

TO ALL KNOWN CREDITORS

15 February 2024

Ref: JR/DH/KH/RF/SH  
Email: pbvadministration@uk.ey.com

Dear Sir/Madam

## **Power by Britishvolt Limited (in Administration) (“the Company”)**

### **High Court of Justice, Business and Property Courts of England and Wales, Insolvency & Company Lists, Number CR2023000236**

I refer to the appointment of Daniel Christopher Hurd, Joanne Honor Robinson and Alan Michael Hudson as Joint Administrators of the Company on 17 January 2023. The Joint Administrators act as agents of the Company only and without personal liability. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by any of them.

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”), to provide creditors with a report on the progress of the Administration. This report covers the period from 17 July 2023 to 16 January 2024 (“the Period”) and should be read in conjunction with:

- the Joint Administrators’ Statement of Proposals (“the Proposals”) dated 13 March 2023; and
- the first progress report dated 3 August 2023 for the period 17 January 2023 to 16 July 2023 (“the First Progress Report”), including the definitions contained therein.

Statutory information about the Company, the Administration and the office holders is provided in Appendix 1. A copy of the Proposals and First Progress Report can be obtained at [www.ey.com/en\\_uk/pbvadministration](http://www.ey.com/en_uk/pbvadministration)

## **1. Summary of progress since last report**

### **1.1 Sale of business / assets**

Please refer to the Proposals and the First Progress Report for detailed information on the sale of Company’s business and the majority of its assets to Recharge Production UK Limited (“the Buyer”).

The Buyer continues to remain in default of the Business Sale Agreement (“BSA”) and, as such, the Joint Administrators have held discussions with a number of additional parties who have intimated that they may be interested in acquiring the proposed gigafactory site in Northumberland (an asset owned by Power by Britishvolt Properties Limited (“BVP”)) and/or the shares the Company owns in BVP (both of which are subject to fixed charge security and over which representatives of Begbies Traynor have been appointed fixed charge receivers).

Whilst the Joint Administrators have not terminated the BSA, negotiations are ongoing with other interested parties. We are unable to provide more detailed commentary given the commercial sensitivities surrounding these negotiations. A further update concerning this matter will be provided in the next progress report to creditors and at the next meeting with the Creditors' Committee.

### **1.2 Intercompany loan – Sale of Ashington property**

At the date of the Joint Administrators' appointment, an intercompany loan of £434k was payable by BV Properties Midlands Limited ("BVPM") to the Company.

BVPM's only asset was a property known as the "Ashington Property". After a marketing campaign was conducted by an independent agent, the property was sold on 6 October 2023 and the Company received £230k after deducting direct selling costs and an amount to fund the liquidation of BVPM. The appointment of a liquidator to BVPM has not occurred at the date of this report. The directors of BVPM have recently advised that they are changing the insolvency practitioner proposed to be appointed liquidator and that their appointment is imminent.

As noted in the First Progress Report, BVPM has no other assets and the Joint Administrators do not expect any further realisations.

### **1.3 Shareholding in Britishvolt Limited (UAE) ("BV UAE")**

Prior to the Joint Administrators' appointment, the Company's shareholding in Britishvolt Limited (UAE) was sold to the former CEO, Orral Nadjari, for £1. According to a draft completion statement for the sale, an amount of £65.3k was due to the Company from Orral Nadjari. However, this amount had not been agreed nor paid at the date of Joint Administrators' appointment.

The sale included the transfer of certain liabilities and local employees. At the date of the sale, BV UAE had minimal assets and was in a net liability position (i.e. BV UAE's liabilities exceeded its assets) overall on a balance sheet basis.

After a period of negotiation and to minimise further legal and other costs, this dispute was settled for an amount of £45k on 21 August 2023. The funds were received on 8 September 2023.

### **1.4 Other Assets – IT equipment**

The Company owned numerous items of IT equipment (laptops, monitors, mobile phones and other peripherals), with the majority being located at employee residences as the workforce largely worked remotely. The following auctions were held to realise the equipment collected from the former employees:

1. 25 April 2023 – gross realisations totalled £59k before costs.
2. 15 June 2023 – gross realisations totalled £15k before costs.
3. 27 September 2023 – gross realisations totalled £9k before costs.

The above sale proceeds have been received into the Company's bank account.

## **2. Extension of the Administration**

The Joint Administrators sought to extend the Administration beyond the statutory period of one year via a deemed consent decision procedure of the preferential and unsecured creditors under paragraph 78(2) of Schedule B1 to the Insolvency Act 1986.

