

In accordance with Schedule B1, paragraph 53(2) of the Insolvency Act 1986

The Insolvency Act 1986

**Notice of result of meeting of Creditors**

Name of Company Payroll Workshop Limited	Company number 08616634
In the High Court (full name of court)	Court case number 5406 of 2015

(a) Insert full name(s)  
and address(es) of the  
administrator(s)

I/We (a)  
Michael Colin John Sanders  
MacIntyre Hudson LLP  
New Bridge Street House  
30 - 34 New Bridge Street  
London  
EC4V 6BJ

Georgina Marie Eason  
MacIntyre Hudson LLP  
New Bridge Street House  
30 - 34 New Bridge Street  
London  
EC4V 6BJ

hereby report that a meeting of the creditors of the above company was held at

(b) Insert place of  
meeting

(b) New Bridge Street House, 30 - 34 New Bridge Street, London, EC4V 6BJ

(c) Insert date of meeting

on (c) Wednesday 21 October 2015 at 10 00am at which

\*Delete as applicable

\*2 Proposals were modified and approved

The modifications made to the proposals are as follows -

(d) Give details of the  
modifications (if any)

(d) That parts (c) and (d) be rejected and replaced with

"The Administration should be converted to a Creditors Voluntary Liquidation as soon as possible (and certainly within 6 weeks of the date of this creditors meeting) and that Stephen Robert Cork and Joanne Elizabeth Milner of Cork Gully LLP are appointed as Joint Liquidators of the Company and that they be authorised to act either jointly or separately in undertaking their duties as Liquidator"

Details of other  
resolutions passed

A creditors' committee was not formed

Signed

M.S.  
Joint / Administrator(s)

Dated

**Contact Details.**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the

Michael Colin John Sanders  
MacIntyre Hudson LLP  
New Bridge Street House  
30 - 34 New Bridge Street  
London  
EC4V 6BJ

DX Number

0207 429 4100  
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -  
**Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff**



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27/10/2015

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COMPANIES HOUSE

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**Joint Administrators' Proposals relating to  
Payroll Workshop Limited ("the Company") – In Administration  
Issued on: 5 October 2015**

Georgina Marie Eason and I are the Joint Administrators of the Company and these are our statutory proposals relating to the Company

## **1 STATUTORY INFORMATION**

Statutory information relating to the Company is attached at Appendix 1

## **2. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATORS**

The Company was incorporated on 19 July 2013 with a view to providing umbrella payroll services to the medical, security and construction industries. Prior to its inception trade had taken place under a number of different umbrella companies with common ownership and the purpose of the Company was to integrate all of these into one main business.

As umbrella companies are effectively self-financing there was no initial requirement for funding and therefore the only funding on start up was that of share capital. The Company began trading on 6 April 2014 to coincide with the beginning of the fiscal year. During the first six months of trade it became evident that substantial investment would be required to update the Company's computer systems to the latest software packages available for the industry. Director Mark Sandells introduced £200,000 from his own personal funds as a Director's Loan to meet this cost.

The Company initially traded from Andrew James House, Bridge Road, Ashford, Kent, TN23 1BB and employed 8 members of staff. Geographically its trade was unrestricted as trade was carried out via e-commerce. The bulk of the Company's trade was carried out with 5 key clients and between 40 to 50 smaller clients who processed payroll through the Company for between 1 and 5 employees. These were not considered major clients. The average size of each contract was determined by the number of employees utilised but the Company's major clients could generate sums of between £750 and £1,000 per week per employee.

A summary of the Company's management accounts produced by the Company's former accountants is shown below.

	<b>Management Accts to 31 May 2015 £</b>
<b>Turnover</b>	12,937,782
<b>Cost of Sales</b>	(63,313)
<b>Gross Profit</b>	12,870,469
<b>Gross Profit %</b>	20,435
<b>Overheads</b>	(10,010,621)
<b>Net Profit</b>	<u>2,859,848</u>

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the Company's true trading position.

