

# AM10

## Notice of administrator's progress report



Companies House

TUESDAY



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16/07/2019

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COMPANIES HOUSE

Please

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<b>1</b>	<b>Company details</b>
Company number	0 9 6 8 9 0 8 5
Company name in full	OneSelect Limited
→ Filling in this form Please complete in typescript or in bold black capitals.	
<b>2</b>	<b>Administrator's name</b>
Full forename(s)	Danny
Surname	Dartnaill
<b>3</b>	<b>Administrator's address</b>
Building name/number	Thames Tower, Level 12
Street	Station Road
Post town	Reading
County/Region	
Postcode	R G 1 1 L X
Country	
<b>4</b>	<b>Administrator's name ①</b>
Full forename(s)	Antony
Surname	Nygate
① Other administrator Use this section to tell us about another administrator.	
<b>5</b>	<b>Administrator's address ②</b>
Building name/number	55 Baker Street
Street	
Post town	London
County/Region	
Postcode	W 1 U 7 E U
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	1	7	1	2	2	0	1	8
To date	1	6	0	6	2	0	1	9

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

1

5

0

7

2

0

1

9

AM10

Notice of administrator's progress report



### 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 **Martin Woodhall**

Company name **BDO LLP**

Address  
**Thames Tower  
Level 12  
Station Road**

Post town **Reading**

County/Region

Postcode **R G 1 1 L X**

Country

DX **BRNOTICE@bdo.co.uk**

Telephone **0118 925 4436**



### 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

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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

**OneSelect Limited**  
**- In Administration -**  
**Summary of the Joint Administrators' Receipts and Payments**  
**For the Period from 17 December 2018 to 16 June 2019**

	<b>Estimated to Realise £</b>	<b>Total £</b>
<b>RECEIPTS</b>		
Cash at Bank	2,200,000	2,219,024
Pre-appointment VAT Refund	429,000	429,262
Book Debts - Suspense Account	1,500,000	13,551
Interest Gross	-	970
	<hr/>	<hr/>
	4,129,000	2,662,807
	<hr/>	<hr/>
<b>PAYMENTS</b>		
Intercompany Recharge - One Select Energy Limited		178,558
Professional Fees - BDO LLP		28,276
Legal Fees & Disbursements		13,272
Press		300
VAT on Payments		8,370
		<hr/>
		228,776
<b>Balance in Hand</b>		2,434,031
		<hr/>
		2,662,807
		<hr/>

**BDO LLP**  
**Level 12, Thames Tower**  
**Station Road**  
**Reading**  
**RG1 1LX**

**Danny Dartnaill**  
**Joint Administrator**



Tel: +44 (0)151 237 4500  
Fax: +44 (0)151 237 4545  
[www.bdo.co.uk](http://www.bdo.co.uk)

5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

TO ALL KNOWN CREDITORS AND SHAREHOLDERS

15 July 2019

Our Ref 00289796/A6/DND/AD

Please ask for  
Alice Denmark  
0151 237 4497  
[BRCMT@bdo.co.uk](mailto:BRCMT@bdo.co.uk)

Dear Madams/Sirs

**OneSelect Limited - In Administration ('the Company')**

It is now approximately six months since my appointment in respect of the Company. In accordance with Rule 18.6 of the Insolvency (England and Wales) Rules 2016 I am now reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the Administration for the period from 17 December 2018 to 16 June 2019 ('the Period').

This report should be read in conjunction with the Joint Administrators' report and proposals ('the Proposals') issued on 31 January 2019.

**1 STATUTORY INFORMATION**

The Joint Administrators are Danny Dartnaill (officeholder number: 10110) of BDO LLP, Level 12, Thames Tower, Station Road, Reading, RG1 1LX and Antony Nygate (officeholder number: 9237) of BDO LLP, 55 Baker Street, London, W1U 7EU and they were appointed in respect of the Company on 17 December 2018. Under the provisions of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 the Joint Administrators carry out their functions jointly and severally meaning any action can be carried out by one or both of them.

The Joint Administrators were appointed by the Court, pursuant to Paragraph 12 of Schedule B1 to the Insolvency Act 1986. The Administration proceedings are dealt with in the High Court of Justice, Business and Property Courts of England and Wales in London, Insolvency and Companies List (ChD) and the Court case number is 010822 of 2018.

The Company's registered office is situated at Level 12, Thames Tower, Station Road, Reading, RG1 1LX and the registered number is 09689085.

**2 RECEIPTS & PAYMENTS**

I enclose a summary of my Receipts & Payments to date showing a balance in hand of £2,434,031, together with a copy of my summary account covering the Period.

The receipts and payments shown are largely self-explanatory, however I would comment specifically on the following:

**2.1 Receipts**

***Customer Debit Balances***

As previously advised, customer debit balances relate to the debts due from customers of the Company as at 14 December 2018, being the date of transfer of supplies from the

The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Administration of OneSelect Limited. Please see the privacy statement at <https://www.bdo.co.uk/en-gb/legal-privacy/privacy-notice>

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business

Company to Together Energy Limited ('TEL'), by virtue of the Supplier of Last Resort ('SoLR') process.

