

TO ALL KNOWN CREDITORS

21 March 2024

Ref: TRS/LW/KP/JL/LJ/D16.1
Email: tppadministration@uk.ey.com

Dear Sir / Madam

TEAM Precision Pipe Assemblies Limited (In Administration) ('the Company')

**In the High Court of Justice, Business and Property Court, Company & List (ChD)
Court Case Number: CR-2023-BRS-000963**

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 1 September 2023 to 29 February 2024 and should be read in conjunction with the Joint Administrators' statement of proposals ('the Proposals') dated 25 April 2023 and our progress report dated 29 September 2023.

The Company entered Administration on 1 March 2023 and Dan Hurd and I, Lucy Winterborne, were appointed to act as Joint Administrators. The appointment was made by the Company's directors under the provisions of paragraph 22(2) of Schedule B1 of the Insolvency Act 1986. As licenced insolvency practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration. Certain statutory information about the Company, the Administration and the office holders is given at Appendix 1.

Summary of progress

The Company's trading

As detailed in our previous progress report, following extensive negotiations, on the day after the appointment, a Supply Agreement was signed by three of the Company's key customers for an initial eight week period, that was then extended for a further five weeks to 31 May 2023.

Trading for two of the three customers ceased on 31 May 2023.

The one remaining customer and the Joint Administrators signed a standalone Supply Agreement which allowed for the business to continue to trade to the end of June 2023.

The Administration trading period for the remaining customer ceased with effect from 2 July 2023, following a sale of the business and certain assets of the Company to EMT Precision Pipework Limited ('the Purchaser').

As a requirement of the trading supply agreements, the Joint Administrators were required to prepare trading accounts for the Administration trading period from 1 March 2023 to 2 July 2023. The Company has generated a trading profit of £234,000 for the period of trading to 2 July 2023, which represents the

profit contributions agreed with the customers. However, the Joint Administrators' Summary of Receipts and Payments from 1 March 2023 to 29 February 2024 does not represent the final trading position of the Company as there are further costs which have been incurred but not yet paid, including but not limited to the Joint Administrators fees and disbursements.

Sale of business and certain assets

As set out in our previous progress report, the Joint Administrators completed a sale of the business and certain assets of the Company to the Purchaser ('the Sale') on 2 July 2023 for total consideration of £500,000. Key elements of the Sale are outlined below.

Leasehold property

As part of the Sale of the Company's business and certain assets to the Purchaser, we granted the Purchaser a licence to occupy the Company's leasehold property until the lease could be assigned or a new lease agreed. As the Company was not in a position to meet its continuing obligations under the lease it holds, we wrote to the landlord on 20 December 2023 to surrender the lease from 1 January 2024.

Under the licence to occupy, licence fees of £69,172 have been received and used to discharge the rent liability for the six month period ending 1 January 2024.

Plant and Equipment / Fixtures and Fittings / Vehicles

The Sale included the Company's plant and machinery together with motor vehicles and fixtures and fittings for consideration of £449,995.

Stock – WIP / finished goods / stock remaining

As part of the Sale, the Purchaser made a payment of £50,000 in relation to the stock remaining on cessation of trading. In addition to this, the Purchaser made a further payment of £99,604 for the remaining stock after a stock-take had been completed to confirm the closing stock position of the Company (after the sale of business and certain assets had completed). The realisations from closing stock will not be available for distribution to the general body of creditors as this has been treated as trading income (as the Company's customers have provided funding to pay for this stock as part of the supply agreements).

Realisations from raw materials, WIP and finished goods stock on appointment total £667,072. This includes £486,535 in relation to opening stock of raw materials and WIP owned by the Company relating to the Company's three customers which has been used during the trading period and recovered in full through a charge to the customers as part of finalising the trading accounts.

Realisations from scrap metal totalling £42,946 have also been generated in the period.