In the penultimate week of the 2014/15 financial year, the Company's two largest clients switched their contracts, with two weeks notice, to the Company's main competitor thereby reducing the Company's turnover by some 80%

As the Company had never operated an overdraft with its bank it had no facility to support it financially and the Director was forced to make sweeping redundancies, whilst at the same time moving to smaller and less expensive offices at Unit 1, Bridge Road Business Centre, Bridge Road, Ashford, Kent, TN23 1BB

A further burden on the Company was that, on the basis of the high number of employees being dealt with through the 2 large clients, the Company took out a significant number of telephone contracts to provide candidates with a means of communication with the Company office which was effectively the Company's unique selling point. Following the clients departure the Company was left with an onerous monthly commitment it found extremely difficult to maintain.

With a drastic drop in revenue and a commitment for the mobile phone contracts in excess of £80,000 per month, the Company found itself in an untenable position. A large tax demand was made by HM Revenue & Customs ("HMRC") and despite the Company disputing the validity of the claim, HMRC were able to revoke the Company's license to trade. The last invoice issued by the Company was on 14 July 2015 after which time it ceased to operate.

Prior to the commencement of the Administration MHA MacIntyre Hudson LLP acted as advisors to the Board as a whole acting on behalf of the Company. A Director of this firm had also previously advised the Director on a potential Creditors Voluntary Liquidation during June and July 2015. No advice was given to the Director regarding the impact of the insolvency of the company on their personal financial affairs. Whilst not formally in office at that time, MacIntyre Hudson LLP was still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

As required by the Insolvency Code of Ethics, I considered the various threats to my objectivity arising from this prior involvement. I concluded that those threats were at an acceptable level such that I could still act objectively and hence could be appointed Joint Administrator of the Company.

On 13 August 2015 I was appointed by the Company Director as Joint Administrator of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company.

The appointment permitted the Joint Administrators to take any actions required either jointly or alone, and I have been the Administrator primarily involved in dealing with the Company's affairs.

### **3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATOR'S(S) STRATEGY FOR ACHIEVING THEM**

As Joint Administrator of the Company I am an officer of the Court, and I must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to -

- (a) rescue the Company as a going concern, or
- (b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
- (c) realise property in order to make a distribution to one or more secured or preferential creditors

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate

As a result, I am seeking to achieve objective (b) for the Company, and will do this by collecting the book debt ledger of the Company and through a sale of the assets of the Company, predominantly the Company's internal client database which the Director considers to be highly desirable and valuable within the payroll/recruitment industry

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If I am unable to complete the Administration of the Company within 12 months then I will either apply to the Court, or hold a meeting of creditors, in order to seek approval to extending the duration of the Administration

#### **4 ACTIONS OF THE ADMINISTRATORS' FOLLOWING APPOINTMENT**

As the Company had already ceased trading there was no requirement to take a view as Administrators as to whether continued trade was an option. Upon appointment I took steps to secure the Company's books and records regarding trade and expense, and other inter company, debtors

I have liaised with the Director to compile the database of information held by the Company and appointed an independent valuation agent to establish its market value as well as the valuation of any other Company assets

I have discussed the Company's financial status with the Director's present accountant who has assisted the Director regarding the affairs of this, and other companies under the control, or part control of the Director, in order to establish the correct figures due both from 3<sup>rd</sup> party and connected companies

I have held further discussion with solicitors regarding the recovery of Company assets which may have been sold or given away in contravention of the Insolvency Act 1986,

##### Pre-appointment considerations

Prior to my appointment as Joint Administrator, I reviewed the options available to the Company with the Directors, considering a number of strategies

The strategies considered were

- An extended trading period in administration whilst seeking a buyer,
- Ceasing to trade whilst seeking a sale as a going concern,
- A Company Voluntary Arrangement,
- Creditors' Voluntary Liquidation, and
- A pre packaged sale of business in administration

##### An Extended Trading Period in Administration Whilst Seeking a Buyer

It is appreciated that there is always a possibility that placing the Company into Administration and marketing it for sale, whilst trading, may attract interested parties

However, as the Company had not traded for several weeks and no staff remained, this option was not considered available. Funding was not available to start up trade in any capacity and even had trade been possible, without a sale able to be completed, there was potentially considerable risk to the Administrators in undertaking a period of trading

### Ceasing to Trade Whilst Seeking a Sale as a Going Concern

As a continuation of trade of the Company in Administration was not possible, it was considered whether seeking a buyer for the Company as a going concern might be possible whilst the Company was not trading. However, not continuing with the previously existing contract obligations of those remaining clients would have had potentially irreparably damaged trade relationships and customers would have been forced to seek supply of services elsewhere.