On 18 December 2018, TEL was appointed as agent of the Company and a connected company, One Select Energy Limited ('OSEL') to collect the customer debts on behalf of the Company and the Joint Administrators. In return, TEL will be paid 60% of the customer debts realised during the Administration. Furthermore, TEL agreed to reimburse the Company and OSEL for the provision of services supplied during the Administration to assist in the transition of the customers to TEL and collection of the debit balances.

As detailed in the Joint Administrators' proposals, it was concluded that the agency agreement reached with TEL, including the 60% collection fee, would provide the best outcome for creditors generally, as it would result in enhanced collections and a lower level of professional costs.

Following commencement of the agreement, TEL worked with the Company to ensure the switch over of the customers, which included billing approximately 32,500 customers for energy supply up to 14 December 2018, the effective date of the switch.

The billing process and reconciliation of the customer balances as the date of transfer has proved more difficult than initially anticipated due the process of extracting industry data from third party systems, missing or inaccurate customer data, customers continuing to make manual payments into the Company's former bank account rather than to TEL, and the time required to reconcile the data on a line by line basis.

The Joint Administrators have worked closely with TEL to improve the reconciliation process including attending weekly update calls, making numerous information requests to third parties, provision of information to TEL and reconciling a significant number of payments received from customers by the Company on a line by line basis.

To date, TEL has accurately billed approximately 95% of the customers debts and based on the reconciliation process to date, the Company was owed c.£1.7m by 10,564 accounts, with an average account balance of £161, as at the date of transfer.

In accordance with the agency agreement, TEL subsequently engaged Opos Limited ('Opos'), a specialist debt collection agency to assist them with the collection of the debit balances. Opos' fees are included within the 60% collection fee agreed with TEL.

The collection process prompted a significant number of customer queries being received by the Joint Administrators. The general theme of the queries sought clarification on the appointment of TEL and Opos, disputes in relation to the amounts being pursued, and requests for additional information including statements of account and copies of final bills.

The Joint Administrators incurred a significant amount of time dealing with the customer queries and liaising with TEL accordingly. It was necessary to incur this time as it has assisted in resolving the customer queries, which is expected to lead to enhanced collections during the Administration.

To date, TEL and Opos have collected customer debit balances totalling c.£442k, all of which is currently held by Opos in a client account for the benefit of the Company. A further sum of £13.6k has been received by the Joint Administrators in relation to customer payments made directly into the Company's former bank account. This amount

is currently held in a suspense account as detailed on the attached Receipts & Payments account pending reconciliation of the collections by TEL and the Joint Administrators.

TEL and Opos are continuing to collect the outstanding customer debit balances, and based on the quality of the billing data, the collection actions taken to date and the feedback from customers, further collections are anticipated to be in the region of £180k.

### ***Cash at Bank***

At the date of appointment, the Company held cash at bank of c.£2.2m.

Immediately following our appointment, we received cash at bank in the sum of £2.1m. The balance of funds of c.£100k was retained by National Westminster Bank Plc ('NatWest') to meet potential future chargebacks and refunds under the direct debit guarantee mandate on the Company's bank account.

TEL required the direct debit guarantee mandate in order to collect monies due from customers that transferred to them as part of the SoLR process. As a result, NatWest subsequently arranged a bulk transfer of the direct debit guarantee mandate and all future clawback and refund liabilities to GoGardless at the request of TEL.

The cash at bank balance of £100k has since been received in full from NatWest.

### ***Customer Credit Balances***

Based on the reconciliation process undertaken by TEL and the Company to date, it would appear that the Company held credit balances on customer accounts in the region of £5.19m as at the date of switch.

We understand that TEL, as the appointed SoLR, had agreed to honour the customer credit balances, including those customers who had already switched supplier but have credit balances owed. For the avoidance of doubt, the customer credit balances are not payable by the Company, nor the Joint Administrators.

Our understanding was that subject to obtaining the consent of Ofgem (the regulatory body), TEL would be entitled to make a claim in respect of the credit balances, in full, via the Last Resort Supply Payment Mechanism.

TEL has however submitted a claim in the Administration for the full amount of the credit balances totalling £5.19m. The consequences of this claim are discussed further in section 8 below.

Any queries regarding the process for obtaining a refund of a credit balance may be answered by visiting the FAQs webpage of TEL at: <https://togetherenergy.co.uk/oneselect-faqs/>. If this does not answer your query, please contact TEL on 0333 150 1699 for assistance.

### ***Wholesale Electricity Correction***

Prior to appointment, the Company identified a discrepancy between the volume of electricity purchased from the wholesale supplier and the amount distributed and billed to consumers, which based on industry data was estimated to be between £1m and £2m in favour of the Company.

We are continuing to submit and reconcile industry data flows in order to realise the wholesale electricity correction. This has required information requests to be submitted to the companies throughout the distribution network, with subsequent reconciliation of large volumes of data.

