

# AM10

## Notice of administrator's progress report



Companies House

FRIDAY



A10 \*A8AHTC80\* #381  
26/07/2019  
COMPANIES HOUSE

### 1 Company details

Company number 0 8 5 3 9 9 1 3

Company name in full Tree Building Services Ltd

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

### 2 Administrator's name

Full forename(s) Michelle

Surname Mills

### 3 Administrator's address

Building name/number Third Floor

Street 112 Clerkenwell Road

Post town London

County/Region

Postcode E C 1 M 5 S A

Country

### 4 Administrator's name ①

Full forename(s)

Surname

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other administrator  
Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 1	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8
To date	<sup>d</sup> 2	<sup>d</sup> 6	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X *Michelle Mills*

X

Signature date

<sup>d</sup> 2	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
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**TREE BUILDING SERVICES LTD  
(IN ADMINISTRATION)  
ADMINISTRATOR'S PROGRESS REPORT TO CREDITORS  
FOR THE PERIOD ENDED 26 JUNE 2019**

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**TREE BUILDING SERVICES LTD  
(IN ADMINISTRATION)  
ADMINISTRATOR'S PROGRESS REPORT TO CREDITORS  
FOR THE PERIOD ENDED 26 JUNE 2019**

**1 Statutory and general information**

**Company number:** 08539913

**Court details:** In the In The High Court Of Justice, 010944 of 2018

**Previous name of the Company:** Bull Recruitment Limited

**Registered Office:** Third Floor  
112 Clerkenwell Road  
London  
EC1M 5SA

**Formerly:** Unit H14, Park Avenue  
Sundon Park Road  
Luton  
Bedfordshire  
LU3 3BP

**Administrator:** Michelle Mills of Hudson Weir Limited, Third Floor, 112 Clerkenwell Road,  
London, EC1M 5SA.

**Date of appointment:** 27 December 2018

Creditors wishing to contact the administrator, should contact Mathew Adams on telephone number 0207 099 6086 in the first instance.

**2 Administrator's actions since appointment**

- 2.1 This report should be read in conjunction with my previous report and my receipts and payments account which is attached as Appendix 1; please note that the figures are shown net of VAT.
- 2.2 As noted in my receipts and payments account, realisations are broadly in line with the statement of affairs. Greater detail is provided below.

Plant and Machinery

- 2.3 The plant and machinery were valued by independent agents, ITC Valuers. Given the nominal value of the assets, our agents advised that the costs of collection and sale would outweigh the sale value. The items were therefore abandoned on site.

Cash at Bank

- 2.4 Following my appointment, I have written to the Company's bankers to have the balance of the bank account transferred to the estate account.

Debtors

- 2.5 Given the complexity of the outstanding debtors, Robert Pearce Associates ("RPA") were instructed to assist with recovery of the outstanding debtors and retentions. RPA are commercial and contract consultants and Quantity Surveyors who specialise in construction debt recovery. I have held various meetings with RPA and the Company's director, Darren Littlewood, to discuss the position with regards to the debtors. All debts have significant issues impacting recoveries a summary is below;

#### 2.5.1 Miles Street

Swiftline, the main contractor, has asserted that they are a creditor of the Company and not a debtor. However, the basis of their claim has not been fully substantiated as yet. The director of the Company, Darren Littlewood requested to pursue this debt. Following discussions with RPA regarding the collectability of the debt, an agreement was entered into with Mr Littlewood on the basis that he would receive 45% of any net realisations. Should Mr Littlewood not collect the debt prior to 31 December 2019, the matter will be passed to RPA to pursue.

#### 2.5.2 ASOS/Greater London House

RPA and Darren Littlewood have been in correspondence with 8 Build Limited, the main contractor for both projects, regarding a settlement on the final account for ASOS. However, defects have been identified in the works completed by the Company and the cost of rectifying these works will be subject to offset against the amounts outstanding to the Company. Until a sufficient period of time has lapsed for the defects to be fully assessed, it is anticipated the main contractor will not seek to agree a final account. As such, it is expected this will take a further 12 months to resolve. Greater London House was finalised prior to the Administration and the only remaining sum owing is an outstanding retention which does not fall due until the end of the 2019.