The Joint Administrators felt that of the options available to them the greatest chance of return to creditors as a whole would be by way of selling the assets and collecting the book debts due to the Company. As described below the Joint Administrators hope to achieve a sale of the Company's assets, albeit not as a going concern.

### A Company Voluntary Arrangement

For the reasons stated previously, that the Company had ceased to trade some time before my appointment, and that HMRC had revoked the Company's license to trade, it was deemed that a Company Voluntary Arrangement ("CVA") would not be appropriate.

It would not have been possible to start up trading without some form of funding. The Directors were not in a position to support trading any further and had been unable to secure alternative funding. In addition and as referred to above, an Administrator would not be in a position to continue to trade the business in Administration whilst proposals for a voluntary arrangement were prepared and considered by creditors.

### Creditors' Voluntary Liquidation

It was felt that if the Company was placed into liquidation then any delays in convening the meeting would harm the potential value of the database held by the Company and that any value was likely to be lost and therefore it was essential to take steps to preserve this value.

An alternative was to potentially agree a pre-pack liquidation sale of the business. However, with threatened action from HMRC this was not considered a viable option.

I did not consider that this strategy would provide a better return to creditors.

It was also for this reason that the Director did not seek to place the Company into Creditors Voluntary Liquidation.

### Consultations with Major Creditors

The largest creditor of the Company is HMRC. Prior to placing the Company into Administration, the Director entered into negotiations with HMRC in an attempt to overturn the license revocation. Discussions were unsuccessful and HMRC was duly notified upon the filing of the Notice of Appointment.

### Marketing of the business and assets

Based on information provided by the Director the tangible assets of the business consist of the database of employee contacts, a large number of basic mobile phone units and some pieces of office furniture with minimal value. The Directors newco has also taken over some of the smaller contracts operated by the Company and a value for these is to be ascertained.

The Director has indicated a willingness to purchase the mobile phone units and the office furniture at a rate to be determined by my agent as the correct market value.

The Director has not provided the completed database to my independent valuation agent and therefore no action has been taken as yet in marketing it.

### Valuation of the business and assets

As stated, once my appointment as Joint Administrator had been confirmed I instructed independent valuation agent Paul Proctor of Lambert Smith Hampton

The database has not been received to the date of writing this report and therefore my agent has been unable to place a value on it. Similarly a list of office furniture has not yet been supplied although it is thought that this will have a minimal value in line with general values of such items

A large number of mobile phone contracts were operated by the Company and the handsets that were provided through these contracts are deemed to be the property of the Company. I have been advised that there are a total of 2,349 Nokia Model 108 phones held and an offer of £5 per unit was made by the Director

Whilst the Company dealt with umbrella services aimed at the medical, security and construction industries the Director has started a new company offering similar services but is now not offering these services to the medical industries. It is my assertion that some of the contracts being operated by the newco were transferred from the Company and that there should be a value assigned to the transfer of these contracts. At this time Richard Upchurch of Forensic Accounting Services is reviewing these contracts with a view to assigning a value to them for which I will pursue the Director

Asset category	Valuation basis & amount (£)		Sale Consideration (£)
	e.g. In-situ	e.g. Ex-situ	
Office furniture	In Situ	Uncertain	Uncertain
Database	Ex-Situ	Uncertain	Uncertain
Mobile phone units	In Situ	£5 each	£11,745
Contract transfer value	In Situ	Uncertain	Uncertain
<b>Total</b>			<b>£11,745</b>

### Conclusion

My agent has been unable to advise on the potential value of the database at the time of writing this report as he has yet to receive the completed version, similarly he has been unable to place a value on the office furniture, although it is acknowledged that this is likely to be minimal due to the general value of second hand office furniture and the small number of items held

