



For further information, please
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1 Company details

Company number 0 9 8 4 4 9 9 0

Company name in full Goto Energy (UK) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Guy Robert Thomas

Surname Hollander

3 Administrator's address

Building name/number 30 Old Bailey

Street

Post town

London

County/Region

Postcode

E C 4 M 7 A U

Country

4 Administrator's name ①

Full forename(s) Michael

Surname Pallott

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 30 Old Bailey

Street

Post town

London

County/Region

Postcode

E C 4 M 7 A 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	^d 2	^d 5	^m 1	^m 0	^y 2	^y 0	^y 2	^y 1
To date	^d 2	^d 4	^m 0	^m 4	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 2	^d 4	^m 0	^m 5	^y 2	^y 0	^y 2	^y 2
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**Presenter information**

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

Contact name **Ben Goddard**

Company name **Mazars LLP**

Address **30 Old Bailey**

Post town **London**

County/Region

Postcode **E C 4 M 7 A U**

Country

DX

Telephone **+44 (0)207 063 4000**

**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.

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

**Further information**

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

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

Goto Energy (UK) Limited
– In Administration

**Administrators' Progress
Report covering the period
25 October 2021 to 24
April 2022**

24 May 2022



mazars

Confidential

Preface

To all known creditors

Goto Energy (UK) Limited – in Administration (“the Company”)

This report is prepared pursuant to Rule 18.3 and 18.6 of the Insolvency Rules (England and Wales) 2016, the purpose of which is to provide creditors with details of the progress of the Administration covering the six month anniversary of the Administration, being 24 April 2022.

Michael Pallott was appointed Joint Administrator of the Company, together with Mr Neil Mather, on 25 October 2021.

On 15 February 2022, I, Guy Robert Thomas Hollander, replaced Neil Mather as Joint Administrator of the Company.

Michael Pallott and I are both authorised to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales.

The report should be read in conjunction with the Joint Administrators' Proposals issued to creditors on 6 December 2021. A copy of the Proposals is available on the portal and a hard copy can be requested by emailing ben.goddard@mazars.co.uk.

The purpose of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

Identification details regarding the Company and the Administrators are attached at Appendix A.

Should you have any queries in relation to this matter, please do not hesitate to contact the Administrators or Ben Goddard at this office.

Yours faithfully
For and on behalf of
Goto Energy (UK) Limited Ltd – In Administration



Guy Robert Thomas Hollander
Joint Administrator

24 May 2022

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy.

The affairs, business and property of the Company are being managed by the Joint Administrators.

The Joint Administrators act as agents of the Company and without personal liability.

Glossary of Terms

BDO	BDO LLP
Directors	Evan Salway and Nikki Goode
EES	Enigys Energy Services Limited
Enigys	Enigys Trading Limited
EOS	Estimated Outcome Statement
Eversheds	Eversheds Sutherland
Evolve	Evolve IS Limited
Goto / Company	Goto Energy (UK) Limited – in Administration
HMRC	HM Revenue & Customs
IA86	The Insolvency Act 1986, as amended
Joint Administrators	Guy Robert Thomas Hollander and Michael Pallott of Mazars LLP
Kreston	Kreston Reeves LLP
LSH	Lambert Smith Hampton
Mazars	Mazars LLP
MRASCo	MRA Service Company Limited
Ofgem	Office of Gas and Electricity Markets
Pentins	Pentins Business Advisers Ltd
Proposals	The Joint Administrators' Statement of Proposals Pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986
Shell	Shell Energy Retail Limited
SOLR	Supplier of Last Resort

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01

**Administrators' Receipts & Payments and
Estimated Outcome**

Administrators' Receipts and Payments

A summary of receipts and payments covering the period from 25 October 2021 to 24 April 2022 is attached at Appendix B. A comparison of the estimates provided in the directors' statement of affairs to actual realisations made to date is also provided.

There is currently a balance in hand of £935,055 and further details of the realisations and expenses paid are provided throughout the report. These funds are held at Barclays Bank Plc in an interest-bearing account.

Estimated Outcome

An estimate of the outcome of the Administration is attached at Appendix B.

Based on expected realisations and payments, it is expected that there will be sufficient funds to enable a return to unsecured creditors.

Based on claims received to date, it is anticipated that the return to creditors will be **14p in the £**.

Creditors will note that in our Proposals, the return to creditors was estimated to be 22p in the £. The reason for this reduction is due to Ofgem submitting a claim in the Administration totalling £2,491,242. While this has been noted as a claim received, along with all other creditors, the Joint Administrators have not adjudicated on this claim as that will be for a subsequently appointed liquidator.

Furthermore, it is our understanding that outside of the Administration there are ongoing legal actions by other Insolvency Practitioners, where they are disputing Ofgem's ability to prove as a creditor in an administration. Depending on the outcome, the Joint Administrators may take their own independent legal advice on the matter when such legal action has concluded.

The EOS is based on the following key assumptions:

- No additional costs or expenses are incurred or required to be incurred of which the Administrators are not currently aware; and
- The costs and expenses currently anticipated are in line with estimates provided.

Creditors should also note that, as previously advised, the following factors will vary the outcome for creditors:

- The amount realised for assets marked in the EOS with an uncertain realisable value and the final agreed costs position relating to professional fees;
- The total claims received and eventually agreed from suppliers, Ofgem and Shell, as well as the outcome of any legal review of those claims and the associated costs of that work; and
- The outcome of ongoing legal disputes between the Company and its former suppliers.

Additionally, should the Administrators' investigation work identify any additional assets of which they are not currently aware, or any rights of action against any particular parties, these may lead to additional realisations in the Administration. Such recoveries are not accounted for in the EOS and will need to be considered separately, as there are likely to be additional cost implications in respect of their recovery.

Further details on the expected outcome for each class of creditor is provided in Section 4.

02

Assets

Assets realised to date

As previously advised, this report should be read in conjunction with the Joint Administrators' Proposals issued to creditors on 6 December 2021, which provides a comprehensive breakdown on the asset realisations made between 25 October 2021 and 6 December 2021. A copy of the Proposals is available on the portal and a hard copy can be requested by emailing ben.goddard@mazars.co.uk.

Below are details of the further progress made in the realisation of the Company's assets between the issuing of the Proposals report and the end of the period, 24 April 2022.

i. Cash at Bank

As reported in the Proposals, the Director's Statement of Affairs estimated that the Company's cash at bank as at the date the Company entered into Administration on 25 October 2021 was £461,341.