Trade debtors

As previously advised, the Company's trade debtors are subject to a confidential invoice discounting facility with Shawbrook Bank Limited ('Shawbrook') therefore debtor receipts to date of £1,734,356 have been received directly by Shawbrook and are not shown within the Receipts and Payments analysis at Appendix 2.

Bank interest received

To date, gross interest of £7,330 has been earned on cash balances held in the Administrators' floating and deposit accounts.

Extension of administration

As there were a number of outstanding issues to be resolved in the Administration, including finalising the trading position and payment of dividends to preferential creditors, an extension to the period of the Administration was required. Consent for a 12 month extension was received from the Company's secured and preferential creditors and the period of the Administration has been extended to 28 February 2025.

Receipts and payments account

A summary of our receipts and payments for the period from 1 September 2023 to 29 February 2024 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

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 me.

In certain circumstances, creditors are entitled to request further information about our 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.

As creditors are aware, the Joint Administrators' remuneration, was fixed on the basis of time properly given by them and their staff by resolution of the secured and preferential creditors and should be considered as two separate components. Firstly, remuneration in respect of all matters relating to the realisation of assets and discharge of statutory duties and secondly, remuneration relating to the trading of the business, which has been funded by three key customers.

During the period covered by this report, we have incurred time costs totaling £246,552.50 in relation to dealing with the realisation of the Company's assets and all other statutory duties. Together with time incurred previously of £1,661,894.00 this results in total time incurred to 29 February 2024 of £1,908,446.50. Of this sum, nil has been drawn to date.

In addition, in the six months to 29 February 2024, we have incurred time costs totaling £292,330.50 for all trading related matters. Together with the time incurred previously of £1,291,471.50 this results in total time incurred for all trading related matters to 29 February 2024 of £1,583,802.00. Of this sum, £982,000.00 has been drawn to date. As previously advised, we will be applying a discount to these fees to ensure that remuneration charged against trading income is capped at £1,200,000. These fees will not have a detrimental impact on returns to the Company's creditors as the cost has been funded in accordance with the terms of the Supply Agreement (see "The Company's trading" section of our previous report for further details).

An analysis of the time spent is attached as Appendix 4 to this report.

Joint Administrators' statement of expenses incurred

During the period covered by this report, we have incurred and paid trading expenses totalling £3,893,416 (plus VAT) and €154,412. These expenses have been paid for by the key customers through sales income and additional funding during the Administration.

We have also incurred non-trading expenses totalling £118,857 (plus VAT) and €NIL. There is a breakdown of expenses incurred in this period at Appendix 3 of this report.

Pre-administration costs

A statement of pre-administration costs for remuneration was included in the Proposals totalling £102,791 plus VAT and £879 plus VAT for expenses. Further detail relating to pre-administrations costs was also provided to creditors in the Proposals.

These costs were approved for payment as an expense of the Administration on 27 October 2023. To date, Harrison Clark Rickerbys Limited pre-administration costs have been fully drawn.

Distributions to creditors

No distributions have been made to date.

Secured creditors

Shawbrook, the Company's principal secured lender, had total indebtedness at 1 March 2023 of £2,544,144, before any termination charges. This figure is made up of £1,751,505 representing the Company's confidential invoice discount facility and £792,639 provided under the Coronavirus Business Interruption Loan Scheme.

Brightborough Capital Limited holds a second ranking debenture in respect of its outstanding debt to the Company. At 1 March 2023 it had total indebtedness estimated at £804,000.

We are aware from the security review conducted by Shoosmiths LLP that Centric SPV1 Limited also hold a debenture. At present we are not aware of any outstanding debt due to them.

It is currently estimated that the Company's secured creditors will suffer a shortfall against their debt.

Primary preferential creditors

Claims from employees in respect of accrued but unpaid arrears of pay up to £800, accrued but unpaid holiday pay and certain pension benefits, rank preferentially and in priority to other preferential creditors (see below). These claims are therefore referred to as 'primary preferential creditors'.

The Joint Administrators estimate the amount of primary preferential creditors at the date of our appointment to be £9,415 and are of the opinion that a distribution of 100 p in the £ to primary preferential creditors will be made in the coming months.