My agent has advised that the Nokia 108 unit is amongst the most basic that Nokia have offered and that given the age and uncertainty regarding the location of all the units the offer made by the Director, which is for the amount of units purported to be held by the Company, rather than the actual number to hand, would most certainly make the offer the most attractive. This would also avoid having to sell units individually, or in batches, which would increase costs substantially

The production of this proposal was delayed until such a time as reporting on the valuation of assets in this matter was clearer which it is regrettably not. I had also hoped to be able to include the Company Director's completed Statement of Affairs. Despite a generous level of latitude given, the Director has been unable to submit this to me

## **5. FINANCIAL POSITION OF THE COMPANY**

I have asked the Director to prepare a summary of the Company's estimated financial position as at 13 August 2015, which is known as a Statement of Affairs, but he has not yet prepared it. I understand that the reason for the delay is that the financial records of the Company were in some disarray and that the Director required the help of a forensic accountant to help him construct as accurate a picture of the Company's affairs as is possible.

In the absence of a Statement of Affairs I have prepared an estimate of the financial position of the Company as at 13 August 2015 from the records of the Company, and that is attached at Appendix 2, together with a list of names and addresses of all known creditors, the amounts due to each creditor is not certain at this stage save for the indebtedness due to HMRC.

### **Comments on the Administrators' estimate of the financial position of the Company (**

#### **5.1. Company Database**

The Company had accumulated information and details regarding contracts and employees that was deemed to be potentially valuable to other payroll or recruitment companies. The value of this is presently uncertain pending review by my agent.

#### **5.2. Office Furniture**

The Director has advised that the Company owns a small amount of office furniture comprising of 2 or 3 desks and chairs. It is expected that this will have a minimal resale value.

#### **5.3 Mobile Phone Units**

The Company operated a large number of phone contracts in order to provide candidates with a method of communicating with them. As a consequence it took out some 2,349 contracts with Nokia 108 phone units. The Director has indicated that he is willing to pay £5 for each of these units.

#### **5.4. Book debts**

The Director has advised that the Company had debtors of £1.2m and has provided no reason why this amount should not be realised in total. A provision of 25% has been made however in respect of bad debts or for debts that might otherwise not be paid.

#### **5.5 Company Contracts**

A number of contracts operated by the Company have been retained by the Directors newco but no value has been paid. At the date of this report a forensic review is being undertaken on the trading history of these contracts to establish a value.

#### **5.6 Preferential creditors**

As all employees left the Company prior to the Administration it is not envisaged that there will be any preferential claims for unpaid wages and holiday pay.

#### **5.7 Prescribed part**

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside



- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

The Company has not created any floating charges, so the prescribed part provisions will not apply

## **6 ADMINISTRATOR'S(S') RECEIPTS AND PAYMENTS ACCOUNT**

I attach a summary of the receipts and payments relating to the Company for the period from when it entered Administration, 13 August 2015, to the date of these proposals, at Appendix 3

### **DVLA Refund**

A refund of £95 63 was paid to the Company by the DVLA in respect of unexpired road tax

### **Book Debts**

The sum of £105,000 00 was transferred to the Company's bank account by one of the debtors noted in the Company's books and records and subsequently the Company's bank balance of £104,606 08 was transferred to the Administrators by the Company's bank. Subsequently the debtor has contacted the Administrators and claimed that this payment was made in error and have requested the funds be repaid. As the Company's records indicate a debt substantially larger than the sum paid I have retained these funds whilst I conduct a forensic review of the invoices I believe due from the debtor

## **7. PROPOSED FUTURE ACTIONS OF THE ADMINISTRATOR(S) TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION**

In order to achieve the objective of the Administration of the Company I propose to

- Collect the book debts of the trade and expense creditors,
- Establish and collect all inter-company debts correctly due
- Ascertain and realise any value vested in the Database of information being prepared by the Company Director
- Collect the value of office furniture and mobile phone units of the Company
- Ascertain the value of contracts transferred to the Company Director's new company
- Pursue potential antecedent transactions for recovery purposes

I envisage that successful completion of all or any of the above points will result in an increased return to creditors

## **8 ADMINISTRATORS' REMUNERATION AND EXPENSES**

I propose that our fees will be charged by reference to the time properly spent by us and our staff in dealing with matters relating to the Administration of the Company. This time will be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken. Information about current charge out rates and the units of time in which work done is recorded can be found <http://www.macintyreHUDSON.co.uk/guide-to-fees>

