

TO ALL KNOWN CREDITORS

29 September 2023

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, to provide creditors with a report on the progress of the Administration. This report covers the period from 1 March 2023 to 31 August 2023 and should be read in conjunction with the Joint Administrators' statement of proposals ('the proposals') dated 25 April 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

Approval of the proposals

The Proposals were issued to all known creditors of the Company on 26 April 2023. As required by paragraph 51 of Schedule B1 to the Insolvency Act 1986 and Rules 3.38 and 15.7 of the Insolvency (England and Wales) Rules 2016, the Joint Administrators sought approval of the Proposals from the Company's creditors by deemed consent. The Proposals were deemed approved on 10 May 2023.

The Company's trading

As detailed in the proposals, following extensive negotiation, on the day after the appointment a Supply Agreement was signed by three of the Company's key customers and the Joint Administrators for an initial eight-week period, with a provision to continue to trade on a rolling basis thereafter.

In accordance with the Supply Agreement, it was agreed that the Company would continue to trade beyond the initial eight-week period, and the trading period was extended for a further five weeks to 31 May 2023.

Trading for two of the three customers ceased on 31 May 2023 and as such 81 employees, whose roles were no longer required by the Company, were made redundant on 31 May 2023, with one further employee made redundant on 2 July 2023.

The one remaining customer and the Joint Administrators signed a standalone Supply Agreement with a provision to continue to trade on a rolling basis from 1 June 2023. The remaining customer provided further funding to allow the business to continue to trade to the end of June 2023.

The remaining customer's order requirements were lower than previously anticipated which led to a reduction in trading activities from 14 June 2023. This meant that staffing requirements were lower from this date and as such a further eight employees, whose roles were no longer required by the Company, were made redundant on 14 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') (see "Sale of business and certain assets" section of this report for further details).

As a requirement of the supply agreements, the Joint Administrators are in the process of preparing final trading accounts for the Administration trading period. The final trading accounts have not yet been completed and accordingly, the Joint Administrators' Summary of Receipts and Payments from 1 March 2023 to 31 August 2023 at Appendix 2 does not represent the final trading position of the Company. We do, however, anticipate that the Company will generate a trading profit in the region of £234k for the period of trading to 2 July 2023, representing the profit contributions agreed with the customers.

Sale of business and certain assets

After an extensive marketing process where the Joint Administrators' team liaised with c.60 interested parties, the Joint Administrators completed a sale of the business and certain assets of the Company to the Purchaser on 2 July 2023. With effect from this date, all the Company's 33 remaining employees transferred to the Purchaser.

The total sale consideration achieved was £500,000.00, apportioned as follows:

Asset	£
Goodwill	1.00
Motor vehicles	1.00
Plant & Machinery	449,993.00
Stock	50,000.00
Fixtures & fittings	1.00
Office equipment	1.00
Business information and IT	2.00
Intellectual Property	1.00
Total sale consideration	500,000.00

In addition, a licence to occupy the Company's leasehold property was granted to the Purchaser. Under this arrangement, licence fees of £33,750 were received on completion and have been used to discharge the rent liability for the quarter ending 1 October 2023.

Leasehold property

As detailed in the proposals, the Company occupied a single leasehold site in Ammanford, Wales, with the lease expiring on 2 October 2028.

As detailed above, the Joint Administrators have granted a licence to occupy to the Purchaser.

Plant and Equipment / Fixtures and Fittings / Vehicles

The Company's principal fixed asset was its manufacturing plant and machinery which was utilised throughout the Administration trading period.

As detailed above, the Company's plant and machinery together with motor vehicles, fixtures and fittings were sold to the Purchaser for consideration of £449,995.

Stock – WIP / finished goods / stock remaining / retention of title

As detailed above, the Purchaser made a payment of £50,000 in relation to the raw material and WIP remaining at the end of the trading period. The Joint Administrators are in the process of preparing final trading accounts for the administration trading period and will provide a further update on final stock realisations in the next progress report.

Realisations from sales of raw materials, WIP and finished goods stock to customers not party to the Supply Agreement total £171,316.