Secondary preferential creditors

Claims from HMRC, in relation to VAT, PAYE and employees' National Insurance Contributions rank preferentially, but secondary to the employee primary preferential creditors above. These claims are therefore referred to as 'secondary preferential creditors'.

We estimate the amount of secondary preferential claims at the date of our appointment to be £668,272 and are of the opinion that a distribution in the region of 100p in the £ to secondary preferential creditors will be made in the coming months.

Non-preferential, unsecured creditors

The Joint Administrators continue to receive claims from non-preferential, unsecured creditors of the Company. It is estimated that non-preferential, unsecured claims will be in the region of £1.8m.

At this stage, we do not anticipate that there will be sufficient floating charge realisations to generate a prescribed part that would be available for distribution to unsecured creditors.

Remaining work

We will continue to deal with the Administration in line with the stated objectives outlined in the proposals. Future tasks will include, but may not be limited to, the following:

- ▶ Dealing with corporation tax and VAT matters, which includes filing statutory returns;
- ▶ Dealing with creditor enquiries;
- ▶ Distributing realisations to the secured and (if applicable) preferential creditors of the Company;
- ▶ Ensuring all statutory reporting and compliance obligations are met;
- ▶ Finalising the Administration, including payment of all Administration liabilities; and
- ▶ Any other actions required to be undertaken by the Joint Administrators in order to fulfil the purpose of the Administration.

Next report

We will report to you again in six months' time.

In the meantime, if you have any queries regarding the content of this report, please do not hesitate to contact us by email tpaadministration@uk.ey.com.

Yours faithfully
for the Company



Lucy Winterborne
Joint Administrator

Lucy Winterborne is licensed in the United Kingdom to act as an Insolvency Practitioner by The Insolvency Practitioners Association and 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.

The affairs, business and property of the Company are being managed by the Joint Administrators, Lucy Winterborne and Daniel Christopher Hurd, who act as agents of the Company only and without personal liability.

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.

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:	In the High Court of Justice, Business and Property Courts of England and Wales, Company & Insolvency List (ChD)
Court reference:	CR-2023-000963
Registered name of the Company:	TEAM Precision Pipe Assemblies Limited (In Administration)
Registered office address of the Company:	c/o Ernst & Young LLP, The Paragon, 32 Counterslip, Bristol, BS1 6BX
Registered number:	06936831
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the Joint Administrators:	1 March 2023
Details of any changes of Administrator:	None
Full names of the administrators:	Lucy Winterborne and Daniel Christopher Hurd
Office holder numbers:	21130 and 20030
Administrators' addresses:	Ernst & Young LLP The Paragon, 32 Counterslip, Bristol, BS1 6BX Ernst & Young LLP No.1 Colmore Square, Birmingham, B4 6HQ
Email:	tppaadministration@uk.ey.com
Name of alternative person to contact with enquiries about the case:	Laura Jones

TEAM Precision Pipe Assemblies Limited (in Administration)

Joint Administrators' Summary of Receipts and Payments from 1 September 2023 to 29 February 2024

