that the Joint Administrators think that a distribution will be made to unsecured creditors, other than via the Prescribed Part (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Nicholas Andrew Stratten and Hasib Howlader will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 8; or

(iii) Alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Nicholas Andrew Stratten and Hasib Howlader may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator.

STEPS TAKEN DURING THE ADMINISTRATION

There is certain work that the Joint Administrators are required by the insolvency legislation to undertake in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since the last progress report is contained in Appendix 4.

The Joint Administrators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Administration, total realisations of £1,512,136 have been achieved, this compares favourably to the Statement of Affairs which had a total estimated to realise figure of £962,212. The increase in realisations is due to a well formulated strategy for book debt collections with the assistance of specialist agents, as well as the Joint Administrators' thorough investigation which identified a preference payment that following legal assistance, resulted in a settlement to the estate.

The Joint Administrators adjudicated upon claims received from creditors and during the Administration have distributed £645,733 in total, with every class of creditor receiving a distribution; secured, preferential and unsecured, via the prescribed part.

In the period under review, the Joint Administrators' submitted their statutory progress report to creditors, completed periodic case reviews, undertook detailed reconciliations of the estate and book debt realisations, completed further adjudication upon claims received, ensured the final instalment of the settlement agreed in respect of the preference payment was received and had strategy meetings with the book debt collection agent in order to formulate a plan to maximise realisations whilst starting to wind down activity. Further, solicitors were appointed and work undertaken in order to make an application to the Court to place the company in compulsory liquidation. This was achieved on 17 March 2023 and the Administration has now ended, with Nicholas Stratten now being appointed as sole Liquidator.

OUTCOME OF ADMINISTRATION

The objective the Joint Administrators set out to achieve, as per their Joint Administrators' Proposals, was objective (c) realise property in order to make a distribution to one or more secured or preferential creditors.

The Joint Administrators can confirm that this objective has been achieved on the basis that they were able to realise £1,514,135 from book debt collections, cash at bank, pre appointment solicitors client account, preference settlement, sundry refund and VAT refund. As a result, the following distributions have been made:

- 100p in the £ paid to preferential creditors;
- 81.38p in the £ paid to secured creditors; and
- 5.66p in the £ paid to unsecured creditors.

It is unlikely that the level of book debt collections achieved would have been possible if the Company was wound up, as per the comparative estimated outcome statement within the Proposals, only £885,093 was estimated to be realised if the Company was wound up first.

The Administration has now ended by way of a conversion to a compulsory liquidation, whereby the appointed Liquidator, Nicholas Stratten, will undertake the following tasks:

- Finalisation of book debt collections with the assistance of Credit Style;
- Assess the VAT position for the duration of the Administration, reviewing the VAT payable reserve and ensuring any liabilities due are paid or offset against VAT receivable balance;
- Submission of a VAT Bad Debt Relief Claim once book debt collections are finalised;
- Final dividends to be paid to both the secured and unsecured creditors.

It is anticipated that the realisation of assets will be completed within the next 6 months, which will enable final dividends to be paid and the liquidation to be closed within 12 months.

RECEIPTS AND PAYMENTS ACCOUNT

The Joint Administrators' Receipts and Payments Account for the Review Period and for previous reporting periods are attached at Appendix 1. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

The VAT payable position is under review and the full balance due for the period of the Administration is not yet finalised. This has been recorded on the conservative side with a VAT payable balance being reserved on the Receipts and Payments account. This to ensure that no parties, in particular HMRC, are prejudiced. The funds are being held should they be deemed payable.

The balance of funds are held in a non-interest bearing estate bank account.

ASSETS

Cash at bank

As previously detailed, the Proposals detailed that the cash held the Company's pre-appointment bank, was £139,212. An amount of £136,221 was received into the Administration Estate shortly after the appointment from Barclays. Bank statements were subsequently received, and funds were reallocated to book debts. The final total of cash at bank was £135,495.

Furniture and Equipment

As detailed in previous progress reports, Axia Valuation Services ("the Agents") were instructed to value and sell the Company's furniture and equipment which had a book value of £32,982 and estimated to realise value of £3,000. The Company's furniture and equipment was sold to the Gnergy Medicare Ltd on 12 June 2020 for £2,500 plus VAT. This was a sale to a connected party by way of common directorship by Tikendra Dewan and a full SIP13 disclosure was provided in the first progress report to creditors.