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

As noted in the proposals, we received a number of retention of title ('ROT') claims from suppliers, all of which have now been resolved and are summarised below:

- ▶ Four suppliers whose ROT claims were adjudicated as valid have collected goods from the Company's premises with a total value of £13,886;
- ▶ Two suppliers whose ROT claims totalled £16,933 and one supplier whose ROT claim totalled €32,478 were deemed to be invalid as the goods could not clearly be identified or they did not have a valid ROT claim;
- ▶ One supplier who carried out a stock inspection at the Company's premises had their claim settled directly by one of the key customers;
- ▶ Four suppliers who submitted claims are now no longer progressing with their claims or have yet to provide supporting documentation.

Trade debtors

The Company's trade debtors are subject to a confidential invoice discounting facility with Shawbrook Bank Limited ('Shawbrook') therefore debtor receipts to date of £2,141,364 have been received directly by Shawbrook and therefore are not shown within the Receipts and Payments analysis at Appendix 2.

Cash at bank

As noted in the proposals, the Company operated five accounts with Natwest. There was £17,147 cash held in the Company's bank accounts at the date of the appointment. This amount has been transferred into the Administration bank account.

Extension of administration

As you may be aware, insolvency legislation currently provides for an Administration to automatically come to an end after a period of 12 months. As there are likely to still be a number of outstanding issues to resolve in the Administration, such as finalising the trading position and payment of dividends to preferential creditors, we are seeking an extension to the initial period of the Administration.

In accordance with Section 78(2)(b) of Schedule B1 of the Insolvency Act 1986 and Rules 15.7 and 15.8 of the Insolvency (England and Wales) Rules 2016, we are seeking the approval of the secured creditors and the preferential creditors' consent to extend the period of the Administration by 12 months to 28 February 2025 and enclose at Appendix 7 Notice to Creditors of Deemed Consent in this regard.

The Insolvency (England and Wales) Rules 2016 require that whenever a decision is sought from creditors, they must also be invited to establish a creditors' committee if, as in this case, a committee is not already in existence. Accordingly, I also enclose an invitation to form a creditors' committee at Appendix 8. In order for a committee to be formed, at least 3 creditors must be willing to serve on the committee and they must give their consent in writing.

Receipts and payments account

A summary of our receipts and payments for the period from 1 March 2023 to 31 August 2023 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

Investigations

We have concluded our investigations into the Company's affairs, in accordance with Statement of Insolvency Practice Number 2 (Investigations by Office Holders), and the Company Directors Disqualification Act 1986, with the necessary return being made to the Insolvency Service on 13 July 2018. No investigations are continuing and no third party funding has been provided.

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.

Our remuneration, which has yet to be fixed, 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 £1,664,465 in relation to dealing with the realisation of the Company's assets and all other statutory duties. However, the amount that will be available to the Administrators to draw as fees will be restricted by the level of fixed and floating charge realisations after deducting appropriate expenses. Based on current realisations and estimated future realisations, it is unlikely that our remuneration in this regard will exceed £600,000.

In addition, in the six months to 31 August 2023, we have incurred time costs totaling £1,291,472 for all related trading matters. 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 this report for further details).

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

We will be writing to both the secured and preferential creditors to seek approval for our remuneration to be fixed on the basis of time properly given by the Joint Administrators and their staff in dealing with matters arising the Administration and Category 2 expenses.

At the date of this report, no fees have been drawn by the Joint Administrators.

Joint Administrators' statement of expenses incurred

During the period covered by this report, we have incurred trading expenses totalling £3,256,955 (plus VAT) and €149,033. 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 £51,854 and €NIL. There is a breakdown of expenses incurred in this period at Appendix 3 of this report.

Pre-administration costs

Our pre-administration costs have yet to be approved. We will be writing to both the secured and preferential creditors to seek approval for our unpaid pre-administration costs incurred with a view to the Company entering Administration.

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 £2,544,000, before any termination charges.

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 due course.

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 80p in the £ to secondary preferential creditors will be made in due course.

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:

- ▶ Finalising the trading accounts for the period of trade to 2 July 2023;
- ▶ Managing property payments under the licence to occupy agreement with the Purchaser and dealing with the lease assignment;
- ▶ 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.

Other matters

Statement of affairs

Creditors will recall that a Statement of Affairs for the Company had not been completed at the time the Joint Administrators' proposals were issued to creditors. I am pleased to advise that the Directors have now submitted their Statement of Affairs as at 1 March 2023. A copy of which can be viewed and downloaded from https://www.ey.com/en_uk/tppaadministration.

