In accordance with Rule 3.35 of the Insolvency (England & Wales) Rules 2016 & Paragraph 49(4) of Schedule B1 to the Insolvency Act 1986

AM03
Notice of administrator's proposals

Companies House

MONDAY

A94CML56
A20 04/05/2020 #258
COMPANIES HOUSE

1 Company details

Company number	0 2 5 6 6 9 5 5
Company name in full	Workstream Construction Services Limited

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

2 Administrator's name

Full forename(s)	Rajnesh
Surname	Mittal

3 Administrator's address

Building name/number	FRP Advisory Trading Limited
Street	2nd Floor
	170 Edmund Street
Post town	Birmingham
County/Region	
Postcode	B 3 2 H B
Country	

4 Administrator's name ❶

Full forename(s)	Anthony
Surname	Barrell

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

5 Administrator's address ❷

Building name/number	FRP Advisory Trading Limited
Street	2nd Floor
	170 Edmund Street
Post town	Birmingham
County/Region	
Postcode	B 3 2 H B
Country	

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

AM03
Notice of Administrator's Proposals

6 Statement of proposals

☑ I attach a copy of the statement of proposals

7 Sign and date

Administrator's Signature	Signature ✕  ✕
Signature date	d 0 4 m 0 5 y 2 0 2 0

AM03
Notice of Administrator's Proposals

Presenter information

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

Contact name: Rajnesh Mittal

Company name: FRP Advisory Trading Limited

Address: 2nd Floor
170 Edmund Street

Post town: Birmingham

County/Region:

Postcode: B 3 2 H B

Country:

DX: cp.birmingham@frpadvisory.com

Telephone: 0121 710 1680

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

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

Further information

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

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

FRP

Workstream Construction Services Limited - in administration

The Administrators' Proposals

4 May 2020

Contents and abbreviations

FRP

Section	Content
1.	Introduction and circumstances giving rise to the appointment of the Administrators
2.	Conduct of the administration
3.	The Administrators' remuneration, disbursements and pre-appointment costs
4.	Estimated outcome for the creditors
Appendix	**Content**
A.	Statutory information about the Company and the administration
B.	Administrators' receipts & payments account
C.	The Administrators' remuneration, disbursements and costs information • Estimated outcome statement • Schedule of work • Fee estimate • FRP charge out rates and disbursement policy
D.	Schedule of pre-administration costs
E.	Directors' Statement of Affairs

The following abbreviations may be used in this report:

The Administrators	Rajnesh Mittal and Anthony Barrell of FRP Advisory Trading Limited
The Bank	Lloyds Banking Group
CID	Confidential Invoice Discounting
The Company	Workstream Construction Services Limited - in administration
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
David Rubin	David Rubin & Partners LLP
The Directors	Keith Alderton and Alexander Walker
EOS	Estimated Outcome Statement
FRP	FRP Advisory Trading Limited
HMRC	HM Revenue & Customs
The Insolvency Rules	The Insolvency (England and Wales) Rules 2016
Irwin Mitchell	Irwin Mitchell LLP
Lloyds CF	Lloyds Bank Commercial Finance Limited
P. J. Dunphy	P. J. Dunphy (Construction Services) Limited - in administration
QFCH	Qualifying floating charge holder
Recruitment Assets	Recruitment Assets Limited

FRP

SIP	Statement of insolvency practice
STCFF	Short Term Cash Flow Forecast
Trading Group	The Company, P.J. Dunphy and Workstream Engineering
VAT	Value Added Tax
Workstream Engineering	Workstream Engineering Services Limited – in liquidation

1. Introduction and circumstances giving rise to the appointment of the Administrators

FRP

On 18 March 2020, the Company entered administration and Rajnesh Mittal and Anthony Barrell were appointed as Administrators.

This document, together with its appendices, forms the Administrators' statement of proposals to creditors in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules. The proposals are deemed delivered four business days after they are dated.

These proposals have been prepared from information available at the time of their preparation. Due to the global outbreak of Covid 19 and the UK's response to this, requiring working from home and necessarily a lack of access to physical files or other information, we should advise that we may not have all the information required to ensure these proposals are both complete and accurate. Where there are errors and/or omissions we will endeavour to correct these where possible in our next report to you.

Certain statutory information about the Company and the administration is provided at **Appendix A**.

Background information regarding the Company

The Company was incorporated on 10 December 1990 and registered at its accountant's address at 2nd Floor Gadd House, Arcadia Avenue, London, N3 2JU.

The business traded from leasehold premises at The Old Stables, Newton Morrell, Bicester, Oxfordshire, OX27 8AG where it supplied a comprehensive range of essential site services to the construction industry. This included providing temporary, contract and permanent personnel, site logistic packages and engineering services.

The business employed 16 full time and one part time staff including one of the Directors. The Company had two directors registered at Companies House, being Keith Alderton and Alexander Walker.

The 100% shareholder is parent company Recruitment Assets Limited.

At the date of appointment, the Company had granted the following securities:

Charge holder	Security held	Date created	Date delivered
Lloyds TSB Commercial Finance Limited	All assets debenture	23 July 2001	25 July 2001
Lloyds Bank PLC	Single debenture	3 March 1994	4 March 1994

Full details of the directors, shareholders and extracts of the available financial statements of the Company are provided at **Appendix A**.