As previously advised, based on the way the industry operates and the process for submitting data, it may take in excess of 12 months from appointment to realise any amounts in relation to the electricity correction.

### ***Security Deposits***

The Company had provided various industry suppliers with security deposits of c£1.4m. Of this balance, in excess of £1.1m relates to deposits placed with wholesale energy suppliers and Elexon (who administer the Balancing & Settlement code).

Since appointment we have written to all of the respective suppliers requesting repayment of the deposit amounts. However, given the nature and terms of the agreements with the suppliers the deposit holders have established that they are entitled to set-off the security deposits against monies owing to them.

To date I am yet to recover any deposit amounts, and anticipated further realisations are currently uncertain due to the set-off position.

### ***Pre-Appointment VAT Refund***

A VAT refund of £429,262 was received from HM Revenue & Customs ('HMRC') during the Period.

A further VAT refund in the sum of £168k is due from HMRC for the period prior to the Administration from 1 December 2018 to 17 December 2018. I am continuing to pursue HMRC for payment of this amount.

## **2.2 Payments**

### ***Intercompany Recharge***

Historically it was OSEL that operated as the entity that entered into the wholesale agreements with energy suppliers and booked the operational costs (including rent, rates, IT, salaries, insurance etc) in its accounts. OSEL then on-sold the gas and electricity to the Company, which in turn supplied the energy to the consumers, resulting in the customer debit balances being due to the Company.

As stated above, TEL has agreed to reimburse the Company and OSEL for the provision of services supplied during the Administration to assist in the transition of the customers to TEL and collection of the debit balances.

There are, however, certain costs associated with the collection of the debit balances and realisation of the wholesale electricity correction, which are not being reimbursed by TEL. These include certain IT services and employees costs, which were retained by OSEL and paid as an expense of that Administration estate in accordance with the historical contractual arrangements.

The employees retained by OSEL (which were not required by TEL) were all made redundant by 19 April 2019, with the exception of one employee who has been retained to assist with the ongoing recovery of the wholesale electricity correction.



To date, the sum of £178,558 has been paid to OSEL in respect of amounts paid for by OSEL and recharged to the Company.

### 3 COSTS IN THE ADMINISTRATION

I provide a summary of the professional fees and other expenses which have been paid during the Administration, the costs which have accrued and the costs that are anticipated.

Professional Fees and Expenses	Accrued £	Paid £	Anticipated £
Headland PR Consultancy LLP - Press	300	300	Nil
BDB Pitmans LLP - Legal Fees	17,554	13,272	4,282
<b>Total</b>	<b>17,854</b>	<b>13,572</b>	<b>5,000</b>

#### Legal Fees

Legal fees totalling £13,272 plus VAT have been paid to BDB Pitmans LLP during the Period for dealing with post appointment formalities, undertaking a validity of appointment review, a general security review, review of activity on NatWest's deposit account, advising in relation to data requests made to third parties, and advising the Joint Administrators in fulfilling their duties generally.

A further sum of £4,282 plus VAT has been incurred by BDB Pitmans LLP for advising on the transfer of data to TEL, subject access requests received from customers, GDPR related issues and drafting a data protection policy statement on behalf of the Joint Administrators.

It is anticipated that BDB Pitmans LLP will continue to be instructed on matters arising during the Administration, however, their further fees are yet to be negotiated and agreed. Anticipated further legal costs other than those accrued and not yet paid above are therefore currently uncertain.

The legal costs incurred to date are, however, significantly below the original Fees Estimate provided of £35,000 plus disbursements and VAT.

#### Press

The sum of £300 was paid to Headland Consultancy LLP for dealing with press related matters arising in the Administration. No further press related fees are anticipated during the Administration.

### 4 PRE-ADMINISTRATION COSTS

The Joint Administrators' proposal included provision for pre appointment costs as set out below:

- (i) the fees charged by the Joint Administrators;
- (ii) the expenses incurred by the Joint Administrators;
- (iii) the fees charged (to the Joint Administrators' knowledge) by any other person qualified to act as an insolvency practitioner.

Under Rule 3.35(10) of the Rules, the table below summarises the outstanding costs and also, where relevant, records payments received.

	Company	Costs Incurred (£)	Payments Received (£)	Costs Outstanding (£)
(i)	BDO LLP	98,726	98,276	450
(ii)	BDO LLP BDB Pitmans LLP	Nil 26,516	Nil 26,516	Nil Nil
(iii)	N/A	N/A	N/A	N/A
<b>TOTAL</b>		<b>125,242</b>	<b>124,792</b>	<b>450</b>

We now explain in more detail the facts behind the above. In respect of the fees and expenses incurred by us prior to the Administration appointment, these were subject to a formal engagement with the Company and OSEL dated 8 November 2018, which set out that our fees would be based on time costs, using the same rates as are recorded in the BDO Policy document attached to this proposal.

**(i) The fees charged by the Joint Administrators**

The work undertaken in respect of the Engagement Letter dated 8 November 2018 included reviewing the Company's and OSEL's short term cashflow forecast with a view to understanding the ongoing cash requirement, and preparation of a contingency plan to be implanted in the event that a solvent solution was not capable of being executed, as detailed in the Proposals.