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 tppaadministration@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:	tpaadministration@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 March 2023 to 31 August 2023

Per Estimated Statement of Financial Position	Cumulative to 31 March 2023 (£)	Transactions since 1 April 2023 (£)	Cumulative to 31 August 2023 (£)	Cumulative to 31 March 2023 (€)	Transactions since 1 April 2023 (€)	Cumulative to 31 August 2023 (€)
Trading Receipts						
Customer Sales	698,215	2,575,338	3,273,553	-	75,267	75,267
Bank Interest	1,420	18,439	19,859	-	103	103
Customer Advance Payments	1,783,080	1,131,000	2,914,080	-	-	-
Total	2,482,715	3,724,777	6,207,492	-	75,370	75,370
Trading Payments						
Material Purchases	(457,470)	(876,807)	(1,334,277)	-	(123,581)	(123,581)
Wages and Salaries	(243,801)	(1,083,590)	(1,327,391)	-	-	-
Vehicle & Equipment	-	(5,551)	(5,551)	-	-	-
Tooling & Parts	(2,150)	(8,166)	(10,316)	-	-	-
Consumables	(456)	(48,869)	(49,326)	-	-	-
Leased assets	-	(41,786)	(41,786)	-	-	-
Insurance	-	(7,044)	(7,044)	-	-	-
Parts & General Maintenance	(791)	(16,782)	(17,573)	-	-	-
Carriage	(18,226)	(61,430)	(79,656)	-	(7,948)	(7,948)
Rent	-	(36,750)	(36,750)	-	-	-
Property repairs	-	(390)	(390)	-	-	-
Payroll and IT	-	(19,678)	(19,678)	-	-	-
Import Duty	(742)	(3,180)	(3,922)	-	-	-
Customs Expenses	(215)	215	-	-	-	-
Health & Safety	-	(7,965)	(7,965)	-	-	-
Waste & Recycling	-	(5,188)	(5,188)	-	-	-
Utilities	-	(83,366)	(83,366)	-	-	-
Ransom Payments	(159,192)	(46,026)	(205,218)	-	(17,462)	(17,462)
Petty Cash	(1,000)	(1,352)	(2,352)	-	-	-
Legal Fees	-	(17,445)	(17,445)	-	-	-
Legal Expenses	-	(40)	(40)	-	-	-
Transfer from GBP to EUR account	0	(90,369)	(90,369)	-	101,401	101,401
Bank charges and interest	(151)	(1,570)	(1,721)	-	(42)	(42)
Total	(884,195)	(2,463,129)	(3,347,324)	-	(47,632)	(47,632)
Trading Receipts and Payments	1,598,520	1,261,648	2,860,168	-	27,738	27,738
Non-Trading Receipts						
101,807 Finished goods and WIP on appointm	101,807	119,510	221,316	-	-	-
Sale of scrap metal	10,845	32,101	42,946	-	-	-
Licence fees	-	33,750	33,750	-	-	-
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	66	2,432	2,497	-	-	-
432,702 Total	112,717	659,977	772,694	-	-	-
Non-Trading Payments						
Rent	-	(19,500)	(19,500)	-	-	-
Insurance	-	(95)	(95)	-	-	-
Other Professional Fees	(5,000)	(9,978)	(14,978)	-	-	-
Security	(2,003)	(15,175)	(17,177)	-	-	-
Bank charges	-	(10)	(10)	-	-	-
Public Notices	(94)	-	(94)	-	-	-
Total	(7,097)	(44,758)	(51,854)	-	-	-
Non-Trading Receipts and Payments	105,620	615,219	720,840	-	-	-
Net Receipts and Payments	1,704,140	1,876,868	3,581,008	-	27,738	27,738
Represented by:						
RBS Floating Account			730,984			-
RBS Trading Account			2,787,115			-
RBS Deposit Account			101,008			-
RBS Euro Account			-			27,738
Pension control a/c			(1,131)			-
VAT			(36,968)			-
			3,581,008			27,738
Notes						
1. Receipts and payments are stated net of VAT						
2. 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	Paid to 31 August 2023 (£)	Paid to 31 August 2023 (€)	Outstanding (£)	Outstanding (€)	Total (£)	Total (€)
Trading expenses						
Employee costs	1,327,391	0	0	0	1,327,391	0
Material and consumable purchases	1,383,603	123,581	190,184	536	1,573,787	124,118
Ransom payments	205,218	17,462	0	0	205,218	17,462
Hire of equipment	47,337	7,948	19,822	0	67,159	0
Shipping, freight charges and import duty	83,578	0	11,541	0	95,118	0
Tooling, parts and general maintenance	27,890	0	5,230	0	33,119	7,948
Property costs	120,506	0	17,542	0	138,048	0
IT and Payroll	19,678	0	2,212	0	21,890	0
Insurance	7,044	0	17,902	0	24,946	0
Health & safety	7,965	0	0	0	7,965	0
Waste and recycling	5,188	0	0	0	5,188	0
Petty cash	2,352	0	0	0	2,352	0
Agents' fees	0	0	398	0	398	0
Legal costs	17,485	0	5,000	0	22,485	0
Bank charges and interest	1,721	42	500	50	2,221	92
Total trading expenses	3,256,955	149,033	270,330	586	3,527,286	149,619
Non-trading expenses						
Legal fees and expenses	0	0	25,000	0	25,000	0
Insurance	95	0	100	0	195	0
Property costs	19,500	0	48,000	0	67,500	0
Agents' fees	0	0	17,290	0	17,290	0
Other professional fees	14,978	0	0	0	14,978	0
Security	17,177	0	0	0	17,177	0
Bank charges and interest	10	0	250	50	260	50
Statutory costs	94	0	112	0	206	0
Corporation tax	0	0	0	0	0	0
Total non-trading expenses	51,854	0	90,752	50	142,606	50
Total	3,308,810	149,033	361,082	636	3,669,892	149,669