No funds were received for the sale despite the agents and Joint Administrators' efforts of recovery. The asset was written off as unrecoverable after considering further costs required by agents, the Joint Administrators and debt collectors to collect the balance.

Pre-Appointment Solicitor's Client Account

The sum of £1,941 was received from Moorcrofts LLP, the Company's pre-appointment solicitors.

Sundry Refund

The sum of £5,730 was received from Smart DCC Ltd in respect of an overpayment.

VAT Refund

The Company's VAT receivable position had a book value of £67,286.42 and an estimated to realise value of £20,000. The VAT refund of £25,752 was received.

Preference Settlement

Following an executed settlement agreement dated 7 April 2022, the Joint Administrators were able to confirm that the matter that they previously advised required further investigation was an antecedent transaction. Specifically, this was a 'preference payment', a 'preference' takes place when a particular creditor is placed in a more beneficial position, to the detriment of the remaining creditors in that group. During their investigations, the Joint Administrators identified loan repayments to GSS made by the Company in the sum of £50,000 and £100,000 on 25 February 2020 and 5 February 2020 respectively, during the period prior to the commencement of the Company's administration on 27 March 2020. These payments were identified as preference, as the loan was repaid putting GSS in a better position than other creditors. Following negotiations between the Director's solicitors and the Joint Administrators' solicitors, Katten Muchin Rosenman UK LLP ("Katten"), a settlement in the sum of £32,000 was agreed and received in full.

Book Debts

The Company's book debt ledger was £2,582,662 with an estimated to realise value of £800,000 as per the Director's Statement of Affairs.

Credit Style were instructed to assist with book debt collection due to being industry specialists. The Joint Administrators negotiated their fees at 10% commission for debts under 30 days and 15% commission for debts over 30 days. Credit Style deduct their fees prior to sending the balance to the Administration estate on a weekly basis.

To date £1,313,217 has been realised in respect of Book Debts. The collections are ongoing and have taken longer than originally anticipated. Factors which have contributed to this include Credit Style giving payment plans to repaying customers over prolonged periods of time, and legal/recovery agents being instructed in some cases to recover debts owed. It is anticipated that collections will be finalised within the first 6 months of the liquidation, with an estimated further recovery of £5,000 bring total anticipated realisations to £1,318,217 for this asset.

VAT Bad Debt Relief Claim

A VAT Bad Debt Relief Claim will be submitted due to the payment of VAT payable to HMRC on invoices raised where collections were not made. It is anticipated that this will amount to c£40,000 in respect of book debt write offs totalling c£1,000,000. It is anticipated that this will be requested within the first 9 months of the liquidation.

LIABILITIES

Secured Creditors

The Company granted a fixed and floating charge to Contract Natural Gas Limited (in Administration) ("CNG") on 26 June 2019, who were owed £413,496 on appointment according to the Director's Statement of Affairs. A claim of £651,295 has been received, adjudicated upon and agreed in full during the Administration. CNG (in Administration) entered Administration on 17 December 2021, William James Wright and Sophie Claire Winder of Interpath Advisory were appointed Joint Administrators.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there is a creditor secured by a floating charge such that the prescribed part provisions do apply.

Preferential Creditors

The Statement of Affairs anticipated £18,285 in respect of preferential creditors. Claims totaling £15,733 have been received, adjudicated upon and paid in full during the Administration.

Crown Creditors

The Statement of Affairs included £4,023 owed to HMRC. HMRC's claim has not yet been received and they will be written to in the liquidation to provide a further opportunity to submit a claim.

Non-preferential unsecured Creditors

The Statement of Affairs included 78 non-preferential unsecured creditors with an estimated total liability of £4,138,216. The Joint Administrators have received claims from 31 creditors at a total of £2,566,530. They have not received claims from 38 creditors with original estimated claims in the statement of affairs of £189,945.

DIVIDEND PROSPECTS

Preferential creditors

A first and final preferential dividend totalling £7,634, was declared and paid to the preferential creditors on 7 December 2020, which represented 100 pence in the pound at this stage. A further dividend of £8,100 was paid to the Redundancy Payments Service on 4 March 2022 following a revised claim being received, such that all preferential claims have been paid in full.