The extension was required for the following reasons:

- To provide further time to either (i) allow the buyer of the Company's business and the majority of its assets to pay the remaining outstanding deferred consideration, or (ii) sell the remaining assets to an alternative purchaser; and
- To pay a dividend distribution to preferential creditors. The Joint Administrators have been unable to pay this distribution sooner, as they were awaiting the submission of the final claim from the Redundancy Payments Service prior to issuing a Notice of Intended Dividend.

The extension was deemed to be approved on 15 December 2023, as no objections were received from creditors and as such, the Administration has been extended by 12 months to 16 January 2025.

## **3. Receipts and payments account**

A summary of the Joint Administrators' receipts and payments for the period from 17 July 2023 to 16 January 2024 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

## **4. Distributions to creditors**

### **4.1 Secured creditors**

As noted in the Proposals, Katch Fund Solutions holds a fixed charge over the shares of BVP owned by the Company, as security in respect of its lending to BVP. Other than this share security, there are no other fixed or floating charges registered against the Company's assets, with the Company having no direct secured lending.

### **4.2 Preferential creditors**

#### **4.2.1 Employees**

Employee preferential claims total £258k for holiday pay and arrears of wages before any adjustments for the collection / purchase of assets by the employees, a reduction of £21k on that previously reported. The Joint Administrators expect to pay a dividend distribution of 100p in the £ in respect of employee preferential creditors, which will see employees repaid in full for their holiday pay and arrears of wages.

We will be sending a Notice of Intended Dividend ("NOID") to employees and the Redundancy Payments Service ("RPS") in February or March 2024. The NOID letter will also set out the timings for final claims to be submitted and the period within which the payment will be made subject to the applicable tax and national insurance deductions.

#### **4.2.2 HMRC**

HMRC has submitted a secondary preferential creditor claim in the Administration for £3.03m in respect of outstanding PAYE and NIC after setting off a VAT refund.

Once the employee preferential claims have been paid in full, the Joint Administrators expect to be able to pay a secondary preferential dividend of 100p in the £.

#### **4.3 Unsecured creditors**

As noted in the First Progress Report, unsecured creditor claims continue to be submitted in the Administration and it is estimated that claims may be in the region of £130m to £160m. However, the final figure for total claims will not be known until all claims have been received and adjudicated and, therefore, it is possible that the final unsecured claims' amount admitted for dividend may be materially higher or lower than this range. As such, it is still not possible to provide an accurate estimate of unsecured creditor claims at this stage.

Further to the above, until the sale of business is resolved, it remains too early in the Administration to advise if there will be sufficient funds available to pay a dividend to unsecured creditors or what the dividend will be.

Should it be possible to pay a dividend to unsecured creditors (subject to future realisations and the costs of the Administration process), the Joint Administrators currently expect any dividend to be less than 1p in the pound. As noted in the Proposals and the First Progress Report, should there be sufficient funds to pay a distribution to unsecured creditors, the Company will move into a creditors' voluntary liquidation and it is proposed that the liquidators will be Diana Frangou and Christopher John Lewis of RSM UK Restructuring Advisory LLP. Further details concerning this matter can be found in the Proposals. The Joint Administrators will provide an update on the expected unsecured creditor position in the Joint Administrators' next progress report to creditors.

If there are creditors who wish to submit a claim form but have yet to do so, please return a proof of debt form, enclosed at Appendix 6, together with all back up documentation in support of your claim.

#### **5. Joint administrators' remuneration**

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to the Joint Administrators.

In certain circumstances, creditors are entitled to request further information about the Joint Administrators' remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in "A Creditors' Guide to Administrators' Fees" referred to above.

The Creditors' Committee passed a resolution on 25 April 2023, to fix the Joint Administrators' remuneration on a time cost basis and authorised the Joint Administrators to draw 80% of their fees as incurred and that approval from the Creditors' Committee would be required to invoice the remaining 20% of their fees and all of their Category 2 disbursements, up to the limits provided in their fee estimate. The Creditors' Committee have agreed the Joint Administrators' proposed hourly rate card for all personnel across Ernst & Young LLP working on the Administration of the Company.

During the Period, the Joint Administrators have incurred fees of £591,270, which brings total time incurred during the administration to 16 January 2024 to £4,459,983. An analysis of the time spent during the Period and summary narrative is included in Appendix 3.

A fee estimate of the Joint Administrators was prepared as at 13 March 2023 on the basis that the Administration would be concluded within a period of six months. Due to the Buyer's default on the BSA and delays associated with the processing of the claims by the RPS, this has resulted in the Joint Administrators needing to extend the Administration for up to another 12 months. This will lead to increased fees for the Joint Administrators as they must continue to fulfil their statutory obligations during this extended period.