Per Estimated Statement of Financial Position	Transactions			Transactions		
	Cumulative to 31 August 2023 (£)	since 1 September 2023 (£)	Cumulative to 29 February 2024 (£)	Cumulative to 31 August 2023 (€)	since 1 September 2023 (€)	Cumulative to 29 February 2024 (€)
Trading Receipts						
Customer Sales	3,273,553	18,484	3,292,037	75,267	-	75,267
Bank Interest	19,859	24,040	43,899	103	143	246
Trading Scrap	-	1,907	1,907	-	-	-
Customer Advance Payments	2,914,080	(227,000)	2,687,080	-	-	-
Total	6,207,492	(182,568)	6,024,924	75,370	143	75,512
Trading Payments						
Material Purchases	(1,334,277)	(492,040)	(1,826,317)	(123,581)	(5,361)	(128,942)
Wages and Salaries	(1,327,391)	(3,561)	(1,330,952)	-	-	-
Vehicle & Equipment	(5,551)	(2,559)	(8,109)	-	-	-
Tooling & Parts	(10,316)	-	(10,316)	-	-	-
Consumables	(49,326)	-	(49,326)	-	-	-
Leased assets	(41,786)	(18,714)	(60,500)	-	-	-
Insurance	(7,044)	(17,903)	(24,947)	-	-	-
Parts & General Maintenance	(17,573)	653	(16,920)	-	-	-
Carriage	(79,656)	(5,397)	(85,053)	(7,948)	-	(7,948)
Rent	(36,750)	-	(36,750)	-	-	-
Property repairs	(390)	-	(390)	-	-	-
Payroll and IT	(19,678)	-	(19,678)	-	-	-
Import Duty	(3,922)	(705)	(4,627)	-	-	-
Customs Expenses	-	-	-	-	-	-
Health & Safety	(7,965)	-	(7,965)	-	-	-
Waste & Recycling	(5,188)	-	(5,188)	-	-	-
Utilities	(83,366)	(19,130)	(102,496)	-	-	-
Ransom Payments	(205,218)	-	(205,218)	(17,462)	-	(17,462)
Petty Cash	(2,352)	-	(2,352)	-	-	-
Legal Fees	(17,445)	(77,013)	(94,458)	-	-	-
Pre apt Trading Legal Fees	-	(10,547)	(10,547)	-	-	-
Legal Expenses	(40)	(50)	(90)	-	-	-
Joint Administrators' trading fees	-	(982,000)	(982,000)	-	-	-
Transfer from GBP to EUR account	(90,369)	-	(90,369)	101,401	-	101,401
Bank charges and interest	(1,721)	(41)	(1,763)	(42)	(18)	(60)
Total	(3,347,324)	(1,629,007)	(4,976,331)	(47,632)	(5,379)	(53,011)
Trading Receipts and Payments	2,860,168	(1,811,575)	1,048,594	27,738	(5,236)	22,501

Appendix 2

Per Estimated Statement of Financial Position		Transactions			Transactions		
		Cumulative to 31 August 2023 (£)	since 1 September 2023 (£)	Cumulative to 29 February 2024 (£)	Cumulative to 31 August 2023 (€)	since 1 September 2023 (€)	Cumulative to 29 February 2024 (€)
Non-Trading Receipts							
101,807	Finished goods and WIP on appointment	221,316	445,756	667,072	-	-	-
	Sale of scrap metal	42,946	-	42,946	-	-	-
	Licence fees	33,750	35,422	69,172	-	-	-
	Prepayments & other debts	4,430	-	4,430	-	-	-
175,000	Sale of Plant & Machinery	449,993	-	449,993	-	-	-
	Business information and IT	2	-	2	-	-	-
	Sale of Business Intellectual Property	1	-	1	-	-	-
	Goodwill	1	-	1	-	-	-
25,000	Fixtures & fittings	1	-	1	-	-	-
)	Office equipment	1	-	1	-	-	-
7,000	Motor vehicles	1	-	1	-	-	-
	Insurance refund	607	-	607	-	-	-
123,895	Cash on appointment	17,147	-	17,147	-	-	-
	Bank Interest	2,497	4,833	7,330	-	-	-
432,702	Total	772,694	486,011	1,258,705	-	-	-
Non-Trading Payments							
	Rent	(19,500)	(49,631)	(69,131)			
	Insurance	(95)	-	(95)	-	-	-
	Other Professional Fees	(14,978)	-	(14,978)	-	-	-
	Agent's fees	-	(17,290)	(17,290)			
	Security	(17,177)	-	(17,177)	-	-	-
	Bank charges	(10)	(7)	(17)			
	Public Notices	(94)	-	(94)	-	-	-
	Sundry Expense	-	(75)	(75)			
	Total	(51,854)	(67,003)	(118,857)	-	-	-
Non-Trading Receipts and Payments		720,840	419,008	1,139,848	-	-	-
Net Receipts and Payments		3,581,008	(1,392,566)	2,188,442	27,738	(5,236)	22,501
Represented by:							
	RBS Floating Account			1,309,104			-
	RBS Trading Account			654,387			-
	RBS Deposit Account			11,203			-
	RBS Euro Account			-			22,501
	Pension control a/c			(144)			-
	PAYE / NIC control a/c			21			-
	Foreign exchange			0			-
	VAT			213,871			-
				2,188,442			22,501