Floating charge creditors

As detailed above, the Company granted a fixed and floating charge to CNG (in Administration) on 26 June 2019 and a claim of £651,295 has been received during the Administration.

Distributions totalling £530,000 have been paid to CNG (in Administration) during the Administration. A further and final dividend is expected to be paid in the liquidation and it is anticipated that CNG (in Administration) will receive a total distribution of 89 pence in the pound.

Non-Preferential unsecured creditors

As previously advised, the Company gave a floating charge to CNG (in Administration) on 11 June 2019 and the prescribed part provisions will apply. On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs of the Administration to date, the net property of the Company is £722,485 and the Joint Administrators estimate that the prescribed part of the net property for unsecured creditors is £137,497. However, these estimates do not take into account the future costs of the Administration which will reduce the amount of the Company's net property.

A first non-preferential unsecured dividend via the prescribed part, totalling £100,000, was declared to unsecured creditors on 12 April 2021, which represents 5.66 pence in the pound on claims received and adjudicated upon to date.

It is anticipated that there will be a catch up and a second and final dividend once the asset realisations have been finalised. It is noted that Gnergy Holdings Limited was dissolved on 1 June 2021, who were a significant intercompany creditor anticipated to be owed £3,031,912. Due to the Company being dissolved and no claim being received, this has increased the anticipated dividend available to other unsecured creditors.

Unclaimed cheques

There are 2 unclaimed cheques totalling £5,979.05 in respect of the preferential dividend, and 7 unclaimed cheques totalling £4,646.88 in respect of the unsecured dividend via the prescribed part. The creditors have been contacted in order to arrange payment, which will be processed in the liquidation. Should creditors not respond, the monies will be paid to the Insolvency Service's unclaimed department.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I am required by the Statements of Insolvency Practice to undertake such an initial investigation. I identified the following areas where I considered that further investigation was required.

As previously detailed, a preference payment to GSS was identified and paid back into the estate in full. Details of this are mentioned above in the Assets part of the Report.

Within 3 months of my appointment as Administrator, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

PRE-ADMINISTRATION COSTS

On 28 May 2020 the following pre-administration costs were approved by the preferential and secured creditors:

	£
Hudson Weir Limited	29,463
Charles Russell Speechlys LLP	26,403

These costs have been paid in full, as detailed in the attached receipts and payments account.

JOINT ADMINISTRATORS' REMUNERATION

The Joint Administrators remuneration was approved on a time cost basis based on a fees estimate of £254,274.90, this is following a fee increase request being approved by the secured creditor on 10 May 2022. The fees estimate acts as a cap and they cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.

Their total time costs to 17 March 2023 amount to £266,667, representing 819 hours of work at an average charge out rate of £326 per hour, of which £21,013 representing 80 hours of work at an average charge out rate of £262 was incurred in the reporting period. The actual average charge out rate incurred compares with the estimated average charge out rate of £354 in the increased fees estimate.

The Joint Administrators have drawn £238,137 to 26 September 2022, of which none was drawn in the Review Period.

The fee estimate has been exceeded due to the additional planning required to maximise realisations in respect of book debts, together with the complexity of the VAT matters on the case.

A detailed schedule of my time costs incurred to date and during the Review Period compared with the approved increased fees estimate is attached as Appendix 5.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <http://www.hudsonweir.co.uk/resources/>. There are different versions of these Guidance Notes, and you should refer to the most recent version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which is enclosed at Appendix 3.

JOINT ADMINISTRATORS' EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

The Joint Administrators have incurred total expenses of £360,400, of which £345,322 has been paid in the Administration and £12,818 has been paid in the reporting period. The balance of £15,078 will be paid in the liquidation.

I have used the following professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Katten Muchin Rosenman UK LLP	Solicitors	Time Costs
Credit Style Limited	Book Debt Collection Agents	Percentage

The choice of professionals used was based on the Joint Administrators' perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. They also confirmed that they hold appropriate regulatory authorisations. The Joint Administrators have reviewed the fees they have charged and are satisfied that they are reasonable in the circumstances of this case.

Details of Katten Muchin Rosenman UK LLP ("Katten") being instructed in respect of investigations were included in previous progress reports, including their time costs which total £54,410 for this matter. During the reporting period, Katten were instructed to assist with the application to place the Company in compulsory liquidation, their time costs amount to £18,617 plus VAT and £1,749 in disbursements. The Joint Administrators negotiated to cap this sum to £13,000 plus disbursements of £1,749 plus VAT.

