



TUESDAY



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23/02/2021

#52

COMPANIES HOUSE

1 Company details

Company number 0 8 1 8 6 6 6 4

Company name in full Iresa Limited

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

2 Administrator's name

Full forename(s) Matthew James

Surname Cowlshaw

3 Administrator's address

Building name/number Four Brindleyplace

Street Birmingham

Post town County/ B1 2HZ

Region

Postcode

Country

4 Administrator's name

Full forename(s) Daniel James Mark

Surname Smith

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

5 Administrator's address

Building name/number 1 New Street Square

Street

Post town County/ London

Region

Postcode E C 4 A 3 H Q

Country

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

AM10

Notice of administrator's progress report

Period of progress report

From date	^d 0	^d 1	^m 0	^m 8	^y 2	^y 0	^y 2	^y 0
To date	^d 3	^d 1	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1

Progress report

I attach a copy of the progress report

Sign and date

Administrator's
signature

Signature

X 

X

Signature date

^d 1	^d 9	^m 0	^m 2	^y 2	^y 0	^y 2	^y 1
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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 **Vinay Mistry**

Company name **Deloitte LLP**

Address **Four Brindleyplace**
Birmingham

Post town **B1 2HZ**

County/Region

Postcode

Country

DX

Telephone **+44 121 632 6000**



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 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

Deloitte.

Iresa Limited (in Administration)

("the Company" / "Iresa")

Progress report to creditors for the period 1 August 2020 to 31 January 2021 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules")

Court Case No. 6400 of 2018
High Court of Justice, Business and
Property Courts of England and Wales
Company Number: 08186664

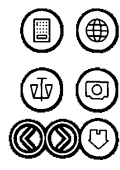
Registered Office: c/o Deloitte LLP,
Four Brindleyplace,
Birmingham,
B1 2HZ

Matthew James Cowlshaw and Daniel James Mark Smith ("the Joint Administrators") were appointed Joint Administrators of Iresa Limited on 1 August 2018 by the Director of the Company, Mr Adeniyi Oluwaseun Oladeji. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

19 February 2021



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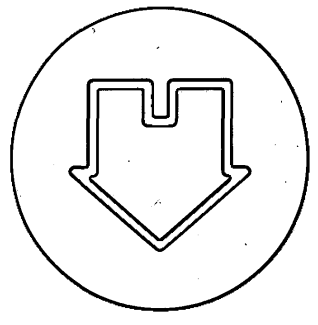
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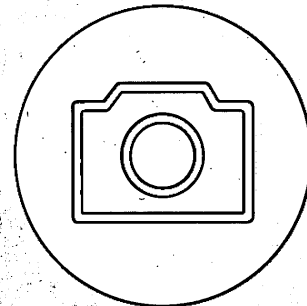
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Key messages



Key messages

Joint Administrators of the Company

Matthew James Cowlishaw
Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Daniel James Mark Smith
Deloitte LLP
2 Hardman Street
Manchester
M3 3HF

Contact Details

Email: wpackwood@deloitte.co.uk

Website:

www.deloitte.com/uk/iresa

Tel: 0121 696 8661



	Commentary
Purpose of administration	<ul style="list-style-type: none"> The purpose of the administration is to achieve a better result for the Company's creditors as a whole than a liquidation of the Company. Due to the Supplier of Last Resort ("SOLR") process, the Company's licence to operate was revoked and therefore it was not possible to rescue the Company as a going concern.
Progress of administration	<ul style="list-style-type: none"> As previously reported, shortly before our appointment the Company ceased to trade and all active customers were transferred to Octopus Energy Ltd ("Octopus") under a regulatory process run by the regulator Ofgem, the SOLR process. The Joint Administrators have continued to work with Octopus to monitor the level of active customer arrear recoveries and reconciliation of the account. A final reconciliation of customer arrear recoveries and costs incurred has been undertaken by Octopus during the period with funds of c.£109k being received. Corporate Debt Solutions – Global Limited ("CDS") have continued to collect inactive accounts with £41 having been collected during the period. During the period a further £10 was received in respect of other receipts. In the report period the Joint Administrators have been made aware of matters which could impact the validity of certain creditor claims. The Joint Administrators are seeking legal advice in this regard. Please see page 5 for further details.
Costs	<ul style="list-style-type: none"> Our fees have been fixed as a set amount of £595k. Please see page 11 for further details. We have incurred disbursements of £416 in the report period. Please see page 12 for further details. Third party costs and expenses of £27,613 have been incurred in the report period. Please see page 6 for further details.
Outstanding matters	<ul style="list-style-type: none"> Consider legal advice obtained in relation to certain creditor claims and seek guidance from the Court if necessary; Agree unsecured creditor claims and make a distribution; Complete final tax and VAT returns, obtain tax clearance and statutory closing procedures.
Dividend prospects	<ul style="list-style-type: none"> The secured creditor has been paid in full. There are no preferential creditors in the administration as all employees were paid during the administration shut down period. There will be a distribution for unsecured creditors, however the quantum of the dividend is dependent on the outcome of the legal advice referred to above.
Extension to administration period	<ul style="list-style-type: none"> As previously reported the administration had been extended to 31 July 2020 and subsequently to 31 January 2021. In order to allow time to resolve the legal matter referred to above and thereafter to make a distribution to unsecured creditors, a further extension was sought from the Court on 28 January 2021 extending the period to 31 January 2022. It is unlikely that any further extension will be required. Please see page 9 for further details.



Progress of the administration

Summary

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Receipts and payments

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Progress of the administration Summary

Work done during the report period

Customer accounts in Debit

As at the date of our appointment the Company had a number of pre-appointment customer accounts in debit. Company employees were retained for a period of time following our appointment in order to reconcile customer accounts.

As outlined in the Proposals, these book debts were classified into two categories.

1. Active customer arrears – amounts owed by customers who were transferred to Octopus under the SOLR process (i.e. customers of the Company at 1 August 2018); and
2. Inactive customer arrears – amounts owed by former customers who had left the Company prior to 1 August 2018.

Active customer arrears

As previously reported as a result of the SOLR process all active customers were transferred to Octopus prior to the administration appointment.

During the period, the Joint Administrators have finalised the customer account reconciliation with Octopus and funds of £109k have been received.

Inactive customer arrears

As previously reported, CDS, an agency with energy sector collections experience, were appointed on 2 January 2019 to assist in collecting balances due from inactive customers. During the period funds of £41 have been received, total realisations are c.£42k.

Minimal balances continue to be received while we await resolution in respect of the outstanding matter.

Creditors

During the previous period an application to Court was made and an order granted to enable payment of an unsecured dividend from the administration.

During the process of agreeing creditor claims and preparing for distribution the Joint Administrators became aware of matters that could impact the validity of certain large creditor claims. The Joint Administrators therefore postponed the dividend process and are seeking legal advice on the adjudication of the relevant creditor claims for dividend purposes. It may be necessary to seek guidance from the Court to finalise these claims.

Once this matter has been resolved the Joint Administrators will initiate another dividend process by issuing a notice of intended dividend for the first and final distribution to creditors ahead of making payment of the dividend within the prescribed statutory period (within two months of the last date to prove specified in the notice of intended dividend).

At this stage the timing of the unsecured distribution is uncertain but is expected to be within the current extension period which ends on 31 January 2022.



Progress of the administration Summary

Work done during the report period (continued)

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions, including updating the insolvency website for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of the previous report;
- Responding to creditor correspondence;
- Payments and receipts;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Third party costs incurred during the report period

The only third party expenses incurred during the report period relate to legal costs. We have instructed Shakespeare Martineau LLP to:

- provide advice in relation to certain creditor claims, as explained on page 5; and
- undertake the work required to further extend the period of the administration to 31 January 2022, including drafting the necessary Court order.