I also propose that we are permitted to charge what are known as category 2 expenses. Information about category 2 expenses can be found at <http://www.macintyreHUDSON.co.uk/guide-to-fees>

The approval of the basis of my remuneration as Joint Administrator (and category 2 expenses) forms part of these proposals for which approval is being sought that are set out at

section 12 below, but if a creditors' committee is appointed at the forthcoming meeting of creditors then approval will be sought from that committee instead

To the date this report is prepared, my post appointment time costs amount to £33,436 83, representing 103 96 hours work, at an average charge out rate of £321 63. A schedule of the time costs incurred to date is attached as Appendix 4

A description of the routine work undertaken in the Administration to date is as follows

1     Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS case management software
- Review and storage
- Case bordereau
- Case planning and Administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

2     Cashiering

- Maintaining and managing the Administrator's cashbook and bank account

3     Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS case management software
- Reviewing proofs of debt received from creditors

4     Investigations

- Review and storage of books and records
- Conduct a review of anomalies in Company records
- Review books and records to identify any transactions or actions an Administrator may take against a third party in order to recover funds for the benefit of creditors

5     Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with the Company's bank regarding the closure of the account.
- Liaising with professional valuation agents regarding Company assets
- Liaising with solicitors regarding Company debtors
- Liaising with Director and accountants regarding inter-company accounts

In addition to the routine work above and the other work undertaken, as described in the section dealing with actions since appointment, additional time has been spent in pursuing the Director for information pertinent to asset realisations

The Company's accountant has been assisting the Director with the preparation of the Statement of Affairs that was to accompany these proposals. I was satisfied that taking this approach would have ensured that the information presented to creditors was accurate as possible, being that the accountants were able to use their existing knowledge of the Company as well as their specific expertise in preparing such documents. As the Company's financial position has taken much

longer to establish than envisaged this information has not been prepared in time to accompany this report but will still be submitted to Companies House when received

Forensic Accounting Solutions Limited will be remunerated on the basis of their normal charge out rates, their total fee being £500 plus VAT

The payment to Forensic Accounting Solutions Limited forms part of these proposals for which approval is being sought that are set out at section 12 below

At this stage I have not sub-contracted any of the work I am required to undertake as Administrator I do however intend to sub-contract, to an unconnected third party organisation, the collection of book debts As work has just started in this respect no charge has yet accrued Further work remains to be done and this will be I estimate that it will cost an additional £5,000 to complete it

A copy of 'A Creditors Guide to Administrators' Fees' published by the Association of Business Recovery Professionals, together with an explanatory note which shows MacIntyre Hudson's fee policy are available at the link <http://www.macintyreHUDSON.co.uk/guide-to-fees> Please note that there are different versions of the Guidance Notes, and in this case you should refer to the post October 2014 version A hard copy of both documents can be obtained on request from this office

I have incurred total expenses of £586 11 since my appointment as Joint Administrator I have not drawn any expenses in this matter to date

I have incurred the following expenses since my appointment as Administrator

Type of expense	Amount incurred/ accrued since appointment
Travel expenses	£64 59
Statutory Advertising costs	£101 52
Statutory Bonding costs	£420 00
<b>TOTAL</b>	<b>£586 11</b>

I have not incurred any category 2 disbursements since my appointment as Administrator

I have used the following agents or professional advisors since my appointment as Administrator

Professional Advisor	Nature of Work	Basis of Fees
Lambert Smith Hampton	Valuer	Time costs
Bark & Co	Book Debt Collection	Time costs

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them

## 9 PRE-APPOINTMENT FEES AND EXPENSES

The members and Board of the Company instructed me to assist them in placing the Company in Administration on 13 August 2015 A director of MHA MacIntyre Hudson had previously been advising the Company Director on a possible Creditors Voluntary Liquidation until it had been decided that this was not the most appropriate course of action to take As a fee of £10,000 had already been agreed by the Board of Directors for this advice, and had been drawn by this firm, for work carried out ahead of a proposed Liquidation, I informed the Company that I did not intend to seek recovery of my Administration pre-appointment costs and expenses

I attach at Appendix 5 a detailed time cost table showing the pre-appointment time costs incurred by category and staff grade at my firm

No expenses were incurred during the pre appointment period

## **10 ADMINISTRATORS' INVESTIGATIONS**

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

## **11. EC REGULATION ON INSOLVENCY PROCEEDINGS**

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address is in the United Kingdom.