Credit Style were instructed to assist with the collection of book debts on a commission basis, their fees are agreed at 10% commission for debts under 30 days and 15% commission for debts over 30 days. They were instructed due being industry specialists. Credit Style have charged £82,661 in commission and £57,003 in disbursements since the commencement of the Administration.

The Joint Administrators have incurred the following expenses in the reporting period::

Type of expense	Amount incurred/ accrued in the reporting period (£)
Legal Fees and Disbursements	14,749
Book Debt Collection Fees	6,656
Book Debt Collection Disbursements	5,884
Document Storage	156
Customer Refunds	277
Total	27,722

Details of the category 1 expenses that have been paid to date and in the reporting period are included in the receipts and payments account attached.

Please note that Hudson Weir do not charge category 2 expenses.

A full breakdown of the Joint Administrators' expenses paid together with a comparison to the original expenses estimate is detailed below:

Expenses	Original expenses estimate £	Actual expenses paid in the Administration £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Legal costs	10,000	55,859	Further legal costs have been occurred due to unanticipated preference settlement as well as the Court Order to extend the Administration.
Agents' and valuers' costs	500	4,369	The agents completed further work than originally anticipated which included the valuation report, visiting the site and assisting with I.T. support, marketing the assets and negotiating a sale, liaising with potential buyer.
Debt collection agency	98,344	139,664	Further disbursements were incurred by the agents than anticipated, this has, in turn, generated greater realisations than anticipated.
ERA specialists	15,000	5,010	In line with estimate
Accounting fees	1,000	330	In line with estimate
Advertising	250	83	
Bonding	465	654	The bond was higher than originally anticipated.
Document Storage	500	1,191	There were a larger amount of company records than originally anticipated.
Insurance	500	1,094	
Stationery and Postage	-	1,602	Not in original estimate
Travel Costs	-	89	Not in original estimate
IT Support Costs	-	50,499	Not in original estimate. Utilisoft were utilised for IT provision, proving the industry software suite and managed service, this ensured that the customer transfer was completed efficiently and with care to the nature of data
PAYE and NI	-	12,271	Not in original estimate
Wages and Salaries	-	51,179	Not in original estimate. A portion of staff members were retained for a short period following the commencement of the Administration to assist with the transfer and the recovery of book debts, the company's largest asset. This was due to their knowledge of the accounts and systems, which allowed further invoicing to be processed resulting in greater realisations.
Rents Payable	-	9,300	Not in original estimate
Website Hosts	-	1,000	Not in original estimate
Prepayments	-	201	Not in original estimate
Customer Refund	-	935	Not in original estimate

Direct Debit Transactional Costs	-	7,601	Not in original estimate
Post-appointment pension contributions	-	2,391	Not in original estimate
TOTAL	126,559	345,322	

As you can see above, the total expenses incurred in this matter exceeds the estimate when the remuneration was approved, the reasoning is provided above.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Hudson Weir Limited can be found at <https://www.hudsonweir.co.uk/provision-of-services-regulations/>.

Complaints

Every endeavour will be made to try to resolve any issues that may arise. However, if any matter is not dealt with to your satisfaction please refer to our Complaint Policy at: <https://www.hudsonweir.co.uk/provision-of-services-regulations/>.

Should you have any queries please do not hesitate to contact Nicholas Andrew Stratten on 020 7681 6086.

GDPR

The Hudson Weir Limited GDPR privacy policy can be viewed at www.hudsonweir.co.uk/privacy-policy.

Ethics

Please also be advised that Joint Administrator is bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

General ethical considerations

During the Review Period, no new threats to compliance with the Code of Ethics have been identified

SUMMARY

The Administration as approved in the proposals is now complete and our files will be closed. If creditors have any queries regarding the conduct of the Administration, or this report, or if they want hard copies of any of the documents made available on-line, they should contact Ellie Knapp on 0207 099 6086, or by email at ellie@hudsonweir.co.uk.

A handwritten signature in black ink, appearing to be 'N.A. Stratten'.