Pre-appointment fees totalling £98,726 were incurred in relation to this engagement, of which £70,000 plus VAT was paid by the Company prior to the Administration appointment.

We sought and obtained the approval of the creditors to the outstanding Pre-Administration fees of £28,726, of which £28,276 has been drawn during the Period. The balance of £450 will be drawn in due course.

**(ii) The expenses incurred by the Joint Administrators**

In preparation for the Administration, the following disbursements and expenses were incurred by the Joint Administrators.

The Joint Administrators did not incur any disbursements or expenses in relation to the Engagement Letter dated 8 November 2018.

Legal fees totalling £26,516 plus VAT were incurred by BDB Pitmans LLP in relation to advising the Company during the SoLR process, drafting the application to Court to place the Company and OSEL into Administration, advising the Joint Administrators and effecting the Administration appointment. Fees totalling £26,516 plus VAT were paid to BDB Pitmans LLP by the Company prior to Administration.

**(iii) The fees charged (to the Joint Administrators' knowledge) by any other person qualified to act as an insolvency practitioner.**

The Joint Administrators are not aware of any other person qualified to act as an insolvency practitioner having acted in relation to the Company immediately preceding the appointment of Joint Administrators.

I can report that the Pre-Administration fees and costs set out above were approved in full by the Company's creditors during the Period.

## **5 ASSETS**

As stated above, we are continuing to realise the customer debit balances, wholesale electricity correction and the pre-appointment VAT refund.

I can confirm that there are no assets of a peculiar or special nature which cannot be sold. Consequently, there has been no distribution of unsold assets to creditors, as mentioned in Rules 18.10/14.13 of the Insolvency Rules 2016.

## **6 INVESTIGATIONS**

The Joint Administrators have a duty to investigate the affairs of the Company and also the conduct of the director and in this latter respect to submit a confidential statutory report to the Secretary of State. I confirm that a report has been submitted.

I have completed my review of the Company's affairs and assets to establish whether there are any actions that can be investigated for the benefit of the creditors and concluded there are no causes of action to be pursued.

## **7 FUTURE OF THE ADMINISTRATION**

The Joint Administrators are continuing to realise assets in this Administration.

Based on present information, it is anticipated that the Company will move from Administration to Creditors' Voluntary Liquidation ('CVL'). The Company's creditors have already approved the Joint Administrators' proposals and therefore Danny Dartnaill and Antony Nygate of BDO LLP will be appointed Joint Liquidators, to act jointly and severally.

Following the conversion to CVL, it will be the role of the Joint Liquidators to review and adjudicate on the claims of unsecured creditors for dividend purposes.

## **8 PROSPECTS FOR CREDITORS**

### **Secured Creditors**

NatWest has a fixed charge dated 22 May 2018 in relation to funds totalling £10k held in a deposit account to secure against potential direct debit clawback claims from customers.

Legal advice was sought in relation to NatWest's security and activity on the deposit account during the Period.

The direct debit clawback claims applied to the Company's former bank account during the Administration has exceeded £10k. NatWest therefore applied its fixed charge security against the £10k held in the deposit account.

### **Preferential Creditors**

Preferential creditor claims represent monies due to former employees in respect of arrears of wages (capped at £800 per employee), any accrued holiday pay and certain pension arrears.

The Company does not employ any staff. There are therefore no preferential creditors in this Administration.

### Unsecured Creditors & Prescribed Part

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 a company has granted to a creditor a floating charge, a proportion of the net property of that company must be made available purely for the unsecured creditors.

The Company did not grant a floating charge to any creditor after the 15 September 2003 and consequently there will be no prescribed part in this Administration.

To date, we have received unsecured creditors totalling £14.6m. This is significantly higher than the level of claims anticipated at the outset of the Administration, largely as a result of the following claims:

- TEL: £5.19m (Credit balances)
- Ofgem: £2.43m (Renewables Obligation Certificates)
- Flexnet: £1.4m (Shareholder loan)

Please note that it is not the duty of the Joint Administrators to adjudicate on the claims of unsecured creditors, this is the responsibility of the subsequently appointed Liquidators. The Joint Administrators have therefore not taken any steps to review or agree the above claims for dividend purposes.

As mentioned above, TEL has been advised by Ofgem to submit a claim against the Company for the total value of the credit balances of c.£5.19m, which is material relative to the total claims received from the general body of creditors. The impact of TEL's claim being admitted for dividend purposes in any subsequent Liquidation will be a significant dilution in the forecast return to unsecured creditors.

We understand that TEL's claim relies upon the law of subrogation. This is a complex area of law that has no legal precedence matching the circumstances of this case. It will therefore be necessary to instruct solicitors to advise on the TEL claim and what appropriate courses of action should be taken to ascertain whether the claim should be admitted for dividend purposes. We will provide creditors with a further update in relation to the TEL claim as the Administration progresses and/or during the subsequent Liquidation.