Events leading to the appointment of the Administrators

FRP was initially contacted in November 2019 by the Bank to conduct an independent business review of Recruitment Assets and its subsidiaries including a STCFF review focusing on the Company due to cashflow pressures. However, the Directors did not proceed to engage FRP at that time.

FRP was again approached by the Bank in early March 2020 when the Directors were considering selling the business and assets of the Company and P.J. Dunphy to a third party. FRP was asked to consider the options available and assess the merits and risks associated with each option (including the proposed sale). The Directors again did not proceed to engage FRP.

We understand that the Trading Group was experiencing cash flow issues and the Directors determined that the Trading Group was insolvent. They proceeded to engage David Rubin to place the Trading Group into liquidation. The Trading Group ceased to trade on 13 March 2020 and all employees made redundant. We understand that the Trading Group aborted a proposed sale of certain business and assets to a third party around this time.

On 17 March 2020 the Bank contacted FRP after being advised of the impending liquidations with the creditor decision date and General Meeting being set for 27 March 2020.

FRP

Given its concerns around the proposed insolvency processes and the need to secure control of the Company's assets as quickly as possible, the Bank invited the Directors to appoint Administrators instead of Liquidators. However, the Directors declined and accordingly, the Bank proceeded to file a Notice of Appointment of Administrators on 18 March 2020 for both the Company and P.J. Dunphy.

Appointment of the Administrators

As mentioned above, the appointment of the Administrators took place on 18 March 2020. The appointment was made by the Bank as QFCH of the Company.

Both Rajnesh Mittal and Anthony Barrell are licensed Insolvency Practitioners and are licensed by the Insolvency Practitioners Association and the Institute of Chartered Accountants of England and Wales respectively.

The administration is registered in the High Court of Justice, Business and Property Courts in Birmingham, Company and Insolvency List (ChD), under reference number CR-2020-BHM-000218.

The Company's main centre of operation is based in the United Kingdom. The EC Regulations on Insolvency Proceedings 2000 apply to the administration. The proceedings are main proceedings as defined by Article 3 of the Regulation.

The Administrators act jointly and severally, so that all functions may be exercised by either Administrator.

2. Conduct of the administration

FRP

The objective of the administration

The Administrators think that objective (a) of the administration, as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, being to rescue the Company as a going concern, will not be achieved for the following reasons:

- The ongoing working capital requirements required to rescue the business as a going concern would be considerable;
- The Company's lenders were unable to provide further funding due to the existing levels of indebtedness and it is unlikely that sufficient additional funding would be available from other sources;
- The quantum of funding required to restore the Company to solvency; and
- Prior to our appointment, the Company had ceased to trade and creditors and staff had been notified of a proposed liquidation.

Objective (b), being a better result for the Company's creditors as a whole than would be likely if the Company had been wound up (without first being in administration), is not anticipated to be achievable on the basis that a distribution to unsecured creditors is unlikely.

Consequently, the statutory purpose of the administration is objective (c), to realise property in order to make a distribution to one or more secured or preferential creditors. This is being achieved by the collection of the debtor ledger. Nonetheless, it is envisaged that realisations will not be sufficient to repay the Bank's indebtedness in full.

The Administrators' actions

Details of work already undertaken or anticipated will be undertaken is set out in the schedule of work attached at **Appendix C.**

Sale of the business and assets

As mentioned above, the Trading Group had previously agreed a sale of certain of its business and assets to a third party (which the Directors subsequently aborted). Upon appointment it was therefore considered appropriate to undertake a brief sale process post-appointment. This also enabled the Administrators to establish the value of goodwill and office equipment.

Whilst the sales process resulted in a number of expressions of interest being generated, no offers were received. This was as a result of the business having ceased trading.

Book debts

The only asset to realise is the debtor book which at the date of appointment was £1.4m. Hilton Baird have been engaged by the Bank to collect the book debts on their behalf. Assistance is being provided as and when appropriate.

The collections and verification work is currenting ongoing, however this has recently been adversely impacted by Covid 19. As mentioned above, it is currently unlikely there will be sufficient collections to repay the Bank's CID facilities in full.

We will provide a further update on collections in our next report.

Other matters

Other key actions undertaken to date include:

- Liaising with David Rubin to obtain information gathered during the pre-liquidation period;
- Liaising with the employees to assist them in lodging claims with the Redundancy Payments Service;
- Arranging sufficient insurance cover;
- Liaising with finance companies in relation to leased assets;

- Addressing creditor queries;
- Imaging the IT server; and
- Collecting the Company books and records.

Following approval of the Administrators' proposals the Administrators will continue to manage the affairs and business of the Company and conduct the Administration to achieve its purpose. Key matters to be undertaken include:

- Continuing to assist the employees with their claims;
- Assisting Hilton Baird with collecting the book debts, where appropriate;
- Investigating and, if appropriate, pursuing any claims that the Company may have against any person, firms or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company;
- Doing all such things and generally exercising all their powers as Administrators as they in their discretion consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals;
- Addressing creditor correspondence and queries;
- Distributing realisations to the secured creditors where applicable;
- Seeking an extension of the administration if needed;
- Ensuring all statutory and compliance matters are attended to; and
- Paying all administration expenses and bring the administration to an end when deemed appropriate by the Administrators.