Nicholas Andrew Stratten
FORMER JOINT ADMINISTRATOR

The affairs, business and property of the Company were managed by the Joint Administrators, Nicholas Andrew Stratten and Hasib Howlader. The Joint Administrators acted as agents of the Company and contract without personal liability.

Appendix 1 – The Joint Administrators' Receipts and payments Account

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

Statement of Affairs £		From 27/09/2022 To 17/03/2023 £	From 27/03/2020 To 17/03/2023 £
	ASSET REALISATIONS		
800,000.00	Book Debts	28,535.32	1,313,217.02
139,211.85	Cash at Bank	NIL	135,495.71
3,000.00	Furniture and Equipment	NIL	NIL
	Pre Appt Solicitors Client Account	NIL	1,941.00
	Preference Settlement	2,000.00	32,000.00
	Sundry Refund	NIL	5,729.88
20,000.00	VAT Refund	NIL	25,751.74
		30,535.32	1,514,135.35
	COST OF REALISATIONS		
	Accountant	NIL	330.00
	Administrators' Remuneration	NIL	238,137.20
	Agent's and Valuer's Fees	NIL	4,368.75
	Book Debt Collection Disbursements	5,884.40	82,661.23
	Book Debt Collection Fees	6,656.78	57,003.19
	Bulb Reapportionment	NIL	156,287.68
	Customer Refund	277.25	935.48
	Direct Debit Transactional Costs	NIL	7,601.40
	ERA Agent	NIL	5,010.00
	Insolvency Bond	NIL	654.00
	Insurance of Assets	NIL	1,094.24
	IT Support Costs	NIL	50,499.12
	Legal Disbursements	NIL	1,449.00
	Legal Fees	NIL	54,409.50
	PAYE and NI	NIL	12,271.11
	Post Appointment Pension Contributio	NIL	2,390.67
	Pre Administration Legal Fees	NIL	26,402.50
	Pre-Appointment Administration Fees	NIL	19,463.00
	Prepayments	NIL	201.10
	Rents Payable	NIL	9,300.00
	Stationery and Postage	NIL	1,602.35
	Statutory Advertising	NIL	83.20
	Storage Costs	NIL	1,190.86
	Travel	NIL	89.10
	Wages and Salaries	NIL	51,179.09
	Website hosts	NIL	1,000.00
		(12,818.43)	(785,613.77)
	PREFERENTIAL CREDITORS		
(18,285.00)	Employees' Wage Arrears and Holiday	525.82	15,733.25
		(525.82)	(15,733.25)
	FLOATING CHARGE CREDITORS		
(413,495.86)	Floating Charge Creditor	NIL	530,000.00
		NIL	(530,000.00)
	UNSECURED CREDITORS		
(31,910.73)	Employees	NIL	2,715.67
(3,031,912.00)	Inter-Company Creditors	NIL	NIL
(1,074,393.24)	Trade Creditors	NIL	97,284.33
		NIL	(100,000.00)
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(3,607,785.98)		17,191.07	82,788.33
	REPRESENTED BY		
	Current Account		40,666.48
	VAT Payable Reserve		(59,075.44)
	VAT Receivable		101,197.29
			82,788.33

Appendix 2 – The Joint Administrators’ Time Cost

i. Reporting period

Time Entry - SIP9 Time & Cost Summary

GNER001 - Gnergy Limited
All Post Appointment Project Codes
From: 27/09/2022 To: 17/03/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	11.30	5.30	16.40	13.30	46.30	13,255.00	285.05
Case Specific Matters	0.00	0.00	0.00	0.30	0.30	0.00	0.00
Creditors and Contributions	2.96	0.10	4.20	2.10	9.36	2,745.00	295.16
Fixed Charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.20	0.00	0.20	34.00	170.00
Pre-Appointment	0.00	0.00	0.00	0.10	0.10	12.00	120.00
Realisation of Assets	0.70	2.50	7.80	0.30	11.00	2,721.00	247.36
Reporting	0.00	1.20	7.00	4.90	13.10	2,246.00	171.45
Trading	0.00	0.00	0.00	0.30	0.30	0.00	0.00
Total Hours	14.96	9.10	35.60	20.60	80.26	21,013.00	262.01
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