## **12. ADMINISTRATOR'S' PROPOSALS**

In order to achieve the objective set out at section 3 above, we formally propose to creditors that

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we
  - (i) Arrange collection of book debts from both trade and expense debtors of the Company and all inter company loans due
  - (ii) sell the Company's assets at such times on such terms as we consider appropriate,
  - (iii) Ascertain the value of contracts transferred to the Company Director's new company
  - (iv) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company, and
  - (v) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion 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
- (b) Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered
- (c) The Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that Georgina Marie Eason and I, Michael Colin John Sanders are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidator

Creditors may nominate a different person(s) as the proposed liquidator(s), but you must make the nomination(s) at any time after you receive these proposals, but before they are approved. Information about the approval of the proposals is set out at section 12

- (d) the Administration will end by the presentation of a winding up petition to the Court for the compulsory liquidation of the Company, and propose that Georgina Marie Eason and I, Michael Colin John Sanders are appointed Joint Liquidators of the Company by the Court
  - (e) the Administration of the Company will end by making an application to Court for an order that the Administration ceases
  - (f) the Joint Administrators will be discharged from liability under the Administration per Paragraph 98 of Schedule B1 of the Insolvency Act 1986, immediately upon the Joint Administrators filing their final report to creditors
  - (g) we are remunerated by reference to time properly spent by the Administrators and their staff in dealing with matters relating to the Administration of the Company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken. Details of the current charge out rates can be found <http://www.macintyreHUDSON.co.uk/guide-to-fees>
- 
- (a) we are authorised to instruct other professional agents and solicitors to assist in the Administration and that those agents', solicitors' and other professional costs be discharged at their normal charge out rates during the course of the Administration, as a cost of the Administration,
  - (b) we be authorised to draw category 2 expenses as outlined at <http://www.macintyreHUDSON.co.uk/guide-to-fees>

### 13 APPROVAL OF PROPOSALS

A meeting of creditors is being held to enable creditors to consider and vote on the formal proposals to achieve the objective of the Administration of the Company. The meeting will be held on Thursday 21 October 2015 at 10.00am at New Bridge Street House, 30-34 New Bridge Street, London EC4V 6BJ, and a formal notice about the meeting is enclosed with these proposals.

A proxy form and a proof of debt for your use at the meeting of creditors is also enclosed. As a creditor you can only vote if you complete and send these forms to us and your claim is admitted. I must receive your completed proof of debt by no later than noon on the business day before the day of the meeting. Whilst you can lodge a proxy at any time up to the commencement of the meeting of creditors, it would be helpful if you would do so at the same time as you lodge your proof of debt. You are not required to attend the meeting, and non-attendance will not affect your rights against the Company. Creditors whose claims are wholly secured are not entitled to vote, but can attend or be represented at the meeting.

A committee is made up of between three and five representatives of creditors who will then meet me on a regular basis to discuss the Administration of the Company. If a committee is appointed then it will be for them to approve pre-appointment costs and expenses and the basis of our remuneration as well as any category 2 expenses in respect of the work done in the Administration of the Company. If a committee is not appointed then a separate resolution will be taken at the meeting to approve pre-appointment costs and expenses and the approval of our remuneration as well as our category 2 expenses if applicable, will be considered as part of these proposals.

#### 14. FURTHER INFORMATION

If creditors or members have any queries regarding the proposals or the conduct of the Administration in general, they should contact Nick Nicola at [nick.nicola@mhlp.co.uk](mailto:nick.nicola@mhlp.co.uk) or on 0207 429 4183

A handwritten signature in black ink, appearing to read 'M. Sanders', with a large, stylized loop extending from the end of the signature.

**Michael Colin John Sanders**  
**Joint Administrator**

The Administrator is an agent of the Company and acts without personal liability.