The sum of £501,760 was received from Barclays Bank Plc in this respect, which includes post-appointment credits received immediately after the date of Administration. These amounts were reconciled against customer accounts.

No further funds are expected to be received in this regard.

ii. VAT Refund – Pre-Administration

£82,557 was received from HMRC in respect of a VAT return for September 2021 (submitted prior to the Administration).

In the reporting period, the Joint Administrators have continued to seek advice from Pentins regarding the treatment of pre and post appointment VAT. This is ongoing but we anticipate being able to submit final pre-appointment VAT returns shortly.

As Pentins originally calculated that there would likely be a VAT payable sum of £13,625 for the period 1 October 2021 to 24 October 2021, it is still anticipated that no further pre-appointment VAT refunds will be received.

iii: Soldo Expense Account

As advised in our Proposals, the Company utilised a pre-paid company card with Soldo Software Limited ("Soldo") in order to pay general expenses for the Company. As we had anticipated, this account was in credit.

Following several requests to Soldo for the release of the credit balance, £2,753 was received on 18 January 2022.

iv: Aged Debtor Ledger

The Company's aged debtor ledger, relating to former customers who were not transferred to Shell, were either being pursued or were subject to repayment plans with the assistance of Lovetts Solicitors ("Lovetts").

The value of debtors outstanding with Lovetts at the date of the Administration totalled £6,871.19.

The sum of £1,066 has been received in connection with the aged debtor ledger in the period, however as the remaining ledger relates to a large number of former customers with relatively small amounts, which have been outstanding for long periods of time, it was not considered commercially viable to continue pursuing the remaining debts. As a result, the balance of the debtor ledger was written-off.

Assets realised to date

v: Sundry Refunds

Sundry refunds received in the period total £10,694. They are broken down as follows:

- A deposit for pre-appointment advisory costs was paid to Mazars by the Company prior our appointment in the sum of £10,000. Upon appointment, Mazars paid these funds into the Administration's estate account and sought approval from creditors to draw these funds against outstanding pre-appointment costs, which was received from creditors on 21 December 2021;
- A receipt of £272 was paid into the Administration's estate account, the origin of which remains to be determined by the Administrators; and
- £422 was received into the Administration from MRA Service Company Limited ("MRASCo"), of which the Company was a shareholder. The MRASCo - Master Registration Agreement ("MRA") was an industry wide agreement between electricity distributors and suppliers in England, Wales and Scotland.

As per the Master Registration Agreement, as MRASCo was winding down, the surplus funds held by MRASCo was distributed amongst MRA shareholders, resulting in the receipt of £422. No further funds are expected in this regard.

vi. American Express ('Amex') Merchant Account

Amex have confirmed that they are not holding onto any Company funds, therefore, no further realisations are expected in this regard.

vii. Other Debtors: Tomorrowfield Limited ("Tomorrowfield")

As detailed in the Proposals, an agreement was reached with the directors of Tomorrowfield for the settlement of an outstanding debt totalling £11,934.

The debt was in relation to the lease of an office located at Office 39, 2nd Floor, Innovation Way, Discovery Park, Sandwich, CT13 9FF, which had been leased in the name of Tomorrowfield, but was paid for by the Company and was later reconciled through the intercompany accounts.

The Company had also utilised this office occasionally as part of its trading operations, particularly during the height of the Covid-19 outbreak in Q2 2021.

The directors of Tomorrowfield, who are also the former directors of the Company, offered a payment of £5,967 in full satisfaction of this debt. As there was no formal agreement in place and Tomorrowfield was a dormant company, this offer was accepted and payment was received on 19 January 2022.

viii. Business Rates Refund

An online application was submitted for a business rates refund of approximately £303 from Dover District Council. Unfortunately, this was set-off against their unsecured claim totalling £1,278.26, so no funds are expected.

Assets realised to date

ix. GoCardless Receipts

I would remind creditors that GoCardless is the direct debit platform which was utilised by the Company to collect and manage their monthly direct debits paid by customers.

After negotiations with GoCardless and Shell, funds which had been received by GoCardless both pre and post our appointment were subsequently released to us. This was conditional on the Administrators agreeing (and approved by Shell) that GoCardless could retain monies to cover their fees and potential claims from customers (chargebacks) and these totalled £189,665.

Further to the legal agreements between the Administrators and Shell, Shell and GoCardless entered into an agreement to novate all customers direct debit mandates across to Shell.

The total funds received by GoCardless in this regard amounted to £2,300,476 of which £2,110,811 had been paid into the Administration. These receipts were analysed and broken down in the Proposals as follows:

GoCardless Receipt	Amount
Pre 21 October 2021	303,175
Between 21 October 2021 and 24 October 2021	124,985
Relating to Debit Account as at 25 October 2021	221,517
Sale of Customer Debit Balances to Shell	48,632
Monies Held by GoCardless – Fees and Chargebacks	189,665
Funds Held on Trust for Shell and transferred to them	1,345,243
Retention for Potential VAT Liability	67,261
Total	2,300,476

In the current reporting period, further payments have been received from GoCardless totalling £357.06 relating to customer payments after the transfer. These payments have been allocated to Funds Held on Trust for Shell and will be paid to Shell in due course.

As at the end of the period, the funds held by GoCardless are broken down as follows:

Total Held:	£189,665
Deducted chargeback cover:	£137,570
Deducted invoices cover:	£28,067
Amount refunded to date:	£24,028

Since the end of the period of this report, the sum of £24,028 has been received from GoCardless, which is in relation to the invoice cover portion of the agreed cash cover.

The chargeback period, relating to the funds being held by GoCardless to cover for customer chargebacks, expires on 29 June 2022. After this, GoCardless will then remit the net balance of the funds held to the Joint Administrators, who will then be in a position to forward the agreed amount to Shell.

The funds held in relation to the potential VAT liability is a matter still being reviewed by the Joint Administrators, along with Pentins. Once this has been confirmed, should additional VAT be payable in the Administration resulting from the final invoicing process (see Proposals for further details) then those funds will be paid to HMRC. If further VAT is not payable, then those funds will be paid to Shell.

Assets still to be realised

Assets still to be realised comprise of the following:

i. Outset Legal – Client Account

As advised in the Proposals, the Company's parent, Enigys, held a licence with Gentrack UK limited ('Gentrack') for the use of a customer relationship management system known as Junifer. This system allowed for accurate and timely invoicing of customers and was used solely by the Company and not Enigys.