For the period from 17 January 2023 to 16 January 2024, the Joint Administrators' fees have exceeded this original estimate by £1,015,130. The Joint Administrators will not draw remuneration in excess of this fee estimate without the prior approval of the Creditors' Committee. Below is a table summarising the key areas of work and our actual time costs incurred since the commencement of the Administration in comparison with the fee estimate dated 13 March 2023:

	Per Fee Estimate			Actuals since commencement of Administration			Variance - actuals vs estimate	
	Total hours	Total costs (£)	Average hourly rate (£)	Total hours	Total costs (£)	Average hourly rate (£)	Total hours	Time cost (£)
Administration & Planning	406.0	227,760	561	1,039.3	549,780	529	(633.3)	(322,020)
Creditors	591.0	304,420	515	1,002.1	558,940	558	(411.1)	(254,520)
Employees	463.0	313,938	678	702.2	463,395	660	(239.2)	(149,457)
Other Assets	191.0	127,195	666	380.6	239,155	628	(189.6)	(111,960)
Sale of business	1,948.0	1,330,480	683	2,237.8	1,554,565	695	(289.8)	(224,085)
Other	1,682.0	1,141,060	678	1,642.9	1,094,149	666	39.1	46,911
<b>Total</b>	<b>5,281.0</b>	<b>3,444,853.0</b>	<b>652</b>	<b>7,004.9</b>	<b>4,459,984</b>	<b>637</b>	<b>(1,723.9)</b>	<b>(1,015,131)</b>

Detailed below are some specific reasons why the Joint Administrators' fees have exceeded the fee estimate for the categories listed in the above table:

- *Administration & planning (variance of £322k) and Creditors (variance of £255k)*

As per the First Progress Report, the length of the Administration has exceeded the original estimate and as a result this has increased the amount of time the Joint Administrators have incurred to monitor and progress the Administration. This delay has resulted in increased reporting to the Creditors' Committee and will also increase the number of reports to creditors as the original forecast only included a final report and no progress reports, which are due every six months.

In addition, dealing with enquiries from creditors, which have increased as the Administration has progressed, has required more resources than originally anticipated in the Joint Administrators' fee estimate.

- *Employees (variance of £149k)*

Communicating with and dealing with claims from the Company's former employees has continued to result in a higher than forecast amount of work needing to be undertaken by the Joint Administrators. This has also been complicated by the employees submitting Protective Award claims within the Employment Tribunal process.

Further time has also been incurred as a result of the slow processing of claims via the RPS which was ultimately due to employees taking longer than anticipated to lodge their claims for payment with the RPS.

- *Other assets (variance of £112k)*

The variance in other assets can be attributed to the following actions which have resulted in additional recoveries in the Administration:

- IT assets: More time has been incurred to recover the Company's IT assets (phones, monitors and laptops) due to the workforce working remotely. Former employees had the option to either return the IT assets or they could agree to reduce the value of their preferential claim (as the preferential dividend is expected to be 100p in the £) instead and they can retain the IT equipment.

As a result of the Joint Administrators' additional work, the amount realised in respect of the Company's IT assets is £278k higher than the amount expected to be realised as per the directors' statement of affairs. This is disclosed in the Joint Administrators' summary of receipts and payment listed in Appendix 2.

- National Grid Electricity Systems Operator Limited ("NGESO"): The Joint Administrators have also spent time in dealing with the successful recovery of the security deposit of £163k from NGESO.
  - Intercompany loan – Sale of the Ashington Property: The Joint Administrators have also spent time in dealing with the sale of the Ashington Property and subsequent repayment of the intercompany loan in the amount of £230k.
  - Shareholding in Britishvolt Limited (UAE) ("BV UAE"): The Joint Administrators have also spent time in pursuing the Company's former CEO for the amount due from the sale of shares in BV UAE. As a result of this work, the Joint Administrators successfully recovered £45k.
- *Sale of business (variance of £224k)*

As noted earlier in this report and the First Progress Report, the Buyer has defaulted on the BSA and continues to remain in default. The Joint Administrators have undertaken extra work to secure the remaining consideration due under the BSA, whilst also continuing to explore alternative options to ensure the return to the Company's creditors is maximised.

As a result of the above actions, the Joint Administrators have had to spend a greater amount of time than anticipated in taking steps to preserve and recover this amount.