Based on present information there will be sufficient funds available to enable the subsequently appointed Liquidators to make a dividend payment to unsecured creditors. This will, however, be dependent on the level of asset realisations, professional cost and level of agreed creditor claims admitted for dividend purposes. As such, the timing and quantum of any dividend payment is currently uncertain.

## 9 JOINT ADMINISTRATORS' REMUNERATION

The Joint Administrators were obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) as a percentage of the assets realised and distributed; and/or
- (2) by reference to the time the Joint Administrators and the staff have spent attending to matters in the Administration; and/or
- (3) as a set amount; and/or

(4) as a combination of the above.

Creditors approved the Joint Administrators' remuneration on the basis of time properly spent in dealing with issues arising in the Administration in line with their Fees Estimate dated 31 January 2019.

To date, the Joint Administrators have not drawn any monies in respect of remuneration as shown on the enclosed Receipts & Payments account.

I attach a schedule detailing the time costs incurred during the Period. This records time costs of £176,207 which represents 464 hours spent at an average charge out rate of £380 per hour. The majority of this time relates to realisation of the customer debit balances and dealing with customer queries and disputes.

I also attach the Joint Administrators' Fees Estimate annotated with a column showing the time costs accrued in respect of each activity. As you will note, the Joint Administrators' time costs to date are below the original Fees Estimate of £250,000. There are, however, additional time costs in the region of £11,000 which have been incurred by the Joint Administrators' of OSEL in relation to realisation of assets owned by the Company, including the customer debit balances and wholesale electricity correction. It is therefore proposed that these additional fees are invoiced to the Company in due course, subject to the Fees Estimate not being exceeded.

In the event that we do exceed the Fees Estimate, any increase to our fees will be subject to the approval of the Company's creditors.

For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

## **10 JOINT ADMINISTRATORS' DISBURSEMENTS**

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements.

Category 1 disbursements of £757 have been incurred during the Period in respect of bonding costs, statutory advertising and staff travel and sustenance.

Some Administrators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. No category 2 disbursements have accrued during the Period.

**11 CREDITORS' RIGHTS & ENQUIRIES**

Creditors with the concurrence of at least 5% in value of the unsecured creditors may within 21 days of this report request in writing further information regarding the remuneration and expenses set out in this report. In accordance with Rule 18.9(3) of the Rules within 14 days of a request we will provide further information or explain why further information is not being provided. Creditors may access information setting out creditors' rights in respect of the approval of Administrator's remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

Creditors with the concurrence of at least 10% of the creditors may apply to the court if they consider that the remuneration of the administrators, or the basis fixed for the remuneration of the administrator or expenses charged by the administrator are excessive (Rule 18.34 of the Rules). Such an application must be made within 8 weeks of receiving this draft report. The text of Rules 18.9 and 18.34 are set out at the end of this report.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>.

Creditors may access information setting out creditors' rights in respect of the approval of Joint Administrators' remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

If you require any further information please contact me or my colleague Alice Denmark at [BRCMT@bdo.co.uk](mailto:BRCMT@bdo.co.uk).

Yours faithfully  
For and on behalf of  
OneSelect Limited



Danny Dartnaill  
Joint Administrator  
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

**Enclosures**

Receipts and Payments Account  
SIP 9 Time Cost Report for the Period of Administration  
Fees Estimate to Accrued Time Comparison  
BDO LLP Policy in Respect of Fees and Disbursements  
Statement of Creditors' Rights in respect of Fees and Disbursements

**OneSelect Limited**  
**- In Administration -**  
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**BDO LLP**  
**Level 12, Thames Tower**  
**Station Road**  
**Reading**  
**RG1 1LX**

**Danny Dartnaill**  
**Joint Administrator**

## Detail of Time Charged and Rates Applicable for the Period From 17/12/2018 to 16/06/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£
<b>B. Steps on Appointment</b>														
01 Review Appointment Validity			1.50	670.50									1.50	670.50
02 Statutory Documentation			18.90	6,356.00			0.15	19.05					19.05	6,375.05
04 Meet Directors/Debtors etc.	21.00	13,566.00	2.50	950.00	1.50	190.50							25.00	14,706.50
07 Attendance at Premises			6.00	2,280.00									6.00	2,280.00
09 Preparation of Proposals			14.00	5,320.00					6.15	424.35			20.15	5,744.35
<b>sub total -</b>	<b>21.00</b>	<b>13,566.00</b>	<b>42.90</b>	<b>15,576.50</b>	<b>1.50</b>	<b>190.50</b>	<b>0.15</b>	<b>19.05</b>	<b>6.15</b>	<b>424.35</b>			<b>71.70</b>	<b>28,776.40</b>
<b>D. General Administration</b>														
02 VAT			7.75	3,112.50							0.30	26.70	8.05	3,139.20
03 Taxation			5.75	3,737.50									5.75	3,737.50
04 Instruct Lease Solicitors			10.00	4,017.75									10.00	4,017.75
06 Conduct Reports			1.25	475.00									1.25	475.00
07 Receipts Payments Accounts			8.50	3,215.25	0.20	25.40	0.30	38.10	4.35	345.35	12.90	1,148.10	26.25	4,772.20
08 Remuneration Issues			0.75	285.00									0.75	285.00
09 Statutory Matters			1.75	782.25	3.90	495.30							5.65	1,277.55