A dispute arose with Gentrack relating to support services that the Company argued Gentrack had not provided under the agreement dated 11 October 2018 (the 'Agreement'). As a result, the Company withheld payment of two invoices payable to Gentrack dated 31 March 2021 and 9 June 2021 until the dispute was settled.

Per the contractual dispute resolution mechanism set out in the Agreement, the matter was taken to mediation to be held on 14 October 2021. However, due to the ongoing insolvency issues the Company faced at the time, the Company and Enigys were not represented at the mediation.

Prior to this and as part of a separate settlement agreement, the Company agreed to pay the sum of £171,600, representing the total of the disputed invoices, into the client account of its legal representatives, Outset Legal LLP ('Outset'). These funds were held as security pending the outcome of the dispute, or per a Final Court Order should mediation fail.

In the period, the Joint Administrators have sought independent legal advice regarding this dispute, and it has been confirmed that as the settlement agreement does not create any security over the funds held, Gentrack's claim then falls as an unsecured claim in the Administration and will be payable *pari passu* with other unsecured creditors.

The Joint Administrators have requested Gentrack to provide their agreement to the funds being released to the Administration. As at the date of the report, this has not yet been provided. Should Gentrack's approval not be received, the Joint Administrators will apply to Court for an order that payment is made to the Company by Outset legal.

ii. Prepay – National Grid

The Director's Statement of Affairs attributed a value of £317,066 to amounts being owed by the National Grid, in relation to collateral for anticipated energy consumption.

However, as previously advised, National Grid will also likely have a claim in the Administration for outstanding infrastructure, distribution and use of system costs.

In the period, the Joint Administrators have reached out to the National Grid to confirm the position. As at the date of this report, the National Grid have confirmed they are reviewing the matter.

As a result of this, the estimated future realisation value of this asset therefore remains uncertain.

iii. SmartestEnergy ('SE')

SE previously provided electricity supplies to the Company until 31 July 2021. Following this, on 11 October 2021, a statutory demand was served by SE for outstanding sums in connection with a Supplier Energy Trading Services Agreement for £448,408.72.

The Directors disputed SE's claim and believed that the Company had a net legal claim against SE for £354,066. This figure was included in the Directors' Statement of Affairs included in the proposals.

In the period covered by this report, the Joint Administrators have further investigated this claim and had regular correspondence with SE's legal advisors, Gowling WLG (UK) LLP, with regards to this dispute.

I am unable to provide further information with regard to the specifics of this ongoing matter, however I can confirm that SE have now reduced the amount they are claiming to £284,991.

The Joint Administrators are seeking legal advice on this dispute and hope to settle the position in due course, without the need to go to court.

Assets

Assets

Assets still to be realised

iv. Potential VAT Refund – Period in Administration

Further to the VAT calculation work being undertaken by Pentins in relation to the final invoicing, as previously advised, Pentins calculate that a VAT refund will be payable into the Administration for £2,861 for the period 25 October 2021 to 31 October 2021. This will be reclaimed in line with other VAT reclaimable in the Administration.

03

Investigations

Investigations

As advised in the Administrators' Proposals, under the Company Directors Disqualification Act 1986, the Joint Administrators are required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Administration. The Joint Administrators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 21 January 2022.

In accordance with Statement of Insolvency Practice 2, the Joint Administrators also carried out an initial assessment to identify any actions which may lead to recoveries in the Administration and to consider any further investigations which may be required.

In addition, due to the number of recent energy company failures, a letter was received from Ofgem advising that although they had no specific intelligence to indicate wrongdoing on the part of the Company, they had various overarching concerns around areas that they considered an Administrators' investigations into potential misconduct should focus. These included:

- Lack of protection for credit balances/use of customer money;
- Failure to accrue sums in order to meet known industry financial obligations;
- Sale of the hedge or other assets prior to insolvency; and
- Payments to directors and inflated salary levels.

The Joint Liquidators are continuing to investigate these matters and recover records and other information. This work has yet to be concluded and a further update on the progress of our investigations will be provided in the next progress report.

Should creditors have any information which they consider may assist the Joint Administrators in carrying out their investigations or be aware of any matters which they believe should be brought to the attention of the Administrators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

04

Liabilities

Liabilities

Secured Creditors

There are no secured creditors

Preferential Creditors

Preferential claims arise from arrears of wages and accrued, unpaid holiday pay due to the former employees of the Company who did not receive their full entitlements on redundancy, prior to the Administration.

The Company employed 40 employees, 18 of which were made redundant on our appointment. During the Administration, 22 employees were kept on for varying periods to assist the Joint Administrators with debt collection matters and to deal with customer issues.

According to the Directors' statement of affairs, preferential claims were estimated to total £46,311.54.

As all employees had been paid up to 31 October 2021, there were no claims for arrears of wages prior to the Administration.

Evolve undertook a review of the Company's HR software, Breath, and calculated the employees' outstanding holiday entitlement up to the date of the Joint Administrators' appointment or their redundancy. This totalled £30,857.

As indicated in the Estimated Outcome Statement included at Appendix D, it was clear that all preferential creditors would be paid in full in the Administration. As such, in order to reduce payroll costs and the time spent dealing with a preferential distribution later on, it was decided to pay all employees their outstanding holiday pay at the same time the Administrators were paying employees their wages for the period of the Administration.

On 25 November 2021 all amounts that would represent preferential claims owed to employees were paid in full. No further claims are expected.

Secondary Preferential Creditors

From 1 December 2020, certain debts owing to HMRC at the date of insolvency rank as a secondary preferential creditor. These debts include PAYE, Employee NIC, Student loan deductions and VAT. They are to be paid in priority to any prescribed part, any floating charge creditors and unsecured creditors.

The Joint Administrators have been advised by the Directors that there are no outstanding PAYE, Employee NIC or student loan deductions.

As stated previously, Pentins are currently reviewing the pre-appointment VAT position of the Company and anticipate an outstanding VAT liability owing to HMRC for £13,625. Should this be substantiated and agreed, based on the current Estimated Outcome Statement at Appendix B, HMRC will receive a preferential distribution in full for this amount.

Liabilities

Unsecured Creditors

According to the Directors' Statement of Affairs ('SOFA'), unsecured creditors were estimated to total £3,329,838. Of this amount, £2,014,573 is owed to Enigys via an intercompany loan.

As at the date of this Progress Report, claims have been received from 32 creditors totalling £6,181,017.64. The largest being a claim received from Ofgem relating to renewable obligations totalling £2,491,242.37.