An analysis of the time spent since the commencement of the Administration and a comparison with the fee estimate dated 13 March 2023, is attached as Appendix 4 to this report.

The Joint Administrators will not draw remuneration in excess of the fee estimate without providing an explanation to all known creditors and obtaining the requisite approval from the Creditors' Committee. Any request for approval will specify all of the following:

- The reasons why the Joint Administrators have exceeded the fee estimate;
- The additional work the Joint Administrators have undertaken or proposes to undertake;

- The hourly rate or rates the Joint Administrators proposes to charge for each part of that additional work;
- The time that additional work has taken or the Joint Administrators expects that work will take;
- Whether the Joint Administrators anticipates it will be necessary to seek further approval; and
- The reasons it will be necessary to seek further approval.

## **6. Joint Administrators' statement of expenses incurred**

During the Period, the Joint Administrators have incurred expenses totalling £93,594 (net of VAT and excluding the Joint Administrators' fees and disbursements). A breakdown of expenses incurred in the Period and during the Administration period overall is provided in Appendix 5 of this report.

At the date of this report, the Joint Administrators have not exceeded the total estimate for expenses provided in their fee estimate and details of expenses document dated 13 March 2023, which was £1,312,624. However, the forecast for some individual types of expenses has been exceeded for the following reasons:

- The Joint Administrators anticipate that they will exceed the estimate for legal fees as a result of the Buyer's default on the Business Sale Agreement and the steps taken to recover the amount owing, whilst also engaging with other potential interested parties to maximise the return to creditors of the Company;
- The Joint Administrators were not aware of the expense at the date the Proposals were prepared;
- Further expenses were incurred in the recovery of assets from employees; and
- The forecast was an estimate only and the actual cost was higher than anticipated.

## **7. Future conduct of the Administration**

The Joint Administrators will continue to deal with the Administration in line with the stated objective, which is to achieve a better result for the Company's creditors as a whole than would be likely if the Company was wound up.

Future tasks will include, but are not limited to, the following:

- Seeking to recover the deferred consideration and/or sell the Company's share in BVP and/or other assets of the Company which remain;
- Dealing with creditor and shareholder queries;
- Agreeing final preferential creditor claims and making dividend distributions to the preferential creditors;
- Preparation and lodgement of the Company's VAT returns with HMRC and other tax returns that may be required and obtaining repayment from HMRC of overdue input VAT;
- Finalising the Administration including final report to creditors and paying all Administration liabilities; and
- Undertaking any other actions required to fulfil the purpose of the Administration.

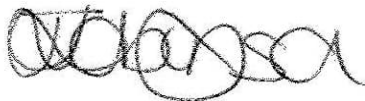
## 8. End of the Administration

The Administration may be finalised via either a “dissolution” or a “creditors’ voluntary liquidation”. Please refer to the Proposals and First Progress Report for further details in relation to either of these exit route strategies.

## 9. Other matters

The Joint Administrators will report to you again at the conclusion of the Administration or in six months’ time, whichever is the sooner.

Yours faithfully  
For and on behalf of the Company



Joanne Robinson  
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Daniel Christopher Hurd, Joanne Honor Robinson and Alan Michael Hudson, who act as agents of the Company only and without personal liability. As licensed insolvency practitioners, Daniel Christopher Hurd, Joanne Honor Robinson and Alan Michael Hudson are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration.

Daniel Christopher Hurd is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales. Joanne Honor Robinson and Alan Michael Hudson are licensed in the United Kingdom to act as insolvency practitioners by The Insolvency Practitioners Association.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators’ appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).



## Appendix 1

### Information about the proceedings, the company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	The High Court of Justice, Business and Property Courts of England and Wales, Insolvency & Companies List (ChD)	
Court reference:	CR-2023-000236	
Registered name of the company:	Power by Britishvolt Limited (in Administration)	
Registered office address of the company:	1 More London Place London SE1 2AF	
Registered number:	12381543	
Date of appointment of the joint administrators:	17 January 2023	
Details of any changes of administrator:	None	
Full names of the administrators:	Daniel Christopher Hurd Joanne Honor Robinson Alan Michael Hudson	
Office holder numbers:	20030, 19890 and 9200	
Administrators' addresses:	Ernst & Young LLP 1 Colmore Square Birmingham B4 6HQ	Ernst & Young LLP 1 More London Place London SE1 2AF
Telephone number:	020 7197 5124	
Name of alternative person to contact with enquiries about the case:	Ryan Finlay	

## Appendix 2

### Power by Britishvolt Limited (in Administration)

Joint Administrators' summary of receipts and payments (net of VAT) from 17 January 2023 to 16 January 2024:

Estimated to realise as per directors' statement of affairs £	RECEIPTS	from 17 January 2023 to 16 July 2023 £ (exc VAT)	from 17 July 2023 to 16 January 2024 £ (exc VAT)	Cumulative to 16 January 2024 £ (exc VAT)	Notes
1,847,000	Uncharged assets:				
uncertain	Cash and cash equivalents	1,916,860	-	1,916,860	1
338,268	Assets under construction - Gigaplant	-	-	-	
69,597	Assets under construction - Gas pipework	-	-	-	
410,402	Motor vehicles – owned	77,000		77,000	
5,750	IT	688,348	8,230	696,579	2
uncertain	Debtors	-	-	-	
29,015	Prepayments	-	-	-	
409,856	Rental deposits	19,115	-	19,115	
511,969	Security deposits	162,958	-	162,958	
uncertain	R & D equipment	604,222	-	604,222	2
uncertain	IP	2,597,947	-	2,597,947	2
	Contracts	2,600,233	-	2,600,233	2
	Apportionments & adjustments owed by Buyer	304,549	-	304,549	
	Other receipts	39,654	61,800	101,453	3
	Funding from Buyer for Further Assurances	18,000	-	18,000	4
	Trust Account Refunds	-	50,804	50,804	5
	Settlement with BV UAE	-	45,000	45,000	
	Repayment of BV Midlands loan account	-	230,868	230,868	
		<b>9,028,886</b>	<b>396,702</b>	<b>9,425,588</b>	
	<b>PAYMENTS</b>				
	Administrators' remuneration	1,900,000	200,000	2,100,000	
	Administrators' remuneration - pre appointment	93,818	-	93,818	
	Administrators' disbursements	45,863	-	45,863	
	Legal fees and disbursements	500,239	90,579	590,818	
	Legal fees - pre appointment	40,435	-	40,435	
	Agent's fees	19,283	2,615	21,898	
	Employee Costs	479,024	952	479,976	
	IT Systems	26,617	-	26,617	
	Payments to subsidiary entities	21,530	-	21,530	
	Security Charges	98,801	-	98,801	
	Transportation Costs	28,678	-	28,678	
	Other payments	25,269	4,534	29,803	
	<b>Total Payment</b>	<b>3,279,557</b>	<b>298,680</b>	<b>3,578,237</b>	
	<b>Net receipts/(payments)</b>	<b>5,749,329</b>	<b>98,022</b>	<b>5,847,351</b>	
	<b>Represented by:</b>				
	Interest Bearing Account	5,217,017	37,311	5,254,328	
	Net VAT receivable	532,312	60,711	593,023	
		<b>5,749,329</b>	<b>98,022</b>	<b>5,847,351</b>	

## Notes

1. Reflects cash received from the Company's pre-appointment bank accounts.
2. Represents the funds received from the sale of the Company's business and substantially all of its assets at the date of this report.
3. Of this amount, £94,916 is in respect of bank interest received on funds held.
4. The Joint Administrators have assisted the Buyer in dealing with matters that were not for the benefit of creditors and hence the Buyer has funded the Joint Administrators' time costs connected to this work. These time costs were not included in the fee estimate dated 13 March 2023.
5. Reflects funds held in the Company's solicitor's trust account from prior to the Joint Administrators' appointment.

Power by Britishvolt Limited (in Administration)

Summary of Joint Administrators' time costs incurred for the period from 17 July 2023 to 16 January 2024

	Staff Grade						Total Hours	Total Cost £	Average Rate £
	Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	3.0	7.9	26.2	84.6	107.2	38.9	267.8	143,945	538
Creditors	3.3	14.7	2.5	58.5	26.9	13.5	119.4	70,898	594
Employees	-	3.0	7.0	60.8	2.6	10.8	84.2	50,750	603
Investigation & CDDA	-	1.0	-	2.3	-	-	3.3	2,288	693
Job Acceptance & Strategy	1.5	7.0	-	23.5	-	-	32.0	22,063	689
Other Assets	-	12.5	7.5	31.0	9.6	19.2	79.8	46,665	585
Public Relations Issues	0.5	2.5	-	-	-	-	3.0	2,600	867
Reporting	1.6	9.0	3.0	51.5	12.0	3.4	80.5	50,198	624
Sale of business	16.2	69.0	25.0	86.9	-	-	197.1	147,103	746
Statutory Duties	1.5	4.5	-	2.0	5.9	5.0	18.9	10,905	577
VAT & Taxation	3.0	7.9	11.0	32.1	3.8	12.2	70.0	43,858	627
<b>Total Hours</b>	<b>30.6</b>	<b>139.0</b>	<b>82.2</b>	<b>433.2</b>	<b>168.0</b>	<b>103.0</b>	<b>956.0</b>		
<b>Time Costs (£)</b>	<b>29,070</b>	<b>118,150</b>	<b>61,650</b>	<b>270,750</b>	<b>75,600</b>	<b>36,050</b>		<b>591,270</b>	
<b>Average Hourly Rate (£)</b>	950	850	750	625	450	350		618	

Note: The above costs exclude VAT, and the figures are rounded to the nearest whole number.