Receipts and payments account

A copy of the Administrators' receipts and payment account to date is attached as **Appendix B**.

The Directors' Statement of Affairs

The Directors of the Company were requested to submit a Statement of Affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986. A copy of the Statement of Affairs is provided at **Appendix F** and will shortly be filed with the Registrar of Companies.

Please note the Statement of Affairs was produced by David Rubin in preparation for the CVL. We have been advised by one of the Directors that the Company did not own a motor vehicle therefore there will be no realisations in this regard.

In addition the office equipment has been abandoned as the cost of removing it will outweigh any realisations for the estate.

Matters requiring investigation

The Administrators are required as part of their duties to establish what assets the Company owns and to consider the way in which the Company's business has been conducted. They are also required under the provisions of the Company Directors Disqualification Act 1986 to report to the Secretary of State for Business Energy and Industrial Strategy on the conduct of the directors. If you have any information or concerns regarding the way in which the Company's business has been conducted, or have information regarding potential recoveries for the estate please contact me as soon as possible.

The end of the administration

The administration will end automatically after twelve months from the date of appointment of the Administrators. This period can be extended with consent of the creditors for up to twelve months or longer by application to the Court as required.

If the Administrators think the Company has no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the administration into liquidation is not appropriate they will send a notice to the

Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved.

If the Administrators are of the view that a dividend will become available to the unsecured creditors (other than by virtue of the prescribed part) it is appropriate for the Company to move from administration into CVL pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986. If applicable, the Administrators will take steps to place the Company into CVL.

Should a dividend not become available to the unsecured creditors but it is still appropriate for the Company to enter liquidation, the Administrators will petition the Court pursuant to Paragraph 79 of Schedule B1 to the Insolvency Act 1986 for an order to bring the administration to an end with a consequential order for the compulsory winding up of the Company.

Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a Liquidator, the proposed Liquidators in a CVL are to be the Administrators or any successor office holder(s). Any act to be done by the Liquidators may be done by all or any one of them. Pursuant to Paragraph 83(7)(a) of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

The Liquidators in a compulsory winding up will be appointed by the Court and may be the Administrators, or any successor office holder(s).

If the Administrators are of the view that it is appropriate for the creditors to consider the approval of a CVA the proposed supervisors are to be the Administrators or any successor office holder(s). Creditors may nominate different supervisors when considering whether to approve the CVA proposals.

Decision of creditors

Based on information currently available, the Administrators consider that the Company has insufficient property to enable a distribution to be made to unsecured creditors, except from the prescribed part if applicable. They are therefore not required to seek a decision from creditors as to whether they approve the Administrators' proposals pursuant to Paragraph 51 of Schedule B1 to the Insolvency Act 1986. The Administrators must however seek a decision from the creditors if requested to do so by creditors whose debts amount to at least 10% of the total debts of the Company. The request must contain the particulars prescribed by rule 15.18 of the Insolvency Rules and be made within eight business days of the date of delivery of this report, in accordance with the Insolvency Rules.

The expenses of seeking the decision may be paid by the creditor or creditors requesting the decision, who would in those circumstances be required to lodge a deposit with the Administrators security for their payment. The creditors may decide that the expenses of seeking the decision should be paid as an expense of the Administration payable from the assets of the Company.

In accordance with the Insolvency Rules where the Administrators have not sought a decision of the creditors, the proposals set out below will be deemed to have been approved by the creditors unless at least 10% by value of the creditors requisition a decision of creditors within eight business days of the date of delivery of this report.

FRP

Administrators' remuneration

A schedule of the work to be undertaken during the administration is set out at **Appendix C** together with an EOS which includes an estimate of the expenses likely to be incurred by the Administrators. Assumptions made in preparing the summary of work, estimated expenses and the fees estimate where a time cost resolution is proposed, are set out in the schedule of work.

The Administrators' remuneration will be drawn from the Company's assets and it is proposed that it will be charged by reference to the time incurred in attending to matters arising. Further details of how this will be calculated is set out below. The basis of the Administrators' remuneration has not yet been approved by creditors, and the Administrators have accordingly not drawn any remuneration in this case.

It is anticipated based on the level of assets identified to date in this matter that these costs will not be recovered in full and fees drawn will be restricted to the level of funds available.

Should the Company subsequently be placed into liquidation and the Administrators appointed as Liquidators, the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the Liquidators' remuneration, in accordance with the Insolvency Rules.

Remuneration charged by reference to the time incurred in attending to matters arising

The Administrators' remuneration which is proposed to be charged by reference to time incurred is set out on the fee estimates attached at **Appendix C.** Time costs incurred to date total £18,104. The time charged is based on computerised records capturing time charged by myself and my staff in dealing with the conduct of those aspect of the case being charged on a time cost basis. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and the experience required. Time is charged to the case in maximum units of six minutes. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters.

Charge out rates are reviewed at least annually, details of FRP's charge out rates are included at **Appendix C**.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the administration of the Company, are paid by FRP at the HMRC approved mileage rate. It is proposed mileage is recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

Pre-administration costs charged or incurred by the Administrators

Attached at **Appendix D** is a statement of pre-administration costs charged or incurred by the Administrators, of which £1,819 had not been paid when the Company entered administration.