**APPENDIX 1**  
**STATUTORY INFORMATION**

**PAYROLL WORKSHOP LIMITED**  
**STATUTORY INFORMATION**

Company name	Payroll Workshop Limited ("the Company")
Previous company name	None
Registered office	MHA MacIntyre Hudson New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
Former registered office	Unit 3 Eden Business Centre South Stour Avenue Ashford Kent TN23 7RS
Registered number	08616634
Date of incorporation	19 July 2013
Trading address	Andrew James House Bridge Road Ashford Kent TN23 1BB
Principal trading activity	Payroll Services
Joint Administrators' name	Michael Colin John Sanders (8698) Georgina Marie Eason (9688)
Joint Administrators' address	MHA MacIntyre Hudson New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
Joint Administrators' date of appointment	13 August 2015
Court name and reference	High Court Of Justice 522 of 2015
Officers of the Company	Director            Mark Sandells
Appointment made by	Director of the Company
Charges	None



**APPENDIX 2**

**JOINT ADMINISTRATORS'  
ESTIMATE OF FINANCIAL POSITION  
AS AT 13 AUGUST 2015**

**PAYROLL WORKSHOP LIMITED - IN ADMINISTRATION**

**Joint Administrators' Estimate of Financial Position at 13 August 2015**

	<b>Book Value</b>	<b>Estimated to Realise £</b>
<b><u>ASSETS</u></b>		
<b>UNENCUMBERED ASSETS</b>		
Company Database		Uncertain
Office Furniture		Uncertain
Mobile Phone Units		11,745
Book Debts		900,000
Company Contracts		Uncertain
Surplus / (deficiency) c/d		911,745
<b>GENERAL ASSETS</b>		
Cash at bank	0	200
	0	200
<b><u>LIABILITIES</u></b>		
<b>PREFERENTIAL CREDITORS</b>		
Arrears of salary / holiday entitlement accrued		0
Surplus / (deficiency) available to floating charge holder		911,945
Less Prescribed Part (see notes)		0
<b>QUALIFYING FLOATING CHARGE HOLDER</b>		
Less Due to Floating Charge Holder		0
Surplus / (deficiency) available to unsecured creditors		911,945
<b>UNSECURED CREDITORS</b>		
Trade creditors	Uncertain	
HMRC - VAT	(65,000)	
HMRC - PAYE	(1,400,000)	
Total unsecured creditors		(1,465,000)
Surplus / (deficiency) available to shareholders		(553,055)
<b><u>SHAREHOLDERS</u></b>		
Ordinary shares		(1)
<b><u>TOTAL SURPLUS / (DEFICIENCY) TO MEMBERS</u></b>		<b><u>(553,056)</u></b>

The Statement of Financial Position does not take into account the costs and expenses of the insolvency  
The Statement of Financial Position should be read in conjunction with the accompanying notes