Notes

- Receipts and payments are stated net of VAT
- The stock and work in progress that existed at the date of our appointment has been consumed in the process of trading or returned to suppliers under claims for retention of title. It has been assumed that if trading had not continued, no significant value would have been attributable to the stock.

TEAM Precision Pipe Assemblies Limited (in Administration)

Summary of Joint Administrators' expenses incurred

Category of expense	Per Estimate Dated 6 October 2023 (£)	Per Estimate Dated 6 October 2023 (€)	Paid to 29 February 2024 (£)	Paid to 29 February 2024 (€)	Outstanding (£)	Outstanding (€)	Total (£)	Total (€)
Trading expenses								
Employee costs	1,327,391	-	1,330,952	0	0	0	1,330,952	0
Material and consumable purchases	1,573,787	124,118	1,883,752	128,942	0	0	1,883,752	128,942
Ransom payments	205,218	17,462	205,218	17,462	0	0	205,218	17,462
Hire of equipment	67,159	-	60,500	0	0	0	60,500	0
Shipping, freight charges and import duty	95,118	-	89,680	7,948	0	0	89,680	7,948
Tooling, parts and general maintenance	33,119	7,948	27,237	0	0	0	27,237	0
Property costs	138,048	-	139,636	0	0	0	139,636	0
IT and Payroll	21,890	-	19,678	0	0	0	19,678	0
Insurance	24,946	-	24,947	0	0	0	24,947	0
Health & safety	7,965	-	7,965	0	0	0	7,965	0
Waste and recycling	5,188	-	5,188	0	0	0	5,188	0
Petty cash	2,352	-	2,352	0	0	0	2,352	0
Agents' fees	398	-	0	0	0	0	0	0
Legal costs	32,485	-	94,548	0	0	0	94,548	0
Bank charges and interest	2,221	92	1,763	60	20	20	1,783	80
Total trading expenses	3,537,286	149,619	3,893,416	154,412	20	20	3,893,436	154,432
Non-trading expenses								
Legal fees and expenses	25,000	-	-	0	0	0	0	0
Insurance	195	-	95	0	0	0	95	0
Property costs	67,500	-	69,131	0	0	0	69,131	0
Agents' fees	17,290	-	17,290	0	0	0	17,290	0
Other professional fees	14,978	-	14,978	0	0	0	14,978	0
Security	17,177	-	17,177	0	0	0	17,177	0
Bank charges and interest	260	50	17	0	100	20	117	20
Statutory costs	206	-	94	0	0	0	94	0
Sundry Expenses	-	-	75	0	35	0	110	0
Corporation tax	-	-	-	0	0	0	0	0
Total non-trading expenses	142,606	50	118,857	0	135	20	118,992	20
Total	3,679,892	149,669	4,012,273	154,412	155	40	4,012,428	154,452

Expenses incurred for trading the business have been funded by the three customers for which production continued during the Administration.

Disbursements

Disbursements comprise of sums paid or to be paid to third parties, or payable to the Joint Administrators' firm in respect of out-of-pocket expenses and costs which include an element of shared or allocated costs.

Category 1 disbursements

Category 1 disbursements are defined as specific expenditure met by and reimbursed to the office holder's firm, relating to the Administration of the insolvent's affairs and referable to payment to an independent third party.