Also included in the statement of pre-administration costs are unpaid costs of £4,100 plus VAT and expenses of £58 plus VAT (where applicable) for Irwin Mitchell. These costs were incurred specifically in relation to the legal aspects of the appointment formalities

I am seeking to obtain approval for the payment of these amounts in accordance with the Insolvency Rules.

Creditors' ability to challenge the Administrators' remuneration and expenses

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses under the Insolvency Rules following receipt of a progress report. Further details of

these rights can be found in the Creditors' Guide to Fees which you can access by using the following link [illegible] and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request.

4. Estimated outcome for the creditors

FRP

Estimated outcome statement

We attach at **Appendix C** an EOS, which has been prepared from the information provided by Mr Walker (director), estimated sums due to creditors and an estimate of our remuneration and other expenses that may be incurred during the course of this administration. The assumptions made in preparing the EOS are set out in the schedule of work.

Based on the information available to date and the assumptions made, I set out below the anticipated the outcome for creditors:

Outcome for secured creditor

At the date of appointment the Company had granted the following securities:

Charge holder	Security held	Date created	Date delivered
Lloyds TSB Commercial Finance Limited	All assets debenture	23 July 2001	25 July 2001
Lloyds Bank PLC	Single debenture	3 March 1994	4 March 1994

Lloyds CF

Lloyds CF provided a CID facility to the Company secured against the Company's debtors ledger. Prior to the application of termination charges and fees, Lloyds CF was owed £834,526 at the date of appointment.

Based on information currently available it is anticipated that the Bank will suffer a shortfall in respect of the CID facility.

Lloyds Bank Plc

The Bank is owed no further monies other than the amounts due to Lloyds CF.

Outcome for preferential creditors

It is currently estimated that preferential creditors will total £16,328, being the employees' preferential element for arrears of pay, unpaid pension contributions and holiday pay as calculated in accordance with legislation. It is anticipated that preferential creditors will not receive any distribution.

Outcome for unsecured creditors

Based on the assumptions made in the estimated outcome statement it is currently estimated that there will not be sufficient funds available to make a distribution to unsecured creditors.

Prescribed part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

The prescribed part does not apply as the floating charge was created prior to 15 September 2003.

Appendix A

Statutory information about the Company and the administration

FRP

COMPANY INFORMATION:

Other trading names:	Not applicable
Date of incorporation:	10 December 1990
Company number:	02566955
Registered office:	C/O FRP Advisory Trading Limited 2nd Floor 170 Edmund Street Birmingham B3 2HB
Previous registered office:	2nd Floor Gadd House Arcadia Avenue London N3 2JU
Business address:	The Old Stables Newton Morrell Bicester OX27 8AG
Directors:	Keith Anthony Alderton Alexander James Walker
Company secretary:	None

The shareholdings in the Company are as follows:

Name	Shares	Type	%
Recruitment Assets Limited	50,000	Ordinary	100%

The ultimate beneficial owner is Keith Alderton

ADMINISTRATION DETAILS:

Names of Administrators:	Rajnesh Mittal and Anthony Barrell
Address of Administrators:	FRP Advisory Trading Limited 2nd Floor 170 Edmund Street Birmingham B3 2HB
Date of appointment of Administrators:	18 March 2020
Court in which administration proceedings were brought:	The High Court of Justice Business and Property Courts in Birmingham Insolvency and Companies List (ChD)
Court reference number:	000218 of 2020
Date of notice of intention to appoint Administrators presented to Court:	Not applicable
Administration appointment made by:	Lloyds Bank Commercial Finance Limited, a qualifying floating charge holder

Appendix A

Statutory information about the Company and the administration

FRP

The appointment of the Administrators included a declaration that they are acting jointly and severally as Administrators of the Company in accordance with Paragraph 100 of Schedule B1 to the Insolvency Act 1986.

The EC Regulation on Insolvency Proceedings will apply in this matter and accordingly the administration will constitute main proceedings.

Extracts from the financial statements available are summarised below:

Period Ended	Turnover £'000	Gross Profit £'000	Net Profit/ (Loss) £'000	Dividend paid £'000	P & L a/c c/fwd £'000
31 January 2019	8,932	1,483	17	0	120
31 January 2018	10,655	1,895	59	0	103
31 January 2017	10,688	1,790	(354)	55	44
31 January 2016	12,529	2,007	144	60	453

Appendix B

Administrators' receipts & payments account

Workstream Construction Services Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 04/05/2020

S of A £		£	£
	SECURED ASSETS		
1,261,163.00	Book Debts	NIL	
24,803.00	Cash at bank	NIL	
			NIL
	ASSET REALISATIONS		
261.00	Plant & Machinery	NIL	
8,838.00	Furniture & Equipment	NIL	
360.00	Motor Vehicles	NIL	
6,316.00	Cash at Bank	NIL	
			NIL
1,301,741.00			**NIL**
	REPRESENTED BY		
			NIL