Shakespeare Martineau LLP fees of £14,800 plus VAT have been incurred and paid in the period, together with expenses of £12,813 plus VAT in relation to counsel's fees as shown in the receipts and payments account on page 7.

All professional costs were reviewed and analysed in detail before payment was approved.



Progress of the administration

Receipts and payments

Joint Administrators' receipts and payments account 01 August 2020 to 31 January 2021

£	SoA values	Notes	Period	To date
Receipts				
Sale of Technology	-	-	-	10,000
Contribution to Legal Fees	-	-	-	3,600
Furniture & Equipment	-	-	-	3,193
Book Debts	3,500,000	A	109,064	1,389,025
Cash at Bank	3,245,665	-	-	3,282,260
Third Party Cash Receipts	-	-	-	31,129
Inactive Book Debts	-	-	41	41,721
Bank Interest Gross	-	D	-	23,980
Credit Cover Receipt	-	-	-	45,374
Other Receipts	-	-	10	3,258
Bluesnap Inactive Debtors	-	-	-	14,416
Cost Sharing Agreement	-	-	-	106,579
Total receipts	6,745,665		109,114	4,954,535
Payments				
Rent	-	-	-	28,995
Payment of Funds Received In Error	-	-	-	31,129
Pre Appointment Legal Fees	-	-	-	9,733
CDS Payments	-	-	-	7,453
Pre-Appointment Administrators' Expenses	-	-	-	128
Pre Appointment Legal Expenses	-	-	-	197
Pre-Appointment Administrators' Fees	-	-	-	58,639
Administrators' Fees	-	-	-	595,000
Administrators' Expenses	-	-	-	3,159
Agents'/Valuers Fees	-	-	-	3,838
Legal Fees	-	-	14,800	58,316
Legal Expenses	-	-	12,813	12,908
Irrecoverable VAT	-	-	-	65
Other Professional Costs	-	-	-	1,295
Telephone Telex & Fax	-	-	-	7,938
Ransom Payments	-	-	-	1,081
Storage Costs	-	-	-	798
Postage & Redirection	-	-	-	616
Statutory Advertising	-	-	-	85
Bluesnap Commission	-	-	-	813
Other Property Expenses	-	-	-	1,000
Wages & Salaries	-	-	-	197,215
Employer's Nat. Ins.	-	-	-	35,331
Bank Charges	-	-	2	219
IT Server Costs	-	B	1,011	142,760
Other Payroll Costs	-	C	2,177	2,734
Secured Creditor Distribution	-	-	-	48,845
Total payments			30,803	1,250,289
Balance				3,704,247
Made up of:				
VAT Receivable	-	E	-	5,706
NIB Bank Account	-	D	-	3,698,541
Balance in hand				3,704,247

A receipts and payments account is provided opposite, detailing the transactions during the report period and also cumulatively for the entire period of our appointment from 1 August 2018 to 31 January 2021.

Notes to receipts and payments account

A - Book debts include the consideration paid by Octopus in relation to a minimum guaranteed payment and a subsequent share in any amounts collected over and above an agreed threshold. See page 6 for further details.

B - IT Server Costs in the period relates to IT costs and telephone costs in respect of occupation during the final accounting period.

C - Other payroll funds reimbursed of £2,177 to the Redundancy Payments Service in relation to a claim they paid in error.

D - All funds were held in an interest bearing account. The associated corporation tax on interest received is accounted for to HM Revenue & Customs.

E - All sums shown opposite are shown net of VAT, which is recoverable and is accounted for to HM Revenue & Customs.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

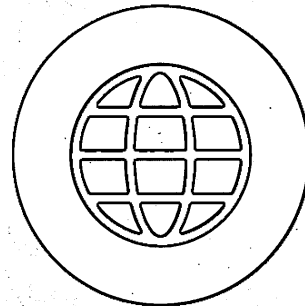




Information for creditors

Outcome

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Information for creditors Outcome

Outcome for creditors

Secured creditors

As previously reported, the Company's secured creditor, Contract Natural Gas Limited ("CNG"), has been repaid in full. A first and final distribution was paid to CNG on 23 November 2018.