Expenses	Per Estimate Dated 6 October 2023 (£)	Incurred to 29 February 2024 (£)	Paid to 29 February 2024 (£)	Outstanding (£)	Total (£)
Accommodation and subsistence costs	28,732	28,774	0	28,774	28,774
Travel costs (excluding mileage)	3,807	3,807	0	3,807	3,807
Specific Bond	388	388	0	388	388
Postage and printing	3,489	633	0	3,489	3,489
Stationery supplies	65	65	0	65	65
Total	36,481	33,667	0	36,523	36,523

Category 2 disbursements

Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.

Expenses	Per Estimate Dated 6 October 2023 (£)	Incurred to 29 February 2024 (£)	Paid to 29 February 2024 (£)	Outstanding (£)	Total (£)
Mileage	12,635	12,635	0	12,635	12,635
Total	12,635	12,635	0	12,635	12,635

TEAM Precision Pipe Assemblies Limited (in Administration)

Joint Administrators' time costs for the period from 1 September 2023 to 29 February 2024

	Staff Grade							Total Hours	Total Cost £	Average Rate £
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	-	0.4	-	4.5	44.7	93.1	7.5	150.2	74,857.00	498
Creditors	-	-	-	-	2.9	-	-	2.9	2,102.50	725
Customers	-	0.5	-	-	-	-	-	0.5	545.00	1,090
Debtors	-	-	-	-	0.4	-	-	0.4	290.00	725
Employees	-	8.1	-	-	7.3	8.1	-	23.5	18,495.50	787
Investigation & CDDA	-	-	-	-	1.0	-	-	1.0	725.00	725
Other Assets	-	-	1.0	-	6.4	-	3.0	10.4	6,750.00	649
Other Matters	-	-	0.7	2.0	6.7	-	3.0	12.4	9,605.50	775
Property	-	-	2.1	2.0	0.2	-	-	4.3	4,334.00	1,008
Reporting	-	1.0	-	-	70.8	-	3.0	74.8	53,365.00	713
Retention of Title	-	-	-	-	2.0	-	-	2.0	1,450.00	725
Sale of business	-	-	-	-	-	-	4.3	4.3	1,462.00	340
Statutory Duties	-	2.0	5.5	9.9	2.5	10.1	13.7	43.7	30,005.00	687
Trading	-	1.6	20.0	168.4	39.6	13.5	216.6	459.7	292,330.50	636
VAT & Taxation	-	-	-	13.7	7.4	29.3	9.5	59.9	42,566.00	711
Total Hours	-	13.6	29.3	200.5	191.9	154.1	260.6	850.0		
Time Costs (£)	-	14,927.50	31,937.00	191,555.00	140,267.50	72,934.50	87,261.50		538,883.00	
Average Hourly Rate (£)	-	1,098	1,090	955	731	473	335			634

TEAM Precision Pipe Assemblies Limited (in Administration)

**Comparison of Joint Administrators' time costs for the period from 1 September 2023 to 29 February 2024
with the fee estimate dated 6 October 2023**

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total Hours	Total costs (£)	Average rate (£)
Administration & Planning	297.9	163,165.50	548	150.2	74,857.00	498	710.3	318,720.50	449
Creditors	90.5	61,079.50	675	2.9	2,102.50	725	98.7	64,652.50	655
Customers	-	-	-	0.5	545.00	1,090	89.2	62,281.00	698
Debtors	201.4	162,193.50	805	0.4	290.00	725	186.8	151,708.50	812
Employees	159.6	108,079.00	677	23.5	18,495.50	787	745.9	498,626.00	668
Immediate Tasks	116.2	66,392.00	571	-	-	-	116.2	66,392.00	571
Investigation & CDDA	61.9	41,564.00	671	1.0	725.00	725	60.4	40,476.50	670
Job Acceptance & Strategy	4.4	2,224.00	505	-	-	-	4.4	2,224.00	505
Legal Issues	23.7	18,969.50	800	-	-	-	2.2	2,112.00	960
Members	1.5	1,485.00	990	-	-	-	1.5	1,485.00	990
Other Assets	118.9	78,297.00	659	10.4	6,750.00	649	114.3	76,097.00	666
Other Matters	24.3	18,290.00	753	12.4	9,605.50	775	29.7	20,995.50	707
Property	17.5	12,311.00	703	4.3	4,334.00	1,008	9.8	8,820.00	900
Public Relations Issues	4.3	4,513.00	1,050	-	-	-	0.3	198.00	660
Reporting	325.3	218,505.00	672	74.8	53,365.00	713	140.1	94,292.50	673
Retention of Title	56.5	34,767.00	615	2.0	1,450.00	725	57.5	35,492.00	617
Sale of business	374.2	315,477.00	843	4.3	1,462.00	340	373.5	312,189.00	836
Statutory Duties	100.7	64,000.00	636	43.7	30,005.00	687	116.4	75,140.00	646
Trading	3,832.8	2,170,492.50	566	459.7	292,330.50	636	2,783.5	1,583,802.00	569
VAT & Taxation	146.1	138,208.50	946	59.9	42,566.00	711	104.0	76,544.50	736
Total	5,957.7	3,680,013.00	618	850.0	538,883.00	634	5,744.7	3,492,248.50	608