**Power by Britishvolt Limited (in Administration)**

**Summary narrative of Joint Administrators' time costs incurred for the period from 17 July 2023 to 16 January 2024**

The Joint Administrators' time costs incurred during the Period were £591,270. Set out below is a summary narrative of the significant areas of work in relation to which costs were incurred in this period.

<b>Category of work</b>	<b>Description of work completed during the Period</b>
Administration & planning	<p><b>Tasks providing a direct and indirect benefit to creditors:-</b></p> <ul style="list-style-type: none"> <li>• Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost monitoring and reporting</li> <li>• Monitoring internal systems and records in line with statutory requirements</li> <li>• Treasury tasks such as preparing monthly bank reconciliations, preparing entries in the Administration's accounting system for the receipt and payment of funds</li> <li>• Regular team calls to ensure tasks relating to the Administration are progressing in an efficient manner</li> </ul>
Creditors	<p><b>Tasks providing a direct benefit to creditors and as required by statute:-</b></p> <ul style="list-style-type: none"> <li>• Receipt and recording of preferential and unsecured creditor claims</li> <li>• Correspondence with preferential and unsecured creditors</li> <li>• Adjudicating on claims from preferential creditors</li> <li>• Calling and holding meetings of the Creditors' Committee. This includes preparing a written summary update and minutes of the meeting for circulation to the Creditors' Committee</li> <li>• Preparing updates to the Creditors' Committee</li> </ul>
Employees	<p><b>Tasks providing a benefit to employees:-</b></p> <ul style="list-style-type: none"> <li>• Dealing with employees, including receipt and recording of employee claims</li> <li>• Assisting redundant employees with any claims against the RPS or the Company</li> <li>• Corresponding with the Employment Tribunals and lawyers in relation to Employment Tribunal claims received for a Protective Award for lack of redundancy consultation.</li> <li>• Dealing with ad hoc employee enquiries including any data subject access request, which is a request from an employee to provide access to any of their personal data which is held by the Company.</li> <li>• Adjudicating of employee preferential claims – letters sent to employees with claim amounts/options regarding equipment held</li> <li>• Corresponding with the RPS in relation to claims paid in order to understand if the Joint Administrators are in a position to issue a Notice of Intended Dividend.</li> </ul>
Investigations & CDDA	<p><b>Tasks required by statute:-</b></p> <ul style="list-style-type: none"> <li>• Responding to queries raised by former employees and the Insolvency Service</li> </ul>
Job acceptance and strategy	<p><b>Tasks providing an indirect benefit to creditors:-</b></p> <ul style="list-style-type: none"> <li>• Reviewed Company's ownership in foreign subsidiaries to understand if any obligations apply to Joint Administrators</li> <li>• Calls and correspondence with Dentons relating to foreign subsidiaries of</li> </ul>