GNER001 - Gnergy Limited
All Post Appointment Project Codes
To: 17/03/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	41.53	85.70	81.35	51.47	260.04	79,752.37	306.69
Case Specific Matters	5.30	13.80	1.10	0.00	20.20	7,961.00	394.11
Creditors and Distributions	13.10	71.90	68.60	20.10	173.70	52,123.00	300.07
Fixed Charge	0.00	0.00	1.30	0.00	1.30	221.00	170.00
Investigations	6.20	28.00	2.40	2.60	39.20	14,709.50	375.24
Pre-Appointment	0.00	0.00	0.00	0.60	0.60	72.00	120.00
Realisation of Assets	52.80	124.00	48.00	9.80	234.60	84,711.50	361.09
Reporting	7.50	37.60	36.40	7.20	88.70	26,770.00	301.80
Trading	0.70	0.00	0.00	0.00	0.70	346.50	495.00
Total Hours	127.13	361.00	238.15	91.77	819.04	266,666.87	325.58
Total Fees Claimed						238,137.20	
Total Disbursements Claimed						0.00	

ii. Cumulative

Appendix 3 – Charge-out Rates and Bases of Disbursements

CHARGE OUT RATES & POLICY REGARDING THE RECOVERY OF EXPENSES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

The following information applies to all appointments of Insolvency Practitioners acting as:-

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company
Trustee in Bankruptcy
Supervisor of an Individual, Company or Partnership Voluntary Arrangement
Administrator under the Insolvent Estates Order
Monitor

When acting as Nominee, the provisions of the Insolvency Act require that the amount of the fees payable to the Office-holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office-holder's expected time costs arising as referred to below.

1. POLICY ON FEES

Fees are either fixed by reference to time costs, or as a percentage of realisations and distributions, or a set amount or any combination of all three. Where fees are agreed on a time cost basis, rates may be varied from time to time, at the sole discretion of the practice, and such changes will be notified in retrospect with each report to Creditors. It is our policy to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum.

1.1. CHARGE-OUT RATES

Where the approved basis of remuneration is on a time costs basis, work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 April 2021 are as follows:

	Rate from 1 May 2020 Per hour (£)	Rate from 1 April 2021 Per Hour (£)
Directors/Insolvency Practitioners	560	600
Senior Managers and Managers	360-415	370-425
Administrators	140-275	145-285
Secretaries & Support Staff	110	120

Rates vary between individuals, reflecting experience and qualification. Please note that support staff time is charged to the case at the rate indicated. Rates are subject to review annually. Any change in rates will be advised to creditors.

For further information on the manner in which an Office Holder's fees may be fixed, please refer to the guidance notes in relation to fees which can be downloaded from <https://www.hudsonweir.co.uk/resources/>.

1.2. FIXED AND % FEES

Where fees are authorised and approved as a fixed fee and/or % fee this fee is to cover the costs incurred by the Insolvency Practitioner and his staff and does not include any additional direct costs.

2. RECOVERY OF EXPENSES

An expense is a directly attributable cost to the estate which is neither an office holder's remuneration nor a distribution to creditors or members. Expenses can include disbursements, payments met by the office holder and subsequently recovered from the estate, and are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Category 1 expenses are payments to independent third parties and do not have to be approved prior to payment, but when reporting to the creditors committee and creditors during the course of the liquidation the actual expenses incurred will be compared with the original estimate provided with any material difference explained (e.g. where legal costs rise due to escalated recovery action).

Category 2 expenses are payments to associates, or parties with a professional or personal relationship, or payments which have an element of shared costs. These expenses require approval in the same manner as an office holder's remuneration. This will include any case related travel or subsistence incurred by staff working on this case. Where it is necessary for staff to travel from the office, business mileage may be charged at the HMRC rate of 45p per mile.

An estimate of expenses (including disbursements) is provided to creditors when the basis of the office-holder's fees are approved.

The expenses recovered by the practice are as follows:-

Expenses	Charge
Category 1	
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Company searches	At cost incurred
Statutory Advertising	At cost incurred
External postage	At cost incurred
Category 2	
Mileage (where any staff of office holder of utilises their own vehicle)	45p/mile
Other travel charges	At cost in accordance with internal policy
Subsistence and any other miscellaneous disbursements, where appropriately incurred,	At cost in accordance with internal policy

Some statutory category 1 expenses, such as the bond and statutory advertising, may be paid by the practice in the first instance due to a lack of funds in the estate to enable a direct payment. These disbursements, when recovered, may be considered a category 2 expense as the recovery is a payment to the practice of the IP however they are recovered at cost, plus VAT, as appropriate. Where this is the case, agreement to the recovery of category 2 expenses as authorised is to include these, otherwise, direct costs.