#### 2.5.3 Millbrook/Heygate

RPA and Darren Littlewood have been in correspondence with Rotary Building Services Limited, the main contractor for both projects, regarding a settlement on the completed works. As the Company had not achieved practical completion on the above contracts, the main contractor is claiming to offset the uncompleted works against the uncertified completed works. My agents and I will be in further correspondence with the main contractor to finalise the position, but it is unlikely that any further funds will come in from these projects.

#### 2.5.4 Sydney Street/Old War Office

Beck Interiors Limited, the main contractor on both projects, has asserted they are a creditor of the Company and not a debtor. My agents and I will be in further correspondence with the main contractor to finalise the position as a final account has yet to be agreed.

#### Retention

- 2.6 Following my appointment, retention was released on the George Mitchell contract to the Administration. Regarding the retention withheld on the contracts at Kingsley Academy, Edgware Road, 100 Union Street and Chase Farm, my agents and I will be making further enquiries with the Company's clients regarding the release of the retention.

#### VAT Refund

- 2.7 During the period I have reviewed the Company's accounts, VAT returns and undertook a preliminary analysis to determine if completing the Company's pre-appointment VAT returns will result in a refund to the Administration. As the refund will be subject to offset against HM Revenue & Customs submitted claim of £267,699.95, it is unlikely that the VAT refund will result in a material refund to the Administration. However, I will continue with my review of the VAT refund position to determine if completing the Company's pre-appointment VAT returns would result in any realisations for the Administration.
- 2.8 In addition to dealing with the realisation of assets, I have to meet various legislative and best practice requirements and deadlines. These matters include filing of documents with the Registrar of Companies, ensuring that all receipts and payments are dealt with in a timely basis and proper accounting records are maintained, undertaking periodic case progression reviews, advising creditors of the administration and recording all claims received, together with other day to day matters that arise.
- 2.9 I have also dealt with various retention of title claims from creditors as well as claims by hire purchase creditors for their equipment.

### **3 Unrealised assets**

3.1 As detailed above, the debtors, retentions and VAT refund remain unrealised.

### **4 Investigation into the affairs of the Company**

- 4.1 I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.
- 4.2 My initial investigations identified several areas that required further investigation including payments made to connected companies.
- 4.3 I will be making further enquiries with the director and the connected parties regarding the nature of these transactions to determine if further action should be taken.
- 4.4 Within three months of appointment, any administrator is required to report to the Secretary of State on any matters which have come to their attention during the course of their work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I have complied with these requirements, however due to the confidential nature of any return or report, I am unable to make any further comments.

### **5 Dividend prospects**

5.1 Preferential creditors:

- During the period, I have submitted RP15 and RP14a forms with respect to the amounts outstanding to the pension scheme and employees respectively. I have not yet received details of the claim from the redundancy payments office. However, I anticipate that a dividend of 100p in £ will be payable to preferential creditors following receipt of the redundancy payments office's claim.

5.2 Unsecured creditors:

- Following the move to Creditors' Voluntary Liquidation, I will review and agree unsecured creditors' claims as on current information I believe that there will be sufficient funds to make a distribution. As the Company is not yet in liquidation, I am currently unable to give any firm indications of the amount of the distribution. Part of the distribution will be paid out of the prescribed part funds as detailed below.
- The Company's records indicated that unsecured creditors' claims would be in the order of £2,492,817.59, however this sum appears to be notably understated, and the claims received to date is in the order of £3,312,918.45.

5.3 Floating charge creditor and the prescribed part:

- As there is a floating charge over the assets of the Company, the prescribed part provisions apply.
- As detailed in paragraph 5.2 above, on current information, I believe that there will be sufficient net property to enable a distribution to be made to unsecured creditors.
- I have made a distribution of £45,000 to the floating charge creditor.