Expenses incurred for trading the business have been funded by the three customers for which production has 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.

Disbursement	Description of disbursement incurred	Estimated costs (£)
Accommodation and subsistence costs	▶ Those costs incurred by the Joint Administrators and their staff in respect of their work on the Administration, whilst operating from or attending the site operated by the Company or third parties.	28,732
Travel costs (excluding mileage)	▶ Those costs incurred by the Joint Administrators, and their staff in respect of their work on the administration, to travel to the site operated by the Company, or third parties (excluding mileage cost).	3,807
Specific Bond	▶ A form of insurance required by insolvency law.	388
Postage and printing	▶ Those costs incurred by the Joint Administrators in printing and posting the Joint Administrators' Statement of Proposals and subsequent progress reports and other written communication to all relevant creditors and shareholders.	3,489
Stationery supplies	▶ These costs incurred by the Joint Administrations and their staff in the purchase of general office supplies, whilst working at the client site.	65
Total		36,481

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.

Disbursement	Description of disbursement incurred	Estimated costs (£)
Mileage	<ul style="list-style-type: none"> ▶ Those costs relating to mileage incurred by the Joint Administrators and their staff in respect of their work on the administration, whilst operating from or attending the site operated by the Company and third party locations to attend meetings with key stakeholders. ▶ Current mileage rates are: <ul style="list-style-type: none"> • 45p/mile for staff below manager using their own cars • 18p/mile (non-electric vehicle) for managers and above using their own car or a company car. • 20p/mile (electric vehicle) for managers and above using their own car or a company car. 	12,635
Total		12,635

TEAM Precision Pipe Assemblies Limited (in Administration)

Joint Administrators' time costs for the period from 1 March 2023 to 31 August 2023