TEAM Precision Pipe Assemblies Limited (In Administration)

Joint Administrators' time costs - explanation of the work done and ongoing

The work undertaken can be categorised either as Statutory or Asset Realisation related. Statutory work is required by the Joint Administrators to fulfil their statutory duties. Asset realisation work is in respect of the Joint Administrators' actions to realise assets for the benefit of the creditors.

Basis of work	Category of work	Description of work	Work done / in progress / to be performed
Statutory	Accounting & Administration	<ul style="list-style-type: none"> Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost reporting. 	<ul style="list-style-type: none"> In progress
Statutory	Creditors	<ul style="list-style-type: none"> Receipt and recording creditor claims. Correspondence with creditors. Processing distributions to preferential and unsecured creditors (as applicable). 	<ul style="list-style-type: none"> In progress In progress To be performed
Asset realisation	Debtors	<ul style="list-style-type: none"> Realising the book debts of the Company. 	<ul style="list-style-type: none"> Work done
Statutory	Employees	<ul style="list-style-type: none"> Assessing staffing requirements and making redundancies. Dealing with employee enquiries. Processing employee claims (if applicable) 	<ul style="list-style-type: none"> Work done In progress To be performed
Statutory	Immediate Tasks	<ul style="list-style-type: none"> Completion of work streams requiring immediate attention following the appointment as required by statute. 	<ul style="list-style-type: none"> Work done
Statutory	Investigations	<ul style="list-style-type: none"> Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders". The Joint Administrators' report on the conduct of the directors under the Company Directors Disqualification Act 1986. 	<ul style="list-style-type: none"> Work done Work done
Asset realisation	Job Acceptance & Strategy	<ul style="list-style-type: none"> Matters relating to the appointment and initial planning of the Administration strategy, including management and formulating and executing the strategy adopted. Considering exit routes from Administration and implementing the most appropriate route. 	<ul style="list-style-type: none"> Work done Work done
Statutory	Legal Issues	<ul style="list-style-type: none"> Dealing with any ad hoc legal issues. Liaising with the Purchaser and our appointed solicitor to support an assignation of the leasehold property to the Purchaser. 	<ul style="list-style-type: none"> In progress Work done
Statutory	Members	<ul style="list-style-type: none"> Liaising with the Company's shareholders (as required). 	<ul style="list-style-type: none"> In progress
Asset realisations	Other Assets	<ul style="list-style-type: none"> Realising value from the Company's other assets. Assessing, quantifying and seeking to realise value from assets not recorded in the management accounts of the Company at the date of appointment. 	<ul style="list-style-type: none"> Work done Work done
Statutory	Other Matters	<ul style="list-style-type: none"> Dealing with assets owned by third parties. Recovery of the Company's physical books and records, and electronic records (including a back-up of the Company's servers and systems). 	<ul style="list-style-type: none"> Work done Work done