Although no formal claim has been received from the Redundancy Payments Service yet, the Joint Administrators anticipate that the total amount paid to employees in relation to notice pay and redundancy pay will be £51,331.37 and £40,994.83 respectively. This claim estimate has been included in the above total.

The Joint Administrators have not adjudicated on any creditor's claim at this time, as that will be for a subsequently appointed liquidator.

Creditors will note from the Estimated Outcome Statement, included at Appendix B, assuming that realisations and expenses are as anticipated, there will be sufficient funds to enable a return to creditors, currently estimated at 14 pence in the £.

Creditors should note that this figure is given as a guide only, as the below factors will affect the final distribution figure payable to creditors:

- The amount realised for assets marked in the EOS with an uncertain realisable value and the final agreed costs position relating to professional fees;
- The total claims received and eventually agreed from suppliers, Ofgem and Shell, as well as the outcome of any legal review of those claims and the associated costs of that work; and
- The outcome of ongoing legal disputes between the Company and its former suppliers.

Prescribed Part

In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.

As there is no floating charge, the prescribed part does not apply in this instance.

05

Other key information

Other key information

Other key information

Other key information

Creditors' Rights

Further information

We would advise you that, pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the Court, may, within 21 days of receipt of this progress report, ask the Administrators for further information about the remuneration and expenses set out in this progress report.

Apply to Court

Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:

- That the remuneration charged by the Administrators, or
- That the basis fixed for the Administrators' remuneration, or
- That the expenses incurred by the Administrators,

is in all of the circumstances, excessive or inappropriate.

Further guidance

Creditors can find additional information on their rights relating to Administrators' fees in a copy of the publication "A creditors guide to Administrators' Fees", which is available to download from <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/> or alternatively will be provided free of charge upon written request to this office.

Data Protection

Where the Administrators hold or require personal data from you we will only do so in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy.

Extension of the Administration

It is not yet known if an extension of the Administration will be required as this is dependent on the asset recoveries being finalised. Creditors will be updated in due course.

Ending the Administration

Once asset realisations are complete and all expenses have been paid, the Joint Administrators will proceed to convert the Administration into Creditors' Voluntary Liquidation, in order to make a distribution to unsecured creditors.

06

Administrators' remuneration & expenses

Administrators' remuneration

Pre-Administration costs

The pre-administration costs totalled £11,066 plus VAT as set out below. These costs were incurred before the Company entered Administration but with a view to it doing so. Confirmation and approval of the costs was obtained from the Creditors on 21 December 2021 via decision by correspondence. Following approval, these costs were paid as an expense of the Administration.

Recipient	Nature of work provided	Amount incurred (£)	Amount paid (£)
Mazars LLP	Advice to the Company and work required to place the Company in Administration	18,004	10,000
Mazars LLP	Administrators' Disbursements	52	-
Eversheds	Legal advice	800	800
Eversheds	Legal disbursements	214	214

Mazars were engaged by the Company on 21 October 2021 to assist in relation to the Company's affairs, in attending meetings with the Directors to explain the Administration procedure, in dealing with the formalities of placing the Company into Administration and liaising with the solicitors instructed to assist in completing such formalities.

Further work was also undertaken in respect of contacting relevant parties on behalf of the Company with a view to carrying out these functions, consenting to act, reviewing statutory paperwork in relation to the Administration appointment and preparing to carry out immediate post-appointment duties. The disbursement incurred relates to travel costs for the initial meeting and the initial visit to site.

Mazars' time costs in relation to the above described pre-appointment work totalled £18,004. However, per the engagement letter agreed with the Directors on 21 October 2021, Mazars capped their costs at a fixed fee of £10,000 plus VAT. As such, Mazars are only sought to recover the agreed fixed fee plus disbursements.

Eversheds were engaged based on their experience of work in restructuring and insolvency matters. Work carried out by Eversheds included taking initial instructions, setting up file, AML checks, drafting and reviewing appointment documents including board minutes and resolution, reviewing the articles of association, filing appointment documents at Court and serving appointment documents.

Administrators' remuneration

Administrators' Remuneration

A resolution was passed by the creditors by correspondence on 21 December 2021 enabling the Joint Administrators to draw remuneration by reference to the time properly spent by the Administrators and their staff in dealing with the matters arising during the Administration, subject to the Fees Estimate of £270,071.50 plus VAT issued to creditors on 6 December 2021.

Attached at Appendix D1 is a comparison of the Administrators' Fees Estimate to actual time costs for the six month period 25 October 2021 to 24 April 2022, which total £263,454.50 representing 704 hours at an average hourly rate of £374.23.

Attached at Appendix D2 is a narrative summary of the Administrators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.

As at 24 April 2022, an amount of £259,896.50 has been drawn against the Administrators' time costs in respect of the Administration.

Based on the current level of time costs and expected future work for the completion of the Administration, it is expected that the Administrators' total time costs will exceed the approved Fees Estimate of £270,071.50 plus VAT.

At this stage, the Administrators do not propose to seek approval for any amounts they expect to incur in excess of the Fees Estimate. Such a request for an increase in the Administrators fees will be made in our next report, when the Administration has progressed further and the final balance available to creditors is hopefully known.

Details of the future work anticipated to be carried out by the Joint Administrators includes:

- Realisation of remaining assets as detailed in Section 2 of the report;
- Finalising the submission of VAT returns to HMRC for the pre-Administration period;
- Further investigations as detailed in Section 3 of the report;
- Reporting and statutory and compliance functions;
- Converting the Administration to a Creditors' Voluntary Liquidation and proceeding to agree creditor claims, before paying a distribution to unsecured creditors.

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 include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses 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:** These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
- **Category 2 expenses:** These 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. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at Appendix C, together with an explanation as to why the expenses have been or will be incurred. This also includes details of the previous Expenses Estimate, for comparison purposes.

Further details of expenses paid during the period of the report are shown in the receipts and payments account at Appendix B.

We have reviewed the expenses incurred to date and we are satisfied that they are fair and reasonable and proportionate in the circumstances of the case.

Category 2 Expenses

As noted above, Category 2 Expenses require approval in the same manner as an office holder's remuneration before being paid.

Creditors will recall that a decision was made on 21 December 2021 by correspondence in agreement of the anticipated Category 2 expenses. Details of the expenses incurred in the period is available in the attached Expenses Estimate. Further details on the nature of the expense is provided below.

Type of Category 2 Expense	Description
Mileage	This expense represents the costs of travelling in respect of the office holder and their staff. Mileage expenses are a reimbursement to the office holders' staff and are deemed as payments to associates. Such payments require approval in the same manner as the office holders' remuneration and I can confirm that approval was sought, as noted above.