Appendix C

The Administrators' remuneration, disbursements and costs information

FRP

Estimated outcome statement	£ NBV	Estimated to Realise	Comments
Assets specifically pledged			
Book debts	1,484,135	TBC	NBV as at 18 March 2020. Due to Covid-19 it has been difficult for Hilton Baird to make contact with all debtors and verify their accounts.
Less Costs of Realisation Estimate:			
Administrators' Pre-appointment Fees		-	Actual
Administrators' Post-appointment Fees		(5,000)	Estimate
		(5,000)	
Available to Lloyds Commercial Finance:		TBC	
Less due to Lloyds Commercial Finance:			
Principal debt		(834,526)	Actual - As at 18 March 2020, excluding termination charges
Surplus/(shortfall) c/f		**Unknown**	
Assets subject to floating charge			
Book debt surplus b/d		TBC	
Plant & Machinery	2,610	-	Actual - the cost of removing the assets from the trading site would outweigh any realisations
Office Equipment	88,387	-	Actual - the cost of removing the assets from the trading site would outweigh any realisations
Motor Vehicles	3,601	-	Actual - we are advised that the Company never owned a vehicle but leased one vehicle
Cash at bank	6,316	-	Estimate - it is anticipated that Lloyds CF will offset this amount against monies owed
		-	
Less Costs of Realisations:			
Administrators' Pre-appointment Fees		(1,819)	Actual
Administrators' Pre-appointment Disbursements		-	Actual
Legal Pre-appointment Fees and Disbursements		(4,158)	Actual
Administrators' Post-appointment Fees		(31,954)	Estimate
Legal Post-Appointment Fees		(2,500)	Estimate
Accountancy fees		(500)	Actual
Insurance and Bonding		(3,000)	Estimate
Contingency		(5,000)	Estimate
		(48,931)	
Net realisations after costs		**(48,931)**	
Preferential creditors			
Employee arrears of pay and holiday pay		(16,328)	Estimate
Net Property		**(65,259)**	
Less: Prescribed Part		-	The prescribed part does not apply as the charge was created prior to 15 September 2003
Available to floating charge holders		**(65,259)**	
Less: Lloyds CF		TBC	
Prescribed Part b/dwn		-	
Available to unsecured creditors		**(65,259)**	
Unsecured creditors			
Trade creditors	(55,262)	(55,262)	As per Company books and records
HM Revenue & Customs		(223,530)	As per Company books and records
Employees		(81,292)	Estimate
P.J Dunphy Loan		(225,000)	As per Company books and records
Workstream Engineering Loan		(377,116)	As per Company books and records
Shortall to creditors		**(1,027,459)**	

Appendix C

The Administrators' remuneration, disbursements and costs information

FRP

The table below sets out a detailed summary of the work undertaken by the office holder to date and details of the work it is anticipated will be undertaken by the office holder throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below. The fee basis for the different categories or work are set out in this table together with an estimate of the estimated fee for each category of work where this can be estimated.

Where the fee basis proposed is time costs, further details of the estimated time costs to be incurred are set out in the fee estimate accompanying this schedule.

Where work undertaken results in the realisation of funds (from the sale of assets; enhanced recoveries and potentially a reduction in creditor claims if the business has continued to trade and/or is sold following appointment; recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case, work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK
• The records received are complete and up to date • There are no matters to investigate or pursue • The work that may be undertaken by any subsequently appointed Liquidator has been excluded • No financial irregularities are identified • A committee of creditors is not appointed • There are no exceptional queries from stakeholders • Full co-operation of the directors and other relevant parties is received as required by legislation • There are no health and safety or environmental issues to be dealt with • The case will be closed within one year

Appendix C

The Administrators' remuneration, disbursements and costs information

FRP

Note	Category		
1	**ADMINISTRATION AND PLANNING** **Work undertaken to date**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**
	General matters		
	I have liaised with David Rubin and Mr Walker to collate information required for the administration.		I will continue to liaise with the Directors for any additional information that may be required to assist in conducting the administration. I will continue to communicate with the various stakeholders of the Company to advise them of the progress of the administration throughout the assignment.
	Regulatory requirements		
	I completed the money laundering risk assessment procedures and 'know your client' checks in accordance with the Money Laundering Regulations. I have completed the take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act and Data Protection Act. I have ascertained the online presence of the Company.		Any further action will be completed as deemed appropriate.
	Case management requirements		
	I have determined the initial case strategy and documented through a case strategy document as required by my regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressed. I arranged open cover insurance to ensure any potential assets were protected. I have corresponded with the former advisors to the Company, requesting third party information to assist in general enquiries. I have obtained legal advice on the validity of appointment to ensure all required documentation has been properly filed and submitted.		I will regularly review the conduct of the case and the case strategy and will update the strategy as required by the insolvency practitioners regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing satisfactorily. I will continue to correspond with the former advisors of the Company requesting third party information to assist in my general enquiries. I will set up insolvent estate bank accounts if necessary and will monitor them throughout the duration of the case.