Name of Assignment

OneSelect Limited - In Administration

00289796

## Detail of Time Charged and Rates Applicable for the Period From 17/12/2018 to 16/06/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	£	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
12. Press PR Matters			1.25	475.00									1.25	475.00
15. Gen Admin Correspondence			2.75	977.00	0.65	82.55	2.55	323.85	14.05	969.45	3.55	315.95	23.55	2,668.80
16. Mautman Internal Files			2.00	843.75									2.00	843.75
sub total -			41.75	17,921.00	4.75	603.25	2.85	361.95	18.40	1,314.80	16.75	1,490.75	84.50	21,691.75
D. General Administration														
E. Assets Realisation/Dealing														
04. Agent Instruction Lending														
07 Debt Collection	73.00	47,158.00	0.50	223.50									0.50	223.50
08 Dealing with Charitel Assets			80.75	32,237.00							1.95	173.55	155.70	79,568.55
09 Dealing with other Assets			0.50	223.50									0.50	223.50
14. Sale of Business Assets			9.85	3,846.25									9.85	3,846.25
sub total -			2.50	950.00									2.50	950.00
F. Assets Realisation/Dealing														
G. Employee Matters														
02 Dealing with Employees														
04. Pension Issues														
09. Other Matters														
	73.00	47,158.00	94.10	37,480.25							1.95	173.55	169.05	84,811.80

## Detail of Time Charged and Rates Applicable for the Period From 17/12/2018 to 16/06/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHERS/APP		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
sub total -				0.00										
<b>G. Employee Matters</b>														
<b>H. Creditor Claims</b>														
02. Secured Creditors			4.25	1,765.75									4.25	1,765.75
04. Non-Preferential Creditors			70.85	29,586.00	1.70	215.90			8.05	563.25	31.50	2,803.50	112.10	33,168.65
99. Other Matters									0.25	17.25			0.25	17.25
sub total -			75.10	31,351.75	1.70	215.90			8.30	580.50	31.50	2,803.50	116.60	34,951.65
<b>H. Creditor Claims</b>														
<b>I. Reporting</b>														
01. Statutory Reporting			2.25	798.75			1.65	209.55	10.30	775.05			14.20	1,783.35
04. Reporting to Creditors			7.00	3,129.00	0.50	63.50							7.50	3,192.50
sub total -			9.25	3,927.75	0.50	63.50	1.65	209.55	10.30	775.05			21.70	4,975.85
<b>I. Reporting</b>														
<b>Net Total</b>														176,207.45
<b>Secretarial Expense</b>														0.00
<b>Other Disbursements</b>														0.00
<b>Billed</b>														0.00
<b>Grand Total</b>														176,207.45



**OneSelect Limited - In Administration  
Fees Estimate to Accrued Time Comparison**

Below is the original Fees Estimate annotated with a column showing the time costs accrued in respect of each activity.

**Fees Estimate as at 31 January 2018 compared to accrued time to 16 June 2019**

<b>Joint Administrator's Fees</b>	<b>Total Hours</b>	<b>Blended Rate £</b>	<b>Estimated Fee £</b>	<b>Accrued Time £</b>
<b>Summary Activity</b>				
A. Pre Appointment Matters	0.00	0.00	0.00	0.00
<b>TOTAL</b>			<b>0.00</b>	<b>0.00</b>
B. Steps on Appointment	40	373	15,000	29,776
C. Planning and Strategy	11	442	5,000	Nil
D. General Administration	145	311	45,000	21,692
E. Assets Realisation/Dealing	440	342	150,000	84,812
F. Trading Related Matters	Nil	Nil	Nil	Nil
G. Employee Matters	Nil	Nil	Nil	Nil
H. Creditor Claims	70	213	15,000	34,951
I. Reporting	44	338	15,000	4,976
J. Distribution and Closure	27	189	5,000	Nil
<b>TOTAL</b>			<b>250,000</b>	<b>176,207</b>

The table above is our estimate of the Joint Administrators' fees on a time costs basis for this appointment and the anticipated expenses. This estimate and the expenses are prepared on the basis of the information available to us at the date of this estimate. Assuming that there are no major unanticipated factors, we would expect that our fees may be lower than the estimate. In the following pages we provide a summary of the work we believe is necessary. Where applicable, all fees and disbursements will be subject to VAT at the prevailing rate.

In any work of this nature we may have recourse to engage specialists to assist us for example in ensuring that we obtain best value for the estate assets and also to protect the legal interests of the estate including where necessary taking action to recover sums due to the estate. The specialists we engage will invoice us and that will be an expense of the estate. Such expenses are not subject to creditor approval but nevertheless have an effect on the funds available for creditors in the estate.