	Staff Grade							Total Hours	Total Cost £	Average Rate £
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	-	5.1	3.1	7.4	65.8	462.5	16.2	560.1	243,863.50	435.4
Creditors	-	1.3	14.0	3.0	59.7	-	17.8	95.8	62,550.00	652.9
Customers	-	0.5	5.9	-	82.3	-	-	88.7	61,736.00	696.0
Debtors	-	11.0	29.5	96.4	25.0	11.5	13.0	186.4	151,418.50	812.3
Employees	-	72.7	31.3	5.5	430.9	170.2	11.8	722.4	480,130.50	664.6
Immediate Tasks	-	-	19.0	6.5	42.1	-	48.6	116.2	66,392.00	571.4
Investigation & CDDA	-	1.5	2.2	-	51.7	4.0	-	59.4	39,751.50	669.2
Job Acceptance & Strategy	-	-	-	-	0.4	4.0	-	4.4	2,224.00	505.5
Legal Issues	-	-	2.0	-	0.2	-	-	2.2	2,112.00	960.0
Members	-	1.5	-	-	-	-	-	1.5	1,485.00	990.0
Other Assets	-	-	5.1	2.7	88.6	6.5	1.0	103.9	69,347.00	667.4
Other Matters	-	-	-	0.3	15.9	1.1	-	17.3	11,390.00	658.4
Property	-	-	0.9	2.4	2.2	-	-	5.5	4,486.00	815.6
Public Relations Issues	-	-	-	-	0.3	-	-	0.3	198.00	660.0
Reporting	-	2.5	-	1.3	48.4	2.5	10.6	65.3	40,927.50	626.8
Retention of Title	-	-	4.6	2.0	36.9	-	12.0	55.5	34,042.00	613.4
Sale of business	-	22.0	50.6	247.7	18.6	8.0	22.3	369.2	310,727.00	841.6
Statutory Duties	-	-	5.4	3.8	31.4	14.0	18.1	72.7	45,135.00	620.8
Trading	-	49.3	241.3	51.6	672.2	666.1	643.3	2,323.8	1,291,471.50	555.8
VAT & Taxation	-	0.5	7.8	-	35.8	-	-	44.1	33,978.50	770.5
Total Hours	-	167.9	422.7	430.6	1,708.4	1,350.4	814.7	4,894.7		
Time Costs (£)	-	169,775.00	417,571.00	374,290.50	1,145,588.50	599,673.00	246,467.50		2,953,365.50	
Average Hourly Rate (£)	-	1,011.2	987.9	869.2	670.6	444.1	302.5		603.4	

Category 1 expenses	£
Accommodation and subsistence costs	28,732.17
Travel costs (excluding mileage)	3,806.99
Specific bond	387.50
Postage and printing	489.89
Stationery supplies	65.49
Total	33,482.04
Category 2 expenses	£
Mileage	12,634.78
Total	12,634.78

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"> In progress
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 In progress
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"> In progress In progress
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"> In progress In progress

Appendix 5

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"> • In progress • In progress
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 • In progress • 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 March 2023 to 31 August 2023 is detailed at Appendix 4. The time spent by the Administrators and their staff to date primarily relates to the following matters:

- ▶ Overseeing the trading of the Company, liaising with employees, suppliers and customers;
- ▶ Liaising with interested parties regarding a potential sale of the Company's business and assets;
- ▶ 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 implementing redundancies and supporting these 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;
- ▶ Carrying out investigative procedures and investigations into the Company's affairs in accordance with Statement of Insolvency Practice No.2 and submitting the Joint Administrators' report on the conduct of the directors under the Company Directors Disqualification Act 1986; 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.

Appendix 6

- ▶ 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.

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' disbursements incurred in the period from 1 March 2023 to 31 August 2023 is detailed at Appendix 4. To date, no Category 1 or Category 2 expenses have been drawn.

Notice to creditors of deemed consent

Paragraph 78(2A) of Schedule B1 to the Insolvency Act 1986 and Rules 15.7 and 15.8 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)
Case number:	CR-2023-000963
Registered name of the Company	TEAM Precision Pipe Assemblies Limited (In Administration)
Other trading name(s) or style(s) of the Company:	N/A
Any other registered name in the 12 months prior to Administration:	N/A
Registered number:	06936831
Registered office address:	c/o Ernst & Young LLP, The Paragon, 32 Counterslip, Bristol, BS1 6BX
Principal trading address (if different from above):	Parc Hendre, Capel Hendre, Ammanford, SA18 3FA
Date on which the company entered Administration:	1 March 2023
Date of appointment of Joint Administrators:	1 March 2023

Details of the Joint Administrators

Lucy Winterborne Ernst & Young LLP The Paragon, 32 Counterslip, Bristol, BS1 6BX	Daniel Christopher Hurd Ernst & Young LLP No.1 Colmore Square, Birmingham, B4 6HQ
Office holder numbers:	21130 / 20030
Email:	tppaadministration@uk.ey.com
Name of alternative person to contact about the administration:	Laura Jones

NOTICE IS HEREBY GIVEN that the Joint administrators of the above-named Company are seeking an extension of the Administration for a period of 12 months to 28 February 2025 by deemed consent.

Creditors will be deemed to have consented to the extension unless by the end of 20 October 2023 at least 10% in value of creditors who would be entitled to vote in a qualifying decision procedure have objected to approval and their objections have been made in accordance with the procedure set out below.