### **6 Pre-appointment remuneration**

6.1 The costs and expenses incurred by Hudson Weir Limited ("HW") prior to administration have, in accordance with the resolution passed at the meeting of creditors to consider the administrator's proposals, has been paid out of the assets of the administration. The amounts are as follows:

Fees	£15,000 plus VAT
Disbursements	£2,805.50 plus VAT

## **7 Administrator's remuneration**

- 7.1 My remuneration has been authorised by creditors at a decision procedure with the decision date of 6 March 2019 to be drawn on a percentage basis of 15% of realisations into the Administration. My total time costs to 26 June 2019 amount to £50,432.50, which have been charged at an average hourly charge out rate of £191.39. I have drawn £29,551.84 to date. A schedule of my time costs incurred to date is attached as Appendix 2.
- 7.2 For the benefit of creditors, the Association of Business and Recovery Professionals publish 'A Creditors' Guide to Administrators' Fees'. This document is available by entering the following website address, <https://www.hudsonweir.co.uk/resources>. If you wish to be sent a hard copy of this document, please get in touch with this office.

## **8 Administrator's expenses**

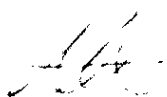
- 8.1 Details of the expenses that I have paid are shown on the attached receipts and payments account, and are largely self-explanatory.
- 8.2 In relation to the payment detailed as Quantity Surveyor's Fees, I have incurred an additional £2,000 beyond my original estimate as I have paid a quantity surveyor to prepare the final account for the ASOS contract. All other payments have been detailed in the Proposals.
- 8.3 My choice of professionals was based on my knowledge of their experience and ability to perform the type of work required. I have reviewed the fees charged and as they are in line with original estimates, I am satisfied that they are reasonable in the circumstances of this case.

## **9 Further information**

- 9.1 An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the joint administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 9.2 An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the joint administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

## **10 Conclusion**

- 10.1 The following matters are preventing the closure of the case:
- 10.1.1 Ongoing realisation of the Company's book debts, retention and VAT refund.
  - 10.1.2 Ongoing investigations into payments made to connected parties.
- 10.2 Should you have any queries regarding this matter please contact Mathew Adams on 0207 099 6086.



Michelle Mills  
Administrator

**Tree Building Services Ltd**  
**(In Administration)**  
**Administrator's Summary of Receipts and Payments**  
**To 26 June 2019**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>Total (£)</b>
Uncertified Works - Miles Street	Uncertain	0.00
Uncertified Works - Greater London House	Uncertain	0.00
Uncertified Works - ASOS	Uncertain	0.00
Uncertified Works - Millbrook	NIL	0.00
Uncertified Works - Heygate	Uncertain	0.00
Uncertified Works - Old War Office	Uncertain	0.00
Uncertified Works - Sydney Street	Uncertain	0.00
Retention - Kingsley Academy	Uncertain	0.00
Retention - George Mitchell	14,545.26	14,545.26
Retention - Edgware Road	Uncertain	0.00
Retention - Heygate	Uncertain	0.00
Retention - Greater London House	Uncertain	0.00
Retention - 100 Union Street	Uncertain	0.00
Retention - ASOS	Uncertain	0.00
Retention - Chase Farm	Uncertain	0.00
Cash at Bank	182,467.00	182,467.00
Plant and Machinery	730.00	0.00
VAT Refund	Uncertain	0.00
		<hr/>
		197,012.26
		<hr/>
<b>PAYMENTS</b>		
Insolvency Bond		316.80
Pre-appointment Legal Fees		2,805.50
Pre-appointment Administrator's Fees		15,000.00
Post-Appointment Administrator's Fees		29,551.84
Pre-appointment Expenses Guaranteed		29,549.22
Bookkeeper Fees		375.00
Agent's and Valuer's Fees		500.00
Quantity Surveyor's Fees		6,166.77
Legal Fees		5,765.00
Legal Fees Disbursements		410.00
IT Expenses		869.99
Redirection of Mail		204.00
Statutory Advertising		84.60
Insurance of Assets		234.77
Employees' Wage Arrears and Holiday Pay	(1,691.35)	0.00
Pension Schemes	(1.00)	0.00
Grosvenor (DCR) Limited	(146,453.43)	45,000.00
Trade Creditors	(2,057,498.69)	0.00
Employees	(11,636.41)	0.00
Crown Creditors	(144,451.69)	0.00
Inter-Company Creditors	(44,228.60)	0.00
Other Creditors	(235,000.00)	0.00
Ordinary Shareholders	(100.00)	0.00
		<hr/>
		136,833.49
		<hr/>
<b>Net Receipts/(Payments)</b>		<hr/>
		60,178.77
		<hr/>