	I have compiled a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulating this to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee bases proposed.		
2	**ASSET REALISATION** **Work undertake to date**		**ASSET REALISATION** **Future work to be undertaken**
	Sale of the business and assets As mentioned above, the Trading Group had previously received an offer from a third party to acquire certain business and assets. Upon appointment it was therefore considered appropriate to undertake a brief sale process post-appointment. This also enabled the Administrators to establish the value of goodwill and office equipment. Whilst the sales process resulted in a number of expressions of interest being generated, no offers were received. This was as a result of the business having ceased trading. **Book debts** As previously advised, Hilton Baird are collecting the book debts on behalf of the Bank with the proceeds being applied directly to the Bank's facility in reduction of the Company's indebtedness. We have provided assistance, when requested, to Hilton Baird in collecting the book debts. **Cash at bank** A request has been made for the cash at bank to be transferred to the administration estate. However, due to the anticipated shortfall to the Bank it is anticipated that these funds will be offset against the CID facility. **Other assets** We have liaised with the Directors to establish the existence of any other assets.		**Book debts** I will continue to provide assistance to Hilton Baird as and when necessary, if appropriate. **HMRC** I will review the Company records and liaise with Hilton Baird to enable me to consider whether or not a VAT bad debt relief claim could be submitted.

	I visited the Company premises to view the IT equipment and office furniture and it was decided that the cost of removing the assets would outweigh any realisations for the administration estate.		
3	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken to date**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**
	I have prepared and provided creditors with the proposals for the conduct of the administration for approval in accordance with the legislation. I have advertised notice of the officeholders' appointment as required by statute. I requested the Directors submit the Company's Statement of Affairs. I have established the existence of any pension schemes and staging dates for auto-enrolment.		I will provide statutory reports to various stakeholders at regular intervals and manage any queries arising therefrom. Copies of these reports are required to be filed at the court and Registrar of Companies. I will continue to place legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims. I will deal with post appointment VAT and other tax returns as required. I will notify the relevant parties of the pension scheme once the scheme details have been confirmed. I will obtain secured creditor approval for the basis of the Administrators' fees in accordance with the Insolvency Rules. Ensuring that all post-closure matters have been undertaken including completion of closure checklists, cancelling of bordereau, archiving of our working papers. Once all matters detailed above have been finalised, I will complete the statutory requirements in order to bring the case to a close and for the office holders to obtain their release from office; this includes preparing final reports for stakeholders, convening final meetings, statutory advertising and filing the relevant documentation with the Court and Registrar of Companies.
4	**TRADING** **Work undertaken to date**		**TRADING** **Future work to be undertaken**
	No trading was undertaken.		

5	**INVESTIGATIONS** **Work undertaken to date**		**INVESTIGATIONS** **Future work to be undertaken**
	The matters set out below are required under the provisions of the Company Directors Disqualification Act 1986. The completion ensures that the Joint Administrators comply with statutory and regulatory requirements. Furthermore, they also assist in ascertaining whether any pre-administration transactions or conduct can be challenged, leading to a financial return for the benefit of the Administration Estate. I have requested the Directors of the Company both current and those holding office within three years of the insolvency to complete a questionnaire to assist in preparing the statutory return to the DBEIS in accordance with the Company Directors Disqualification Act. I attended site with FRP's Forensic Services team and removed the servers to enable me to take an image of all data on the servers, including the Company's accounting systems and emails. In addition, the books and records were removed. I requested that the Directors furnish me with any other information they consider relevant to my appointment.		I will review the Company's books and records and other information available to identify assets that may be available to realise for the benefit of the insolvency estate. I will undertake a review of the way in which the Company's bank account was operated in order to ascertain whether there have been any voidable transactions. Following the conclusion of these investigations I shall report my findings to DBEIS and the Insolvency Service. Information provided to DBEIS is confidential but can be used to assist DBEIS in identifying conduct that should be investigated further. I shall consider information provided by all stakeholders that might identify further assets or lines of enquiry for the office holder to explore if benefit to the estate is possible. I shall also consider whether any matters that have come to light require notification to DBEIS or the National Crime Agency.
6	**CREDITORS** **Work undertaken to date**		**CREDITORS** **Future work to be undertaken**
	Secured creditors I have provided regular updates to the Bank regarding the ongoing strategy. **Preferential creditors** I have written to all employees and assisted them with their claims and other queries arising in relation to their contracts of employment. **Unsecured creditors** I have notified creditors of my appointment and responded to all creditor correspondence and queries as and when received.		**Secured creditor** I will continue to discuss the strategy with the Bank and provide support / information as necessary. Before making a payment to a secured creditor who holds a floating charge the office holder will need to ascertain if a prescribed part, (essentially a ring fenced sum of money) must first be set aside for the benefit of the unsecured creditors. **Preferential creditors** I will continue to liaise with the Redundancy Payments Service in relation to claims submitted by employees.

	Pension I have established the position with regards to any employer pension schemes and notified the relevant parties in accordance with the legislation. **Landlord** Prior to the appointment of Administrators, the property was handed back to the landlord.		If sufficient funds are available to make a distribution to preferential creditors, I will agree claims and pay a distribution after making such deductions as necessary in order to settle any tax liabilities in relation to the distribution. **Unsecured creditors** I will continue to respond to queries raised and log any claims that have been received. **HMRC claims** I will liaise with HMRC to establish their claim and will seek tax advice to minimise claims and maximise returns to creditors where appropriate. **Pension** I will continue to liaise with the pension providers regarding outstanding contributions and assisting with any claims from the Redundancy Payments Office.
7	**LEGAL AND LITIGATION** **Work undertaken to date**		**LEGAL AND LITIGATION** **Future work to be undertaken**
	I have not undertaken any legal work or litigation to date.		I shall seek legal advice as and when needed throughout the assignment.
	TOTAL ESTIMATED FEES		**£31,954**