3. Specialist Professional Advisors

On occasion it is necessary for the office holder to engage with specialist professional advisers. Professional advisers are selected with regard to the specific requirements and based upon the office-holders professional judgement of their experience and ability to perform the necessary work, the complexity and nature of the assignment and the basis of the fee arrangement with to ensure a fair and reasonable cost to the estate.

Expenses incurred in respect of specialist advisers are subject to independent assessment prior to engagement and reported in accordance with current guidance. Unless a significant personal or professional relationship, that may give rise to a potential threat or conflict, has been identified with any Advisor their costs are regarded as category 1 expenses.

4. Use of Subcontractors

It is not our policy to use sub-contractors. If it is necessary to use sub-contractors for the benefit of the estate full disclosure will be provided to creditors in the regular progress report for individual cases with an explanation of the work to be undertaken, why it is necessary and the cost incurred.

Appendix 4 – Details of Work Undertaken in the Reporting Period

1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing 6 monthly progress reports to creditors and members.
- Reviewing the Corporation Tax position.

2. Creditors

Employees - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Office (RPO). The office holder is required to undertake this work as part of their statutory functions.

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.)

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

Realisation of assets

- Liaising with Credit Style Limited and Smartest Energy in respect of book debt collections.
- Reconciliation of the book debts.
- Ensuring receipt of the preference settlement in instalments as agreed.

Appendix 5 – Comparison of Time Cost incurred to the Fee Estimate

	Increased fees estimate			Actual Cumulative time costs incurred		
Work category	Number of hours	Blended hourly rate £ per hour	Total fees	Number of hours	Average hourly rate £ per hour	Total time costs
			£			£
Admin & Planning	201	321	64,639	260	307	79,752
Case specific matters	20	441	8,823	20	394	7,961
Creditors and Distributions	171	307	52,399	174	300	52,123
Investigations	41	399	16,166	39	375	14,710
Realisation of Assets	219	403	88,075	235	362	84,712
Reporting	67	359	24,174	89	302	26,770
Trading	0.7	600	420	0.7	495	347
Total	719	404	254,695	817	362	266,375

Appendix 6 – Court Order



CR-2020-002036

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INSOLVENCY AND COMPANIES LIST (CHD)

IN THE MATTER OF GNERGY LIMITED (IN ADMINISTRATION)
AND IN THE MATTER OF THE INSOLVENCY ACT 1986

17 March 2023

ICC Judge Jones

BETWEEN:

(1) NICHOLAS ANDREW STRATTEN
(2) HASIB HOWLADER
(As Joint Administrators of Gnergy Limited)

Applicants

ORDER

UPON the Application dated 28 February 2023 of Nicholas Stratten and Hasib Howlader of Hudson Weir of Third Floor, 112 Clerkenwell Road, London, EC1M 5SA, being the joint administrators of Gnergy Limited (in administration) (company number 06993060) (the “**Administrators**” of the “**Company**”);

AND UPON READING the witness statement of Nicholas Andrew Stratten dated 28 February 2023;

AND UPON HEARING Ms Kate Rogers, Counsel for the Applicants;

IT IS ORDERED THAT:

1. Pursuant to paragraph 79(1) of Schedule B1 to the Insolvency Act 1986 (the “**Act**”), the appointment of the Administrators shall cease to have effect forthwith.

2. Pursuant to paragraph 98 of Schedule B1 to the Act, the Administrators be discharged from liability 28 days after filing their final report.
3. The Company be wound up in accordance with the Act.
4. Pursuant to section 140(1) of the Act, Nicholas Stratten be appointed as Liquidator of the Company.
5. The costs and expenses of this application be paid as an expense of the administration of the Company.
6. The advertisement of the winding up and of the appointment of Nicholas Stratten as Liquidator of the Company be dispensed with.

Dated: 17 March 2023

Service of the Order

The Court has provided sealed copies of this Order to the serving party:

Katten Muchin Rosenman UK LLP
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Ref: PR/DH/394639.2