Appendices

- A** Identification Details
- B** Administrators' Receipts and Payments Account and Estimated Outcome Statement
- C** Expenses Statement
- D** Analysis of the Administrators' remuneration
- D1** Narrative Summary of work undertaken by the Administrators for the current period
- D2** Expenses Policy

Appendix A: Identification details

Details relating to the Company	
Company name	Goto Energy (UK) Limited
Previous names	Queensbury Energy Limited
Trading name	As above
Company number	09844990
Registered office	30 Old Bailey, London, EC4M 7AU
Previous registered office	Office 23, 2nd Floor Innovation Way Discovery Park Sandwich CT13 9FF
Trading address	Office 23, 2nd Floor Innovation Way Discovery Park Sandwich CT13 9FF
Court	The High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List (ChD)
Court reference	001942 of 2021

Details relating to the Joint Administrators	
Date of appointment	25 October 2021
Current Joint Administrators	G R T Hollander and M Pallott of Mazars LLP 30 Old Bailey London EC4M 7AU
	IP No(s) 009233 and 023650
Former Joint Administrators	N J Mather of Mazar IP No 008747
Joint Administrators' functions	All acts required to be done by the joint administrators, may be done by either or both, acting jointly or alone.
Joint Administrators' address	30 Old Bailey London EC4M 7AU
Appointed by	The Directors
Joint Administrator's contact telephone number	020 7063 4000

Appendix B: Administrators' Receipts and Payments Account

Goto Energy (UK) Ltd - In Administration
Joint Administrators' Summary of Receipts & Payments and Estimated Outcome Statement
As at 24 April 2022

	Book value	Receipts & Payments to 24 April 2022	Estimated Future Receipts & Payments	Estimated Final Outcome
	£	£	£	£
Uncharged Assets				
Cash at Bank	461,341	501,760	-	501,760
VAT Refund - Pre Appointment	82,557	82,557	-	82,557
Computer Equipment	2,000	2,000	-	2,000
Office Equipment	3,000	3,000	-	3,000
GoCardless Receipts pre 21 October 2021	303,175	303,175	-	303,175
GoCardless Receipts Between 21 October 2021 and 24 October 2021	-	124,985	-	124,985
GoCardless Receipts Relating to Debit Accounts at 25 October 2021	-	221,516	-	221,516
Sale of Customer Debit Balances to Shell	-	48,632	-	48,632
Monies Held by GoCardless - Fees and Chargebacks	-	189,665	-	189,665
Funds Held on Trust for Shell	-	1,345,600	-	1,345,600
Retention for Potential VAT Liability	-	67,261	-	67,261
Sundry Refunds	-	10,694	-	10,694
Outset Legal - Client Account	171,600	-	Uncertain	-
Prepay - National Grid	317,066	-	Uncertain	-
SmartestEnergy	354,066	-	Uncertain	-
Other Debtors: Tomorrow field Limited	11,934	5,967	-	5,967
Soldo Expense Account	-	2,753	-	2,753
American Express Merchant Account	-	-	-	-
Aged Debtor Ledger	-	1,066	-	1,066
VAT Refund - Period in Administration	-	-	2,861	2,861
VAT Payable	-	1,000	(1,000)	-
	1,706,739	2,911,631	1,861	2,913,492

Appendix B: Administrators' Receipts and Payments Account

	Book value	Receipts & Payments to 24 April 2022	Estimated Future Receipts & Payments	Estimated Final Outcome
	£	£	£	£
Costs of realisation				
Administrators' Remuneration - Pre Appointment		10,000	-	10,000
Administrators' Expenses - Pre Appointment		-	52	52
Administrators' Remuneration - Post Appointment		259,897	10,175	270,072
Administrators' Expenses - Post Appointment		-	3,527	3,527
Legal Fees - Pre Appointment		800	-	800
Legal Expenses - Pre Appointment		214	-	214
Legal Fees - Post Appointment		27,393	40,000	67,393
Agents' Fees - ERA		2,025	750	2,775
Agents' Fees - Valuation of Business		2,067	-	2,067
Employee Expenses		111	-	111
Employee Wages		16,910	-	16,910
HM Revenue & Customs - PAYE & NI		22,872	-	22,872
Pension Contributions		-	1,892	1,892
Accountancy Fees - Payroll		-	570	570
Accountancy Fees - VAT		6,250	-	6,250
Monies Held by GoCardless - Fees and Chargebacks		189,665	-	189,665
Funds held on Trust for Shell		1,345,213	387	1,345,600
Retention for Potential VAT Liability		-	67,261	67,261
Insurance of Assets		562	-	562
VAT Receivable		61,741	(61,741)	-
	-	1,945,719	62,873	2,008,592
Net floating charge realisations	1,706,739	965,912	(61,012)	904,900
Preferential creditors - holiday pay	46,312	30,857	-	30,857
HMRC secondary preferential creditors - VAT	-	-	13,625	13,625
Net realisations available to unsecured creditors	1,660,428	935,055	(74,637)	860,417
Unsecured creditors			6,181,018	6,181,018
Estimated recovery to unsecured creditors (%)				14%

Appendix C: Expenses Statement

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Incurred in current period (£)	Likely future expenses (£)	Revised Expenses estimate (£)
Category 1 Expenses					
Professional advisors' costs					
Legal fees and expenses - Pre-Appointment	Eversheds were instructed to provide assistance and prepare the necessary paperwork to place the Company into Administration and further details can be found at Section 8 of the report. Their time costs in this regard were £800 and their disbursements totalled £214.	1,014.00	1,014.00	-	1,014.00
Legal fees – Post-Appointment (Eversheds)	Eversheds were instructed to provide advice and assistance with the preparation of agreements relating to the transfer of customer data and sale of customer debit balances with Shell, as part of the SOLR process. Their fees have been agreed on a time costs basis and they did not incur any disbursements. This firm of lawyers was chosen based on their experience in insolvency matters	27,393.00	27,393.00	-	27,393.00
Legal fees – Post-Appointment (Other)	<p>Further legal fees will need to be incurred should there be a requirement to:</p> <p>Adjudicate creditor claims received from Ofgem or other suppliers in the subsequent liquidation;</p> <p>Provide advice in relation to the legal dispute with Gentrack;</p> <p>Assist in the recovery of funds held by the National Grid and SmartestEnergy; and</p> <p>Provide advice and potentially assist in the collection of the aged debtor ledger.</p> <p>For the above services, an appropriate legal advisor who is either already involved in the current matter (on behalf of the Company) or who is experienced in similar issues will be instructed. For this, the amount of £40,000 plus VAT has been provisioned.</p> <p>In the period, Norton Rose Fulbright LLP were instructed to provide advice in relation to the ongoing dispute with Gentrack. Their unbilled WIP currently totals £800 plus VAT.</p>	40,000.00	-	40,000.00	40,000.00