**1. Joint Administrators' Fees**

Fees (remuneration) may be sought on four different bases and a guide for creditors is attached. The four bases are, a time costs basis; a percentage of the assets realised; fixed amount; or a combination of the first three bases. In this insolvency case we are seeking fees on a time cost basis and have estimated a fee of £250,000 plus VAT.

Where possible we will delegate work to my staff and by this expedient the work is conducted by suitably qualified and experienced members of staff at different hourly costs. The current charge out rates per hour of staff within my firm's Reading office is below:



GRADE	£
Partner	646-760
Manager	285-499
Assistant Manager	257
Senior Administrator	240-257
Administrator	83-230
Other Staff	90

These rates are confirmed in an attached document which sets out my firm's policy on time costs and expenses. My firm's hourly time costs rate are normally reviewed in December and July each year and adjusted to take account of inflation and the firm's overheads. We have estimated the time we will spend in respect of the following areas of work in respect of this insolvency. Below we provide the primary work that will be undertaken by us.

#### **A Pre Appointment**

We have attended meetings with key stakeholders, reviewed initial information, provided advice regarding any options available and considered the ethical, technical, practical and legal requirements and relevant to the appointment. We also undertook a review of the company's short term cash flow forecasts, assisted in the discussions with Ofgem, provided contingency planning in the event that a solvent solution was not viable, and entered negotiations with TEL regarding realisation of certain assets.

This work led by me as the partner together with a director or senior manager, as appropriate, with occasional support from staff at manager and executive level.

#### **B Steps upon Appointment**

Attended the company's premises in Reading. Reviewing appointment and statutory documents, preliminary organisation review, initial interviews and meetings with key stakeholders including third parties, taking steps to gather in and protect all assets, establishing internal responsibilities regarding staffing of elements of the work and steps to protect assets. Collated and secured information from the company's books and records, set-up the Administrators' working papers and files. Worked closely with TEL to understand the infrastructure, systems and software and performed a reconciliation of the customer debit and credit balances as at the date of switch of supply to TEL.

This work is primarily led by a director or senior manager with the majority of work delegated to staff below manager.

#### **C Planning and Strategy**

Reviewing historic records and business performance, establishing the current financial position and reviewing the business processes and systems, liaising with key stakeholders and any committee and engaging with specialists and planning overarching strategy. Planning and implementing processes with TEL for the collection of the customer debts.

This area of work is led by me as partner in conjunction with a director or senior manager, with some support below manager level in documenting and recording proposed strategy. Although this work does not directly benefit creditors it does contribute to the efficient management of this insolvency appointment and contributes to reducing costs.

#### **D General Administration**

Reviewing and regularising affairs regarding Insurance, VAT, and Taxation, undertaking investigation regarding the conduct of the directors and reporting thereon\*, investigations into the affairs and transactions of the entity. The work contemplated does not at this time include forensic examination of records and transactions. It will also include recovery and storage of entities books and records, and may include engaging and liaising with solicitors and obtaining security review documentation.



Day to day management of the company's assets will include managing accounting and investment of realisations, suitable banking investment and preparing reports on receipts & Payments, ensuring appropriate approval of all costs including approval of remuneration and matching costs of specialists against their expense estimates, dealing with statutory, regulatory and licensing matters, managing formal contractual matters regarding the entity, including equipment hire and property leases, and licences, dealing with court hearings regarding the insolvency (excluding third party litigation), dealing with Press enquiries and PR matters and managing general administrative matters, basic enquiries and meetings.

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills and is delegated largely to executives with suitable levels of experience, supervised by directors or managers.

#### **E Asset Realisation/Management**

Executing the agreement with TEL for the collection of the customer debts, reconciling the debt position and monitoring the collection process throughout the Administration. Obtaining and submitting industry flow data in relation to the wholesale electricity correction and realisation of the same.

Identifying and controlling recorded assets, evaluating strategy on realising assets and reconciling recoveries, including engaging and liaising with agents and valuers, agreeing strategies and monitoring implementation, preparation, review and approval of sales material, asset tracing of assets revealed through investigation or third party information.

Dealing with the leasehold premises and liaising with the landlord, dealing with any property, including securing the same, and where appropriate engaging and monitoring specialist agents, dealing with IT equipment and office, furniture and equipment and intangible assets including intellectual property and consulting/liasing with and engaging specialist agents and solicitors and monitoring the same.

Managing third party, HP and leased assets. No provision has been made for handling contentious Retention of Title claims or any other third party rights to property not disclosed in the entities records. Managing environmental & HSE matters including consultation with specialists, site inspections, meetings. Disposal of business and assets.

This area of work requires a greater level of commercial experience and insolvency knowledge, than the general administration category of work, together decision making skills. The work is led at director or senior manager level supported by executives with suitable competencies and almost equal numbers of hours are spent by the two groups. My managers liaise with me as the partner and escalate major decisions to me.

#### **F Trading Related Matters**

No trading is planned.

#### **G Employee Matters**

The company does not have any employees.

#### **H Creditor Claims**

Reconciling and agreeing the intercompany creditor position with One Select Energy Limited.