**Tree Building Services Ltd**  
**(In Administration)**  
**Administrator's Summary of Receipts and Payments**  
**To 26 June 2019**

MADE UP AS FOLLOWS

Current Account - Interest Bearing	35,142.02
Prescribed Part - Funds in Suspense	12,000.00
VAT Receivable / (Payable)	13,036.75
	<hr/>
	60,178.77
	<hr/>

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Michelle Mills  
Administrator

## Time Entry - SIP9 Time & Cost Summary + Cumulative

TREE001 - Tree Building Services Ltd  
All Post Appointment Project Codes  
From 27/12/2018 To 26/06/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (post Only)	Total Time Costs Cum (POST Only)
Admin & Planning	7.20	0.40	31.70	11.90	51.20	10,284.00	200.86	51.20	10,284.00
Case Specific Matters	0.00	0.10	0.20	12.40	12.70	1,910.00	150.39	12.70	1,910.00
Creditors and Disturbances	3.50	3.60	63.30	0.20	70.60	13,405.00	189.87	70.60	13,405.00
Fixed Charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	1.80	0.00	26.60	0.60	29.20	5,486.00	187.88	29.20	5,486.00
Realisation of Assets	2.90	0.00	58.60	0.30	61.50	11,400.50	185.37	61.50	11,400.50
Reporting	4.80	1.30	32.20	0.20	38.30	7,947.00	207.49	38.30	7,947.00
Trading	0.00	0.00	0.00	0.30	0.30	0.00	0.00	0.00	0.00
<b>Total Hours - Costs</b>	<b>20.20</b>	<b>5.40</b>	<b>212.60</b>	<b>25.30</b>	<b>263.50</b>	<b>50,432.50</b>	<b>191.39</b>	<b>263.50</b>	<b>50,432.50</b>
<b>Total Fees Claimed</b>						<b>29,551.84</b>			
<b>Total Disbursements Claimed</b>						<b>0.00</b>			

## Hudson Weir Limited

### Fees and Disbursements Information

#### **Charge-out rates**

Grade	Charge-out rate (£ per hour, charged in 6 minute units)
Directors/Insolvency Practitioners	495 (395)*
Senior Managers and Managers	325-375 (250-320)
Administrators	125-230 (150-195)
Secretaries & Support Staff	100
Rates are subject to a periodic review and are likely to increase each July * Figures in brackets relate to charge out rates prior to 1 April 2019	

#### **Agent's costs**

These are charged at cost based upon the charge(s) made by the Agent instructed. The term "Agent" includes:

- Solicitors/legal fees.
- Auctioneers/valuers.
- Accountants.
- Quantity surveyors.
- Estate agents.
- Other specialist advisors

#### **Storage costs**

Charged at actual cost incurred for storage (and retrieval, when appropriate) of records.

#### **Other disbursements**

Category	Basis of charge
<b>Category 1</b>	
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Company searches	At cost incurred
Travel	At actual cost including train fare and all other public transport
Other	At actual cost charged

Hudson Weir Limited do not charge for Category 2 disbursements

**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 **Mathew Adams**

Company name **Hudson Weir Limited**

Address **Third Floor**  
**112 Clerkenwell Road**

Post town **London**

County/Region

Postcode **E C 1 M 5 S A**

Country

DX

Telephone **0207 099 6086**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

**Important information**

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

**Where to send**

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

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

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**