Appendix C: Expenses Statement

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Incurred in current period (£)	Likely future expenses (£)	Revised Expenses estimate (£)
Category 1 Expenses					
Agent's fees – Valuation of Business	Lambert Smith Hampton ("LSH") were instructed to provide an independent professional valuation of the chattel assets of the Company, due to their experience in providing such valuations in an insolvency scenario. LSH has confirmed their independence to this firm and also to the Company.	2,067.00	2,067.00	-	2,067.00
Agent's fees – ERA	Evolve IS Limited were instructed to assist with employee redundancies, calculating employee claims, the preparation of RP14 and RP14a forms, as well as the work associated with the Company's pension scheme (completing statutory notifications and completing an RP15 form). Their outstanding fee relates to the latter work associated with the Company's pension scheme.	2,775.00	2,025.00	750.00	2,775.00
Accountancy Fees – Payroll	Kreston Reeves ('KR') previously acted for the Company in preparing their monthly payroll. As such, in order to reduce the costs of onboarding a new accountancy firm, KR were instructed to process the payroll in relation to the staff wages accrued during the Administration and the outstanding holiday pay for all staff. In addition, KR have also prepared the P45's for all employees.	570.00	-	570.00	570.00
Accountancy Fees – VAT	Pentins Business Advisors Ltd ('Pentins') previously acted for the Company by processing their financial management data and preparing the quarterly VAT returns. As such, the Joint Administrators have instructed Pentins to prepare the Company's pre and post appointment VAT returns, along with providing advice in relation to the treatment of VAT on invoices produced during the Administration.	6,000.00	6,250.00	-	6,250.00

Appendix C: Expenses Statement

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Incurred in current period (£)	Likely future expenses (£)	Revised Expenses estimate (£)
Category 1 Expenses					
Other expenses					
Corporation tax	It is likely that corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.	<i>Uncertain</i>	-	Uncertain	-
Employee Expenses	Certain staff members, key to the trading of the business, were allowed to reclaim personal mileage from the Company as part of their employment. Two mileage receipts were received and have been paid in full.	111.00	111.00	-	111.00
Employee Wages	This expense relates to the staff wages incurred during the period of the Administration, as set out in detailed previously in this report. All staff wages have now been paid in full.	16,910.00	16,910.00	-	16,910.00
HM Revenue & Customs -PAYE	RTI submissions in relation to the payments to employees for outstanding holiday pay, and wages incurred during the Administration, have been made to HMRC. Further to this, the amount of £22,872 is now outstanding to HMRC for PAYE.	22,872.00	22,872.00	-	22,872.00
Pension Contributions	Pension contributions were also deducted from the payments to employees listed above. These will be payable to the Company's pension provider in due course.	1,892.00	-	1,892.00	1,892.00
Insurance of Assets	Upon the Administrators appointment, open cover insurance was put in place to cover the assets of the company, employee liability and public liability of the Company's Offices. The costs associated with this have been paid in full.	-	562.00		562.00

Appendix C: Expenses Statement

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Incurred in current period (£)	Likely future expenses (£)	Revised Expenses estimate (£)
Category 1 Expenses					
Joint Administrators' disbursements	<p>Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds.</p> <p>Expenses incurred or expected to be incurred in this manner include:</p> <p>Postage - costs payable to a third party provider, PostWorks Limited, for postage charges re circulars to creditors - Revised Estimate £200 (Unchanged)</p> <p>Specific bond - a legal requirement to take out a specific bond in respect of the value of the assets Revised Estimate £743 (Unchanged)</p> <p>Accommodation – hotels for staff who worked on site - Original Estimate £667 - Revised Estimate £943</p> <p>Travel Costs – Train fares and parking Initial Estimate £129 - Revised Estimate £184</p> <p>Statutory Advertising – of our Appointment and subsequent decision procedure Revised Estimate £200 (Unchanged)</p> <p>Subsistence – for staff while trading on site Original Estimate £267 - Revised Estimate £303</p> <p>Most of these expenses have been incurred, but none have yet been paid.</p>	2,205.00	2,271.97	299.45	2,571.42
Total Category 1 Expenses		123,809.00	81,475.97	43,511.45	124,987.42

Appendix C: Expenses Statement

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Incurred in current period (£)	Likely future expenses (£)	Revised Expenses estimate (£)
Category 2 Expenses					
These expenses require approval in the same manner as the office holder's remuneration.					
Mileage	This expense represents the costs of the office holder and their staff in travelling to the Company's office. These expenses have been incurred as a disbursement by this firm and are to be re-charged to the estate.	857.00	955.47	-	955.47
Total Category 2 Expenses		857.00	955.47	-	955.47
Mazars LLP Remuneration					
Joint Administrators' Pre-appointment costs	The Joint Administrators' pre-appointment time costs total £18,004, plus VAT, however they are proposing to draw a fixed fee of £10,000 plus VAT. Further details of the breakdown of these costs is provided at Section 8 of the report.	10,052.00	10,000.00	52.00	10,052.00
Joint Administrators' remuneration	<p>Management of the Company's affairs in order to achieve the objective of the Administration. Realising and distributing the Company's assets and performing those tasks required as dictated by statute, best practice and ethical requirements.</p> <p>As at 24 April 2022, an amount of £259,896.50 has been drawn against the Administrators' time costs in respect of the Administration.</p> <p>Based on the current level of time costs and expected future work for the completion of the Administration, it is expected that the Administrators' total time costs will exceed the approved Fees Estimate of £270,071.50 plus VAT.</p> <p>At this stage, the Administrators do not propose to seek approval for any amounts they expect to incur in excess of the Fees Estimate. Such a request for an increase in the Administrators fees will be made in our next report, when the Administration has progressed further and the final balance available to creditors is hopefully known.</p>	270,072.00	259,897.00	10,175.00	270,072.00
Total Mazars LLP Remuneration		280,124.00	269,897.00	10,227.00	280,124.00
Total		404,790.00	352,328.44	53,738.45	406,066.89

Professional advisors

The office holder's choice of the professional advisors listed above was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

The office holders have reviewed the costs incurred to date and are satisfied that they are reasonable in the circumstances of the case.