Receiving and recording all creditor claims and where a dividend is likely, identifying whether additional supporting evidence is necessary from the creditor, reviewing the validity of all claims submitted by creditors alleging they have security rights which would afford them a higher priority when funds are distributed, considering and checking and recording all preferential claims, considering and checking and recording all unsecured creditor claims and identifying any claims which might be categorised as deferred claims.

It may be necessary to take legal advice where a creditor maintains a secured claim which is not supported by unequivocal evidence or where an unsecured claim is made which is significantly in



excess of any value recorded by the insolvent entity and the claim is inadequately evidenced. No provision has been made for dealing with any creditor's claims where the matter is referred to Court.

To estimate costs in respect of administering creditor claims we consider the volume of known creditors and the nature of the insolvent entities business. We understand from available records that there are 66 creditors.

#### **I Reporting**

Preparing periodic progress reports to creditors regarding the progress achieved, including preparation of Receipts & Payments Accounts, a suitable analysis of time costs accrued and a review of actual costs and accrued costs as against this fees and expense estimate. At the time this estimate was prepared no information was available regarding whether creditors were going to appoint a committee, if a committee is appointed there will be additional reports, which have not currently been budgeted for. The Director or Senior Manager is responsible for leading the reporting and delegating the production of the accounts, fee analysis and comparison with estimates to suitably experienced executives.

The ratio of time spent on reporting is generally that executive hours are twice as many as those of the Director or Senior Manager. Much of the basic accounting and analysis is conducted by various grades of Executives. In estimating costs in respect of reporting we have formed a view of the duration of the insolvency and estimated how many reports will be required. These activities do not contribute to the financial outcome for creditors - they are statutory duties imposed by the relevant legislation. However they do contribute to the creditors' understanding of the work being undertaken on their behalf.

#### **J Distribution and Closure**

It is anticipated that the Administration will be exited by way of a Creditors' Voluntary Liquidation. It is not the duty of the Joint Administrators to adjudicate on the claims of unsecured creditors, this is the responsibility of any subsequently appointed Liquidator.

Preparing a final report to creditors together with a Receipts & Payments Accounts, analysis of time costs accrued and a review of actual costs compared to the fee and expense estimate, completing all administrative arrangements including storage of any records for statutory periods and filing final statutory documentation.

The work is supervised by directors and Senior Managers and final decisions and release of funds is authorised by the partner. The majority of these activities do not contribute to the financial outcome for the creditors (although the matters relating to payment of dividends will do so). The formalities of bringing an insolvency to a close are statutory requirements.

The foregoing estimate does not include any fees estimate provision for the company moving into liquidation which would be the subject of a further submission, if necessary, before the end of the Administration.

### **2. Expense Estimate**

#### **2.1 Category 1 Disbursements**

Our estimate in respect of this heading covers expenses where the officeholders firm has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents, storage of original records of the insolvent estate. In each case the recharge will be reimbursement of a specific expense incurred.

#### **2.2 Category 2 Disbursements**

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are



incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

### **2.3 Agents' Costs**

The company does not own any tangible chattel assets and any intangible assets are unlikely to realise any value. It is unlikely that chattel agents will be instructed in this matter.

### **2.4 Valuers' Costs**

The leasehold premises is in the name of a connected company. It is therefore unlikely that valuers will be instructed in this matter.

### **2.5 Solicitors' costs**

Legal fees include Court filings, appointment formalities, security review, advising on legal proceedings against the company, concluding matters in relation to the agreement with TEL, and assisting the Joint Administrators' generally in discharging their duties. Fees are anticipated to be in the region of £35,000 plus VAT.



## **OneSelect Limited - In Administration**

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

<b>GRADE</b>	<b>£</b>
Partner	646-760
Manager	285-499
Assistant Manager	257
Senior Administrator	240-257
Administrator	83-230
Other Staff	90

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed on a regular basis and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

Pre Appointment  
Steps upon Appointment  
Planning and Strategy  
General Administration  
Asset Realisation/Management  
Trading Related Matters  
Employee Matters  
Creditor Claims  
Reporting  
Distribution and Closure  
Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

### **(a) Other Costs**

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.





**(b) Category 1**

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

**(c) Category 2**

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP



**Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:**

**Creditors' and members' requests for further information in administration, winding up and bankruptcy**

**18.9.—(1)** The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

**Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive**

**18.34.—(1)** This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
  - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
  - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
  - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
  - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

#### **Applications under rules 18.34 and 18.35 where the court has given permission for the application**

**18.36.**—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

(2) Where the court has given permission, it must fix a venue for the application to be heard.

(3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
- (b) an order reducing any fixed rate or amount;
- (c) an order changing the basis of remuneration;
- (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
- (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
  - (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or
  - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
- (f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

#### **Applications under rule 18.34 where the court's permission is not required for the application**

**18.37.**—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.



- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
  - (b) an order reducing any fixed rate or amount;
  - (c) an order changing the basis of remuneration;
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;
  - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
    - (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or
    - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
  - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.