Objections

Any creditor wishing to object to the proposed decision to extend the administration including any creditor who has opted out from receiving notices about the administration - must deliver to me, at the above address, a notice stating that the creditor so objects. The notice must be delivered to me at the above address not later than the end of 20 October 2023 together with a proof in respect of the creditor's claim which complies with the requirements of Rules 15.28 to 15.35 of the Insolvency (England and Wales) Rules 2016 failing which the objection will be disregarded.

Please note that creditors whose debts may be treated as small debts in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a proof of claim if they wish to object.

It is my responsibility, as joint administrator convening the deemed consent procedure, to aggregate any objections to see if the threshold is met for the decision to be taken as not having been made.

If the threshold is met the deemed consent procedure will terminate without a decision being made on the request for an extension and if a decision is sought again on the same matter it will be sought by a decision procedure.

Requests for a physical meeting to be held

Creditors who meet the thresholds in s.246ZE(7) of the Insolvency Act 1986, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may, within five business days from the date of delivery of this notice, make a request to me in writing for a physical meeting of creditors to be held to consider the request for an extension of the administration.

Signed
Lucy Winterborne
Joint Administrator



Date

29 September 2023

Notice to creditors – invitation to form a creditors' committee

Rule 3.39, Insolvency (England and Wales) Rules 2016

Name of court: High Court of Justice, Business and Property Courts of England and Wales, Company & Insolvency List (ChD)

Case number: CR-2023-000963

Registered name of the Company: TEAM Precision Pipe Assemblies Limited

Other trading name(s) or style(s) of the company: N/A

Any other registered name in the 12 months prior to Administration: N/A

Registered number: 06936831

Registered office address: c/o Ernst & Young LLP, The Paragon, 32 Counterslip, Bristol, BS1 6BX

Principal trading address (if different from above): Parc Hendre, Capel Hendre, Ammanford, SA18 3FA

Date on which the company entered Administration: 1 March 2023

Date of appointment of Joint Administrators: 1 March 2023

Details of the Joint Administrators

Lucy Winterborne Ernst & Young LLP The Paragon, 32 Counterslip, Bristol, BS1 6BX	Daniel Christopher Hurd Ernst & Young LLP No.1 Colmore Square, Birmingham, B4 6HQ
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Office holder number: 21130 / 20030

Email: tpaadministration@uk.ey.com

Name of alternative person to contact about the administration: Laura Jones

Invitation to form a creditors' committee

Creditors are invited to decide whether a creditors' committee should be formed if sufficient creditors are willing to be members of the committee. Information on the role of committees can be found at <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>

To be validly established, a committee must have at least three and not more than five members, who must have agreed to act.

Should you wish to form a committee, please follow the instructions in the nomination form attached to this notice and return the completed nomination form, with written agreements to act where appropriate, to me at the above address to arrive no later than 20 October 2023. Nominations can

only be accepted if I am satisfied as to the creditor's eligibility under Rule 17.4 of the Insolvency (England and Wales) Rules 2016.

Signed
Lucy Winterborne
Joint Administrator

A handwritten signature in blue ink, appearing to read 'Lucy Winterborne', is positioned above a horizontal line.

Date

29 September 2023

TEAM Precision Pipe Assemblies Limited (in Administration) (‘the Company’)

Nominations for creditors’ committee

You may nominate up to five creditors of the company. Please note that before a person can act as a member of a creditors’ committee that person must agree to do so.

In the event that more than five valid nominations are received, the five receiving the most votes will be appointed.

When you have completed this form, please return it with the creditor’s written agreement to act (unless you are nominating yourself or your own organisation) to Lucy Winterborne at c/o Ernst & Young LLP, G1 Building, 5 George Square, Glasgow, G2 1DY or by email to tppaadministration@uk.ey.com to arrive no later than the closing date stated on the notice of invitation to form a committee.

I nominate:

(Name of creditor)_____ of

(Address)_____

(Name of creditor)_____ of

(Address)_____

(Name of creditor)_____ of

(Address)_____

(Name of creditor)_____ of

(Address)_____

(Name of creditor)_____ of

(Address)_____

to be appointed as (a) member(s) of the creditors' committee.

Signature _____

Name of signatory _____

On behalf of
(name of creditor) _____

Date _____