Category 2 Expenses

The office holders have reviewed the expenses which have been or are likely to be incurred in this matter and do not consider that there are any instances where payments could reasonably be perceived as presenting a threat to the office holders' objectivity or independence by virtue of a professional or personal relationship, including to an associate, and which require approval as a Category 2 Expense, other than those listed above.

Appendix D1: Administrators' analysis of time costs and comparison to Fee Estimate

The following table provides details of the Joint Administrators' actual time costs incurred in the current reporting period, compared to the estimated costs as per the Fees Estimate.

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors is provided within the narrative summary of work undertaken at Appendix D2. Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge-out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

Description of Work	Fee Estimate			Actual time costs for the period 25 October 2021 to 24 April 2022		
	Total Time (hours)	Total Costs (£)	Blended hourly rate (£)	Total Time (hours)	Total Costs (£)	Blended hourly rate (£)
Administration & Planning	133.9	59,210.00	442.20	127.8	52,440.00	410.33
Taxation	19.9	7,760.00	389.95	23.5	6,879.00	292.72
Investigations	39.9	12,476.00	312.68	78.1	25,900.00	331.63
Realisation of Assets	79.6	34,964.00	439.25	72.4	29,354.00	405.44
Trading	108.8	54,868.00	504.30	120.9	57,346.00	474.33
Employees	65.5	22,028.00	336.31	66.9	21,944.00	328.01
Creditors	43.3	17,252.00	398.43	64.7	26,206.00	405.04
Reporting	91.9	32,120.00	349.51	79.6	25,328.00	318.19
Distributions	30.0	12,040.00	401.33	-	-	-
Cashiering	31.6	9,404.00	297.59	43.3	11,044.00	255.06
Statutory & Compliance	25.4	7,949.50	312.97	26.8	7,013.50	261.70
Total	669.8	270,071.50	403.21	704.0	263,454.50	374.23

Appendix D2: Narrative Summary of Administrators' time costs for the current period

Description of work
<p><u>Administration and Planning</u></p> <p>To date, the Administrators have undertaken the following work in this Category:</p> <ul style="list-style-type: none"> • Case acceptance and ethical reviews; • Completing case strategy notes; • Filing of key documents and correspondence associated with the Administration; • Initial planning & strategy meetings with the Administrators and their staff regarding all matters generally in the Administration; • Holding strategy meetings and engaging in correspondence with solicitors & directors; • Researching key matters which will affect the Administration, such as claims from Ofgem/Shell, the effect of mutualisation in an Administration and other keys issues. • Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system; and • Calculating values for bordereau of case. <p>Future work in this category is expected to include:</p> <ul style="list-style-type: none"> • Ongoing strategy meetings between the Administrators, their staff and advising solicitors; • Documenting decisions; and • Managing and maintaining the case on the firm's client systems and specialist insolvency software systems. <p>This work is necessary to ensure that the case is administered correctly and in line with statutory requirements.</p> <p>It is not expected that this work will result in a direct financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.</p>

Appendix D2: Narrative Summary of Administrators' time costs for the current period

Taxation

To date, the Administrators have undertaken the following work in this category:

- Notifying HM Revenue & Customs ("HMRC") of our appointment and establishing whether they have any outstanding claims or ongoing investigations. Such enquires will assist with our own investigations;
- Liaising with accountants and former directors to further to understand position;
- Deregistering the Company for VAT once appropriate, in line with VAT regulations; and
- Reviewing VAT computations prepared by the Company's former accountants for both the pre and post appointment periods.

Future work in this category is expected to include:

- Establishing the full extent of HMRC's claim in the Administration;
- Distributing a second class preferential dividend to HMRC once their claim has been substantiated;
- Agreeing both pre and post Administration VAT, as required by statute;
- Seeking tax clearance for closure of the Administration.

The majority of this work derived no direct financial benefit for creditors; however, it is required to ensure the Company is administered in line with legislative requirements. Further work regarding HMRC's claim will assist with the adjudication process for when the time is appropriate for a preferential distribution to be.

Appendix D2: Narrative Summary of Administrators' time costs for the current period

Investigations

To date, the Administrators have undertaken the following work in this category;

- Initial review of Company information and documentation regarding the affairs of the Company and the conduct of its Directors;
- Preparing and issuing questionnaires to the directors and former directors in accordance with statutory requirements;
- Liaising with solicitors, directors and former directors in respect of the Company's background and financial position;
- Reporting to the Insolvency Service on the Directors as required;
- A review of the Company's books and records, to identify any potential transactions that were outside the ordinary course of business;
- Reviews of the creditor questionnaires received and investigation into any matters notified; and
- Correspondence with Ofgem and review of their concerns into the Administrations of energy companies generally.

Further work in this category is expected to include:

- Ongoing investigation into the affairs of the Company and the conduct of its Directors; and
- Recovery of further books and records outstanding.

This work is required by statute, and unless any assets or rights of action are identified by the Administrators, there is generally no financial benefit to creditors in carrying out the work. However, should the Administrators' investigations reveal additional assets or rights of action, then these may lead to additional realisations but the costs of pursuing these actions are likely to increase. In this case, further information will be provided to creditors under separate cover in due course.

Appendix D2: Narrative Summary of Administrators' time costs for the current period

Realisation of Assets

The Company's assets are as stated in section 4. To date, the Administrators have undertaken the following work in this category:

- Email insurers upon appointment to arrange open cover on the assets until the asset position has been confirmed;
- Liaising with the directors to understand the asset position of the Company;
- Contacting Banks, expense account operators and merchant service providers regarding funds being held;
- Instructing asset valuation agents to attend site and value assets;
- Reviewing and agreeing sale of chattel assets;
- Liaising with GoCardless regarding customer debit balances and funds held;
- Calculation and analysis of funds provided by GoCardless to ensure appropriate funds are maintained in the Administration;
- Agree voluntary surrender of leased offices to landlord;
- Review legal dispute with Gentrack with directors, solicitors and Gentrack;
- Liaise with directors of Tomorrowfield Limited to negotiate settlement of outstanding debt;
- Discussions with director regarding all potential refunds due to the Company from suppliers; and
- Review of aged debtor ledger and associated correspondence with Bank.

Further work in this category is expected to include:

- Further liaise with Gentrack and legal advisors regarding the dispute and funds held in Outset Legal's Client account; and
- Further liaise with the National Grid and SmartestEnergy regarding ongoing disputes and potential claims.