Preferential creditors

Preferential creditors consist of amounts owed to the Company's employees for arrears of wages/salaries, holiday pay and pension contributions.

There are no preferential claims in the administration as all employees were paid during the administration shut down period.

Prescribed Part

As CNG, in their capacity as secured creditor, has been paid in full the Prescribed Part will not apply as there will be no remaining creditors secured by way of floating charges.

Unsecured creditors

As detailed on page 5, a dividend will be paid to unsecured creditors. The timing of payment is uncertain but is expected to be within the current extension period which ends on 31 January 2022.

Claims process

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed, according to the Company's statement of affairs, is £1,000 or less. Instead, we will notify you if funds become available for dividend purposes and provide you with details of the amount at which your claim has been admitted. If you disagree with that amount, you will be provided with an opportunity to notify us of the correct amount.

Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of claim to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us either directly via the case website at www.deloitte.com/uk/iresa or by downloading and completing a proof of debt form from the case website and which should be sent to the address on the cover page. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

Extensions to the administration

The administration was extended by the creditors on 17 July 2019 for a period of 12 months to 31 July 2020. A further extension was granted by the Court on 16 June 2020 for the period to 31 January 2021.

To allow time for the Joint Administrators to obtain the legal advice required as detailed on page 5, and to thereafter make a distribution to unsecured creditors, a further extension was sought from the Court on 28 January 2021 extending the period of the administration to 31 January 2022. We do not anticipate that it will be necessary to further extend the period of the administration.

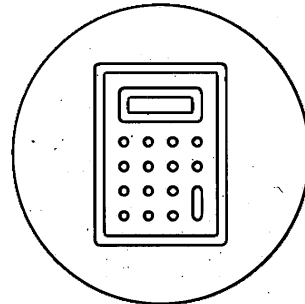




Remuneration and expenses

Joint Administrators' remuneration

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Remuneration and expenses

Joint Administrators' remuneration

Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/iresa.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed on 9 October 2018 by the unsecured creditors as a set fee of £445k plus VAT thereon.

As previously reported, in accordance with rule 18.29, the Joint Administrators sought to change the basis of our remuneration as there had been a substantial change in the circumstances, that were not taken into account when originally fixing it.

Accordingly, we held a decision procedure to fix the basis of our remuneration as a set fee of £595k which was conducted by correspondence and approved on 14 May 2020. Please refer to the website to view our previous report for further details in relation to the substantial change in circumstances.

Fees drawn to date

We have drawn fees of £595k in full as shown in the receipts and payments account on page 7.



Remuneration and expenses

Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Joint Administrators' Disbursements

Details of all disbursements are given below and from which it can be seen that we have not recovered our disbursements in full.

Category 2 Disbursements

Specific approval is required before these costs and expenses can be drawn from the administration estate and was given by unsecured creditors 9 October 2018.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Deloitte charges a fixed cost of £500 for each statutory website set up to cover the costs of setting up and maintaining the website, along with the uploading of statutory notifications, reports and other documents to the website for the duration of the appointment.

Category 1 disbursements

£ (net)	Estimated	Incurred in report period	Total	Paid	Unpaid
Travel	444	-	294	294	-
Subsistence	-	8	31	23	8
Professional Fees	-	-	57	57	-
Postage	-	49	185	136	49
Statutory Advertising	.85	-	-	-	-
Specific Bond	230	-	230	230	-
Total disbursements	759	57	796	740	57

Category 2 disbursements

£ (net)	Estimated	Incurred in report period	Total	Paid	Unpaid
Mileage	2991	159	2,731	2,572	159
Website set up	500	-	-	-	-
Forensic Recharge	-	200	200	-	200
Total disbursements	3,491	359	2,931	2,572	359

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.



Deloitte.

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