Appendix C

The Administrators' remuneration, disbursements and costs information

Workstream Construction Services Limited - In administration
Joint Administrators' fee estimate as at 4 May 2020

Activity	Total Hours	Total Cost (£)	Average hourly rate £
ADMINISTRATION	29.5	8,373	284
ASSET REALISATION	10.8	3,334	310
STATUTORY COMPLIANCE AND REPORTING	38.8	10,570	273
TRADING		-	-
INVESTIGATION	22.0	5,698	259
CREDITORS	13.0	3,980	306
LEGAL AND LITIGATION		-	-
TOTAL	**114.0**	**31,954**	

Hourly Charge out rates:	£
Appt taker/partner	370-495
Managers/directors	280-370
Other professional	165-230
Junior Professional/support	80-110

The above fee estimate is based on the assumptions contained in the accompanying schedule of work.
All above costs are NET of VAT

The office holder anticipates that it will not be necessary to seek further approval

Time costs are maintained on computerised records of all time spent on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory's charge out rates applicable to this assignment are set out above

Further information can be found in the Creditors' Guide to Fees which you can access using the following link http://www.frpadvisory.com/fees-guide.html. Alternatively, a hard copy of the relevant guide will be sent to you on request

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures

Appendix C

The Administrators' remuneration, disbursements and costs information

FRP

Hourly charge out rates

	£/hour
Appointment taker/Restructuring Advisory Partner/Director	370-495
Managers/Directors	280-370
Other Professional	165-230
Junior Professional/Support	80-110

Time costs are maintained on computerised records of all time spent on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link http://www.frpadvisory.com/fees-guide.html. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

Disbursement policy

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

There are two types of disbursements; direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

Category 1 disbursements:

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance.

Category 1 disbursements can be drawn without prior approval

Category 2 disbursements

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

Appendix D

Schedule of pre-administration costs

FRP

	Note	Fees Charged (£)	Expenses Incurred (£)
Pre-administration costs			
FRP Advisory Trading Limited	1	1,819.25	-
Irwin Mitchell LLP	2	4,100.25	58.04
Amounts paid		-	-
Unpaid pre-administration costs for which approval is being sought		5,919.50	58.04

Notes

These costs represent a fair and reasonable reflection of the work undertaken prior to the appointment of Administrators that remains outstanding, and which is further explained below.

1. FRP incurred time costs totalling £1,819.25 plus VAT in respect of liaising with the Bank and dealing with appointment formalities, all of which remain outstanding. I propose drawing £1,819.25 plus VAT in relation to these costs and am seeking to obtain approval for the payment of this amount from the secured creditor in accordance with the Insolvency Rules.

2. Irwin Mitchell, appointed solicitors for the case, incurred costs of £4,100.25 plus VAT and expenses of £58.04 plus VAT (where applicable) specifically in relation to the legal aspects of the appointment formalities. I am seeking to obtain approval for the payment of this amount in accordance with the Insolvency Rules

The payment of these unpaid costs as an expense of the administration is subject to approval in accordance with the Insolvency Act 1986 and is not part of the proposals subject to approval in accordance with Paragraph 53 of Schedule B1 to the Insolvency Act 1986.

Appendix E

Directors' Statement of Affairs

FRP

Rule 3.30

STATEMENT OF AFFAIRS

Name of Company	Company Number
Workstream Construction Services Limited	02566955
In the	Court case number

Statement as to the affairs of

Workstream Construction Services Limited

2nd Floor Gadd House

Arcadia Avenue

London

N3 2JU

on the 18 March 2020, the date that the company entered administration

Statement of Truth

I believe the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at 18 March 2020 the date that the company entered administration.

Full Name KEITH ANDREWS

Signed

Dated 15-4-20

Workstream Construction Services Limited
Statement Of Affairs as at 18 March 2020

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £	
Assets subject to fixed charge:			
Goodwill	Uncertain	Uncertain	
Book Debts	1,467,956.00	1,261,163.00	
Cash in Stakeholder Account	24,803.00	24,803.00	
Lloyds Bank Commercial Finance		(866,213.00)	
		419,753.00	419,753.00
Assets subject to floating charge:			
Uncharged assets:			
Plant & Machinery	2,610.00		261.00
Office Equipment	88,387.00		8,838.00
Motor Vehicles	3,601.00		360.00
Cash at Bank	6,316.00		6,316.00
Estimated total assets available for preferential creditors			435,528.00

Signature Date 15-4-20

Appendix E

Directors' Statement of Affairs

FRP

Workstream Construction Services Limited
Statement Of Affairs as at 18 March 2020

A1 - Summary of Liabilities

		Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)		435,528.00
Liabilities		
Preferential Creditors:-		
Employee Arrears/Hol Pay	Uncertain	
		NIL
Estimated deficiency/surplus as regards preferential creditors		435,528.00
Debts secured by floating charges pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		
		NIL
		435,528.00
Estimated prescribed part of net property where applicable (to carry forward)		NIL
Estimated total assets available for floating charge holders		435,528.00
Debts secured by floating charges post 14 September 2003		
		NIL
Estimated deficiency/surplus of assets after floating charges		435,528.00
Estimated prescribed part of net property where applicable (brought down)		NIL
Total assets available to unsecured creditors		435,528.00
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	55,282.00	
Employees	Uncertain	
HMRC - PAYE/NIC	39,222.00	
HMRC - VAT	184,308.00	
PJ Dunphy (Constr Svcs) Ltd - Loan	225,000.00	
Workstream Eng Svcs - Loan	377,116.00	
		880,908.00
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(445,380.00)
Estimated deficiency/surplus as regards creditors		(445,380.00)
Issued and called up capital		
Ordinary Shareholders	50,000.00	
		50,000.00
Estimated total deficiency/surplus as regards members		(495,380.00)