Category of work	Description of work completed during the Period
Other assets	<p>the Company.</p> <ul style="list-style-type: none"> <li>• Calls and correspondence with directors regarding subsidiaries and referring them to potentials parties to assist.</li> </ul> <p><b>Tasks providing a direct benefit to creditors via asset realisations and preservation of assets:-</b></p> <ul style="list-style-type: none"> <li>• Liaising with third party agents to collect IT equipment used by former employees from the Company's various sites and from former employees, with a view to realising those assets</li> <li>• Realising value from the Company's direct subsidiaries, including BV Properties Midlands Limited, which owns the Ashington Property and sale of shares in BV UAE to the former CEO</li> </ul>
Public relations issues	<p><b>Tasks providing an indirect benefit to creditors:-</b></p> <ul style="list-style-type: none"> <li>• Agreeing and issuing statements to the press, as required and dealing with enquiries from the media</li> </ul>
Reporting	<p><b>Tasks providing a direct benefit to creditors and as required by statute:-</b></p> <ul style="list-style-type: none"> <li>• Preparing six monthly progress reports</li> </ul>
Sale of business	<p><b>Tasks providing a direct benefit to creditors via asset realisations and preservation of critical assets:-</b></p> <ul style="list-style-type: none"> <li>• Taking steps to protect and secure payment of the final consideration due under the BSA, including numerous meetings and correspondence with our solicitors and the Buyer to ensure all available options are pursued in recovering the final consideration.</li> <li>• Attending various calls with the Buyer and their financiers in order to provide an update on the Buyer's progress in obtaining funds to complete the BSA.</li> <li>• Conducting searches on various parties to ensure they pass anti-money laundering and other financial crime tests as required by legislation.</li> <li>• Calls and correspondence with a number of other interested parties who may be willing to purchase remaining assets.</li> <li>• Progressing discussions with other interested parties to ensure the Joint Administrators have an alternative option if the Buyer cannot complete the BSA.</li> </ul>
Statutory duties	<p><b>Tasks required by statute:-</b></p> <ul style="list-style-type: none"> <li>• Completion of statutory requirements of the Administration, including filing documents at Companies House</li> </ul>
VAT and taxation	<p><b>Tasks required by statute and possibly providing a direct and indirect benefit to creditors:-</b></p> <ul style="list-style-type: none"> <li>• Taxation matters in respect of the sale of the Company's business and assets including the structure of other potential sales if the BSA cannot be completed</li> <li>• Preparing post-appointment VAT returns, with input from EY VAT specialists</li> <li>• Calls and correspondence with EY tax specialists regarding the Joint Administrators' obligations in respect of pre and post appointment corporation tax returns</li> <li>• Assessment of the VAT and tax treatment of other transactions and agreements entered into during the Administration</li> <li>• Calls and correspondence with HMRC regarding overdue VAT refunds payable to the Company and seeking the change of VAT return reporting periods to quarterly</li> </ul>

Power by Britishvolt Limited (in Administration)

Joint Administrators' fee estimate and actual Joint Administrators' time costs incurred to 16 January 2024

	Per Fee Estimate			Actuals since commencement of Administration			Variance - actuals vs estimate	
	Total hours	Total costs (£)	Average hourly rate (£)	Total hours	Total costs (£)	Average hourly rate (£)	Total hours	Time cost (£)
Administration & Planning	406.0	227,760	561	1,039.3	549,780	529	(633.3)	(322,020)
Creditors	591.0	304,420	515	1,002.1	558,940	558	(411.1)	(254,520)
Data Preservation	195.0	124,775	640	173.7	108,720	626	21.3	16,055
Employees	463.0	313,938	678	702.2	463,395	660	(239.2)	(149,457)
Immediate Tasks	62.0	44,313	715	62.2	44,500	715	(0.2)	(187)
Investigation & CDDA	158.0	105,913	670	276.2	168,978	612	(118.2)	(63,065)
Job Acceptance & Strategy	111.0	80,025	721	83.4	63,613	763	27.6	16,412
Legal Issues	139.0	98,775	711	8.5	7,275	856	130.5	91,500
Other Assets	191.0	127,195	666	380.6	239,155	628	(189.6)	(111,960)
Property	36.0	27,710	770	43.4	30,560	704	(7.4)	(2,850)
Public Relations Issues	42.0	35,450	844	22.5	20,560	914	19.5	14,890
Reporting	325.0	197,045	606	358.8	229,313	639	(33.8)	(32,268)
Sale of business	1,948.0	1,330,480	683	2,237.8	1,554,565	695	(289.8)	(224,085)
Statutory Duties	236.0	156,813	664	141.5	91,330	645	94.5	65,483
Trading	138.0	94,073	682	93.1	59,350	637	44.9	34,723
VAT & Taxation	240.0	176,168	734	379.6	269,950	711	(139.6)	(93,782)
<b>Total</b>	<b>5,281.0</b>	<b>3,444,853</b>	<b>652</b>	<b>7,004.9</b>	<b>4,459,984</b>	<b>637</b>	<b>(1,723.9)</b>	<b>(1,015,131)</b>

Note: The above costs exclude VAT, and the figures are rounded to the nearest whole number.