This work is anticipated to result in a financial benefit for the Administration estate, due to the realisation of the assets of the Company and reduction in creditor claims.

Appendix D2: Narrative Summary of Administrators' time costs for the current period

Trading

To date, the Administrators have undertaken the following work in this category:

- Held strategy meetings with the director's regarding maintaining staff and operations while discussions with Shell were held;
- Attendance on site by the Administrator and his staff to oversee operations;
- General trading related work, such as dealing with day to day employee, customer and other issues;
- Ensuring the Administrators details are included on the website and correspondence;
- Meetings and correspondence with Shell, GoCardless, Eversheds, Company employees and the directors regarding the transfer of data in line with the SOLR process;
- Working with employees to understanding the company software and process for producing final invoices and reconciling customer balances;
- Negotiations with Shell regarding the sale of the customer debit balances;
- Reviewing and dealing with email queries and calls from former customers;
- Correspondence with Shell regarding contact from a large volume of former customers, who had incorrectly been told by Shell to make contact with the Administrators; and
- Assessing former customer queries in accordance with responsibility for payment in accordance with the SOLR process.

Further work in this category is expected to include:

- Dealing with any further outstanding issues resulting from the data transfer;
- Continue receiving and forwarding calls from former customers to Shell, in line with SOLR transfer; and
- Receiving and forwarding funds from GoCardless to Shell in line with agreement.

This work has resulted in a financial benefit for the Administration estate, due to the realisation of the outstanding customer debit balances. The work has also resulted in the smooth transition of customer information to Shell, in line with the expectations of Ofgem.

Appendix D2: Narrative Summary of Administrators' time costs for the current period

Employees

To date, the Administrators have undertaken the following work in this category.

- Undertaking a S120 search for relevant pension schemes;
- Requesting further details from directors regarding pension schemes;
- Writing to employees and dealing with any queries they may have in respect of their claims;
- Reviewing employment contracts;
- Dealing with general employee issues and queries;
- Arranging the payment of employee expenses;
- Establishing any amounts owed to employees and liaising with external payroll providers;
- Instructing agents to deal with redundancies, outstanding pension matters and assisting employees submit claims to the RPO;
- Liaising with the Pensions Protection Fund and the Pensions Regulator and issuing statutory forms;
- Instructing accountants to process staff payroll and produce P45's for all employees;
- Calculating and arranging payment of employees outstanding holiday pay, as well as for wages accrued during Administration; and
- Liaising with the Redundancy Payments Service and agreeing forms RP14, RP14a in relation to the employee's claims.

Further work in this category is expected to include:

- Assessing and adjudicating unsecured claims received by the Redundancy Payments Service and employees in the subsequent liquidation; and
- Investigating potential claims in respect of unpaid pension contributions and making the relevant pension submissions.

The majority of this work derived no direct financial benefit for creditors; however, it is required to ensure the Company is administered in line with legislative requirements.

Creditors

To date, the Administrators have undertaken the following work in this category in order to deal with creditors appropriately:

- Requesting an initial list of creditors for initial notification purposes;
- Writing to creditors notifying of the Administration and requesting for creditor questionnaires to be completed to assist with our investigations; and
- Dealing with creditor and customer queries.

Future work in this category is expected to include:

- General correspondence with creditors & responding to queries that arise;
- Logging creditor claims; and
- Requesting further information from creditors in support of their claims as required.

This work derived no financial benefit for creditors, however, it is necessary to comply with the regulations placed upon the Administrators.

Appendix D2: Narrative Summary of Administrators' time costs for the current period

Reporting

To date, the Administrators have undertaken the following work in this category:

- Issuing the initial notification to all known creditors and members; and
- Drafting and issuing the Administrators' Statement of Proposals to creditors
- Arranging and reporting the outcome of any decision procedures;

Future work in this category is expected to include:

- Preparing and issuing six monthly progress reports as required by statute;
- Drafting and issuing the final progress report in the Administration; and
- Drafting and issuing progress reports in the subsequent liquidation.

It is not expected that this work will result in a direct financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Distributions

As part of the subsequent liquidation, the following work is anticipated in this category:

- Adjudication of creditor claims and reviewing of support documentation;
- Seeking legal advice on complex and disputed claims;
- Calculations of dividend amounts;
- Writing to creditors providing notice of an intended dividend, agreeing claims, rejecting claims and payments of dividends;
- Advertising for creditors to submit claims and notice of intended dividends; and
- Preparation of paperwork to control and facilitate payment of dividends.

This work is required in order to ensure that creditors are paid the correct amount outstanding to them in a timely manner.

Appendix D2: Narrative Summary of Administrators' time costs for the current period

Cashiering

To date, the Administrators have undertaken the following work in this category:

- Set up of case details on our insolvency software system;
- Setting up bank accounts;
- Analysing receipts to ensure appropriate reconciliation with our receipts and payments account; and
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

Future work in this category is expected to include:

- Bank account maintenance, including monthly reconciliations; and
- Issuing payments and banking receipts and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for creditors, however, it is required in order to ensure that the estate bank account is operated in accordance with the guidance issued by our regulatory bodies.

Statutory and Compliance

To date, the Administrators have undertaken the following work in this category:

- Preparation and lodgement of statutory appointment documents;
- Initial notices following appointment;
- Advertising the appointment of Administrators in the London Gazette;
- Considering the proposals and appropriate decision processes;
- Submitting Statement of Affairs to Companies House;
- Case bordereau submissions; and
- Requesting submission of a Statement of Affairs from the director; liaising with the Director with regards to its completion.

Future work in this category is expected to include:

- Case monitoring and statutory compliance, including internal case reviews.

It is not expected that this work will result in a direct financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

Appendix D3: Rates and Expenses Policy

Charge-out rates

Details of the current charge-out rates of the personnel working on this case are set out below:

	Partner	Director	Associate Director / Manager	Senior Executive / Executive	Cashier / Support Staff
Current charge out rate per hour effective from 1 September 2021 - Range (£)	640	520	400-460	200-360	140 - 160

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Specialist departments within our Firm, (Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

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 include disbursements.

Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses 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: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.

•Category 2 expenses: These 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. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

The following Category 2 expenses have been incurred in administering this case :

- Mileage will be charged at relevant HM Revenue & Customs prevailing rates, currently 45p per mile.

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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of more than 42,000 professionals – 26,000+ in Mazars' integrated partnership and 16,000+ via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

*Where permitted under applicable country laws

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