Appendix 4

Asset realisation	Property	<ul style="list-style-type: none"> • Liaising with the landlord of the Company's former premises. • Collecting licence fees from the Purchaser and arranging for rent payments to the landlord. 	<ul style="list-style-type: none"> • Work done • Work done
Statutory	Public relations	<ul style="list-style-type: none"> • Agreeing and issuing statements to the press as required in pursuit of the Administration strategy. 	<ul style="list-style-type: none"> • Work done
Statutory	Reporting	<ul style="list-style-type: none"> • Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report. 	<ul style="list-style-type: none"> • In progress
Asset realisation	Retention of title	<ul style="list-style-type: none"> • Assessment and settlement of claims for retention of title from the Company's suppliers (if applicable). 	<ul style="list-style-type: none"> • Work done
Asset realisation	Sale of business	<ul style="list-style-type: none"> • Sale of the business and/or the assets of the Company in pursuance of the Administrators' objectives. • Liaising with the Purchaser and its advisors and relevant suppliers in relation to transitional arrangements. 	<ul style="list-style-type: none"> • Work done • Work done
Statutory	Statutory Duties	<ul style="list-style-type: none"> • Completion of statutory requirements of the Administration, including notifications to creditors and members, advertising the appointment, and sending to creditors and filing at Companies House. 	<ul style="list-style-type: none"> • In progress
Statutory	Trading	<ul style="list-style-type: none"> • Trading the Company in Administration • Dealing with outstanding matters relating to the period that the Company was trading in Administration. This will include preparing final trading accounts, reconciling the costs of trading, and returning advanced payments to customers and making final payments to supplies. • Employee issues pertaining to trading the Company. 	<ul style="list-style-type: none"> • Work done • Work done • Work done
Statutory	VAT & Taxation	<ul style="list-style-type: none"> • Preparing corporation tax and VAT returns, with input from EY VAT and tax specialists. • Preparing claims for VAT bad debt relief (if applicable). • Assessment of the VAT and tax treatments of transactions and agreements entered into during the Administration. 	<ul style="list-style-type: none"> • In progress • In progress • In progress

TEAM Precision Pipe Assemblies Limited (in Administration)

Statement of Administrators' charging policy for remuneration and expenses pursuant to Statement of Insolvency Practice No.9

Joint Administrators' charging policy for remuneration

The Joint Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the Company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established specifically for this engagement. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time.

A summary of the Joint Administrators' time costs from 1 September 2023 to 29 February 2024 is detailed at Appendix 4. The time spent by the Administrators and their staff to date primarily relates to the following matters:

- ▶ Finalising the trading accounts of the Company for the period of trade to 2 July 2023, which has required us to liaise with suppliers and customers;
- ▶ Pursuing collection of the Company's outstanding debtors' ledger;
- ▶ Pursuing sales of stock (including raw materials, work in progress and finished goods) not used in trading the Company;
- ▶ Employee matters, including supporting employees to make claims for amounts due from the Redundancy Payments Service;
- ▶ Addressing correspondence received from creditors, including trade suppliers and the landlord of the Company's leased premises;
- ▶ Dealing with VAT matters, which includes filing statutory returns; and
- ▶ Fulfilling the statutory obligations required of the Joint Administrators including notifying the Joint Administrators' appointment to all known creditors and preparing and issuing the Joint Administrators' Statement of Proposals.

Administrators' charging policy for expenses

Statement of Insolvency Practice No. 9 divides expenses into two categories.

- ▶ Category 1 expenses are defined as specific expenditure relating to the Administration of the insolvent's affairs and referable to payment to an independent third party. Such expenses can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No. 9, it is our policy to disclose Category 1 expenses drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the expenses drawn.
- ▶ Category 2 expenses are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No. 9 provides that such expenses are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to seek approval for Category 2 expenses before they are drawn.

Appendix 5

It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn.

A summary of the Joint Administrators' expenses incurred in the period from 1 September 2023 to 29 February 2024 is detailed at Appendix 3. To date, no Category 1 or Category 2 expenses have been drawn.