**Power by Britishvolt Limited (in Administration)**  
**Summary of Joint Administrators' expenses incurred**

Type of Expense	Per Fee Estimate dated 13/03/2023 (£)	Incurred from 17 January 2023 to 16 July 2023 (£)	Incurred from 17 July 2023 to 16 January 2024 (£)	Estimate to complete (£)	Deductions for apportionments (£)	Revised fee estimate (incurred + estimate to complete - deductions) (£)	Variance - Fee estimate vs revised fee estimate (£)
<b>Payments made from the estate which are not disbursements – all Category 1</b>							
<b>(Please refer to notes 1, 2 and 3 at the end of this table for definitions)</b>							
Legal fees	590,000	499,593	88,108	100,000	-	687,701	(97,701)
Employee costs	498,431	479,024	952	-	(277,405)	202,571	295,860
Security expenses	60,858	98,801	-	-	(22,878)	75,923	(15,065)
Agent fees	31,100	19,283	-	1,000	-	20,283	10,817
IT systems	23,667	26,617	-	-	-	26,617	(2,950)
Payments to subsidiary entities	21,530	21,530	-	-	-	21,530	(0)
Transportation costs	16,633	28,678	-	-	-	28,678	(12,045)
Insurance	18,773	9,172	-	9,601	-	18,773	-
Research and development expenses	4,307	4,306	-	-	-	4,306	1
Sundry expenses	1,000	1,180	-	1,000	-	2,180	(1,180)
Bank charges	642	180	8	200	-	388	254
Professional fees	-	6,000	4,526	-	-	10,526	(10,526)
<b>Sub-total</b>	<b>1,266,941</b>	<b>1,194,365</b>	<b>93,594</b>	<b>111,801</b>	<b>(300,283)</b>	<b>1,099,477</b>	<b>167,464</b>
<b>Category 1 disbursements (notes 2 and 3)</b>							
Accommodation costs	3,105	2,290	-	815	-	3,105	-
Public notices	300	94	-	206	-	300	-
Specific penalty bond	1,280	1,280	-	-	-	1,280	-
Subsistence	1,141	738	-	403	-	1,141	-
Travel costs	1,057	684	-	373	-	1,057	-
<b>Category 2 disbursements (notes 2 and 3)</b>							
Bookkeeping services	37,800	38,800	-	-	-	38,800	(1,000)
Internal bulk copying, printing and postage	1,000	659	-	341	-	1,000	-
EY Sweden – People Advisory Services	-	1,318	-	-	-	1,318	(1,318)
<b>Sub-total - Disbursements</b>	<b>45,683</b>	<b>45,863</b>	<b>-</b>	<b>2,138</b>	<b>-</b>	<b>48,001</b>	<b>(2,318)</b>
<b>Total expenses (including disbursements)</b>	<b>1,312,624</b>	<b>1,240,228</b>	<b>93,594</b>	<b>113,939</b>	<b>(300,283)</b>	<b>1,147,478</b>	<b>165,146</b>

Note: The above amounts exclude VAT, and the figures are rounded to the nearest whole number.



## Notes

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
  - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
  - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 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. Disbursements fall into either Category 1 or Category 2

**Administration Proof of Debt**  
**Rule 14.4, Insolvency (England and Wales) Rules 2016**

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**Power by Britishvolt Limited (in Administration) (“the Company”)**

Date of Administration: 17 January 2023

***Please refer to the notes at the end of this form.***

Name of Creditor

Address

Total amount of claim, including VAT, as at 17 January 2023

Less: any payments made to you after 17 January 2023 in  
respect of the claim

Less: any trade or other discounts (except early payment discounts)  
under Rule 14.20

Less: any adjustments for set off in accordance with Rule 14.24

Net claim after deductions

Amount of any outstanding uncapitalised interest included in claim

Amount of any VAT included in claim

Is the whole or any part of your claim preferential, within the meaning of  
section 386, schedule 6, of the Insolvency Act 1986? If so, into which  
category of debt does it fall?

	(                    )
	(                    )
	(                    )

**Continued on next page**

Particulars of how and when the debt was incurred.

Is your claim secured? If so, please provide the following information:

- the nature of the security
- the date on which it was given
- the value which you put on the security

If you claim or have claimed reservation of title in respect of goods to which the debt refers, please give details here.

Please provide details of any document by reference to which the debt can be substantiated

Signed  
Signature on behalf of creditor

Name

Address

Authority to sign on behalf of creditor

Date


For Administrator's use only

File with  
Ryan Finlay  
For Dan Hurd  
Joint Administrator

Reviewed by \_\_\_\_\_

## Notes to Administration Proof of Debt Form:

1. Please attach a detailed statement of your account as at the date on which the company entered Administration.
2. VAT bad debt relief may usually be claimed six months after the date of supply.
3. The Administrator may call for any document or other evidence to be produced if it is considered necessary for the purpose of substantiating the whole or any part of the claim made.
4. The Joint Administrators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrator's appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).