Signature _____ Date 15 - 4 - 20

Workstream Construction Services Limited
Company Creditors

Key	Name	Address	
CA00	Abbotline Group Limited	Abbots Farm, Radclive Road, Gawcott, Buckingham, MK18 1DX	1,387
CA01	A Buckland & Sons	The Bungalow, Bath Lane Terrace, Buckingham, Bucks, MK18 1DX	254
CA02	Alphabet GB Limited	Alphabet House, Summit Avenue, Farnborough, Hampshire, GU14 0FB	1,580
CB00	Barbour ABI UBM Info	Hindarton Point, Lloyd Drive, Cheshire Oaks, Cheshire, CH65 9HQ	1,914
CB01	Bicester Maids	Unit 22A Field Farm Business Centre, Launton, Oxon, OX26 5EL	310
CB02	B-Line Business Supplies	16 Oxford House, John Smith Drive, Oxford Business Park, Oxon, OX4 2JY	148
CB03	BWT Limited	Unit 2 The Gateway Centre, Coronation Road, High Wycombe, Bucks, HP12 3SU	68
CC00	Cathedral Leasing	300 Relay Dr, Willrecote, Tamworth, B77 5PA	207
CC01	Clark OH Limited	The Old Byre, The Hedges, Balscote, OX15 6JU	300
CC02	Cramert Limited Bentley Foodservice	Unit 7, Murdock Road, Bicester, Oxon, OX26 4PP	13
CP00	Flexspace (Bridges Business)	4th Floor International House, 2 - 4 Maddox Street, London, W1S 1QP	72
CH00	HCC International Insurance Co Limited	Credit Shield, The Grange, Reamby, Leics, LE7 4FY	10,280
CH01	Hastingwood Securities Limited	10 - 16 Tiller Road, Docklands, London, E14 8PX	1,981
CH02	HM Revenue & Customs	ICHU, Benton Park View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ	184,308
CH03	HM Revenue & Customs	13th Floor, Euston Tower, 186 Euston Road, London NW1 3UL	39,222
CI00	Institute of Civil Engineers	Pox 3351, London, E14 4JX	5
CL00	Lloyds Bank Commercial Finance Ltd	No 1 Brookhill Way, Banbury, Oxon, OX16 3EL	886,626
CM00	Manor Brokers	Roberts House, 2 Manor Road, Ruislip, Middx, HA4 7LB	606
CN00	Nolan Fuel Oils Limited	Lodge Farm Oil Depot, Brackmell Road, Middleton, Bicester, Oxon, OX26 4TA	700
CO00	O2 (UK) Limited	PO Box HK890, Arlington Business Centre, Millshaw Park Lane, Leeds, LS11 0NE	5
CO01	Omnia One	Queen Street, Sheffield, S1 2DG	90
CP00	Planet IT Limited	80F Park Drive, Milton Park, Abingdon, Oxon, OX14 4RY	1,562
CP01	PJ Dunphy (Construction Services) Ltd		225,000
CR00	Reed co uk	Dragon Court, 27 - 29 Macklin Street, London, WC2B 5LX	889
CR01	Royal Mail	The Remittance Centre, Peppyrus Road, Werrington, Peterborough, PE4 5BR	15
CS00	Sage (UK) Limited	Sage House, Benton Park Road, Newcastle Upon Tyne, NE7 7LZ	183
CS01	Screwfix Trade UK	Selectapost 28, Sheffield, S97 3GE	19
CT00	The Safety Supply Company Limited	Unit 2 Abbey Manufacturing Estate, Mount Pleasant, Wembley, Middx, HA0 1UE	61
CT01	The Interactive Health & Safety Company Limit	2 Brackmell Beeches, Old Brackmell Lane West, Brackmell, Berks, RG12 7BW	162
CV00	Vitasse Plc	16 Tennis Street, London, SE1 1YD	34
CW00	Workstream Engineering Services Limited		377,116
CY00	Yuanda Europe	125 Old Broad Street, London, EC2N AR	62,656

Signature _____

Workstream Construction Services Limited
Company Creditors

Key	Name	Address	
32 Entries Totalling			1,807,518

Signature

Workstream Construction Services Limited
C1company Creditors - Employees & Directors

Key	Name	Address	Pref £	Unsec £
9 Entries Totalling			0.00	0.00

Signature

Appendix E

Directors' Statement of Affairs

FRP

Workstream Construction Services Limited
C2ompany Creditors - Consumer Creditors

Key	Name	Address
0 Entries Totalling		

Signature

Workstream Construction Services Limited
Shareholders

Key	Name	Address	Type	Nominal Value	No. Of Shares	Called Up per share	Total Amt. Called Up

Signature