**MacIntyre Hudson LLP**  
**Payroll Workshop Limited**  
**B - Company Creditors**

Key	Name	Address	£
CA00	Absolute & Taxation Limited	Andrew James House, Bridge Road, Ashford, Kent, TN23 1BB	0 00
CA03	Accounting Workshop (uk) LLP	Eden Business Centre, South Stour Avenue, Ashford, Kent, TN23 7RS	0 00
CA05	Adept Telecom PLC	1ST Floor, 77 Mount Ephraim, Tunbridge Wells, Kent, TN4 8BS	0 00
CA06	Adept Window cleaning services	2 Leason Cottages, Chart Road, Ashford, Kent, TN23 3AD	0 00
CA07	Ashford Borough Council	Civic Centre, Tannery Lane, Ashford, Kent, TN23 1PP	0 00
CA08	Ashford Couriers	10 Sutton Close, Folkestone, Kent, CT195LL	0 00
CA09	Ashford United FC Ltd	The Homelands, Ashford Road, Kingsnorth, Ashford, Kent, TN26 1NJ	0 00
CC01	CIPP ***GONE AWAY***	Shelly House, Farmhouse Way, Monkspath, Solihull, B924EH	0 00
CC02	Countrystyle Recycling	Ashford Road, Lenham, Maidstone, Kent, ME17 2DL	0 00
CC03	CreditSafe	Bryn House, Caerphilly Business Park, Mid Glam, CF83 3GG	0 00
CD00	Dairy Crest Ltd	Kingsnorth Industrial Estate, Wotton Road, Ashford, Kent, TN23 6LN	0 00
CD01	Daisy Connect	Lindred Road Business Park, Nelson, Lancashire, BB9 5SR	0 00
CD02	Day 2 Day Associates	2nd Floor, 128-134 High street, Hornchurch, Essex, RM12 4UH	0 00
CE00	EE Limited	PO Box 52, Sheffield, S98 1DX	0 00
CF00	Fluent Communications Ltd	New Barn, The Estate Yard, Eridge Road, Eridge Green, Tunbridge Wells, Kent, TN3 9JR	0 00
CH04	HD Signs	Newcastle Corner, Headcorn Road, Biddenden, Kent, TN27 8JW	0 00
CH05	Highrise	30 North Racine Ave #200, Chicago, IL60607, USA	0 00
CH00	HM Revenue & Customs (CT)	Debt Management Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	0 00
CH01	HM Revenue & Customs (PAYE)	Debt Management Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	1,400,000 00
CH02	HM Revenue & Customs (VAT)	Debt Management Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	65,000 00
CH03	HMRG	SI - Central London, 4th Floor, Euston Tower, 286 Euston Road, London NW1 3UH	0 00
CI00	Indicator FL Memo	39-41 Bank Street, Ashford, Kent, TN23 1DQ	0 00
CI01	IT Workshop Ltd	Andrew James House, Bridge Road, Ashford, Kent, TN23 1BB	0 00
CJ00	Jobs In Kent	58 The High Street, Maidstone, Kent, ME14 1SY	0 00
CK00	KDC Cleaning	Keepers Field, Sandhurst Lane, Ashford, Kent, TN25 4NS	0 00
CK01	Kenhire Ltd	Henwood Industrial Estate, Ashford, Kent, TN24 8DX	0 00
CK02	Kent Trainers Ltd	Athelbrae House, 10 Linnet Avenue, Paddock Wood, Kent, TN12 6XQ	0 00

Signature \_\_\_\_\_

**MacIntyre Hudson LLP**  
**Payroll Workshop Limited**  
**B - Company Creditors**

Key	Name	Address	£
CK03	Kingsford Solicitors LLP	2 Elwick Road, Ashford, Kent, TN23 1PD	0 00
CK04	KJ Maintenance Ltd	Unit 2 Southdowns Business Enterprise, Brunswick Road, Ashford, Kent, TN23 1EL	0 00
CK05	KLDH LTD T/A JAMES & CO	ANDREW JAMES HOUSE, BRIDGE ROAD, Ashford, KENT, TN23 1BB	0 00
CL00	LEBC Group Ltd	8-11 The Crescent, London, EC3N 2LY	0 00
CM00	Managed Print UK Ltd	Unit 6 Winston Business Centre, 43 Chartwell Road, Lancing Business Park, West Sussex, BN15 8TU	0 00
CM01	Ment Software	Dolphin Court, Brunel Quay, Neyland, Pembrokeshire, SA73 1PY	0 00
CM02	MFS Fire Extinguishers	12 Shap Close, Barrowford NELSON, Lancashire, BB9 6EZ	0 00
CM03	MJP Consulting Trust	Andrew James House, Bridge House, Ashford, Kent, TN23 1BB	0 00
CN00	Nova IT Solutions Ltd	73 Watling Street, London, EC4M 9BJ	0 00
CO00	o2 Arena	Peninsula Square, London, SE10 0DX	0 00
CO01	O2 UK Ltd	c/o Daisy Connect, Suite 6, Empire House, Sunderland Quay, Medway City Estate, Rochester, Kent, ME2 4HN	0 00
CO02	Office Angels	Unit 3010 The Pavilions, The Crescent Solihull Parkway, Birmingham, B377YE	0 00
CO03	Opus Energy	Customer Service, Royal Pavillion, 2 Summerhouse Road, Northants, NN3 6BJ	0 00
CO04	Orange	EE Limited, Senhouse Road, Darlington, County Durham, DL1 4YB	0 00
CP01	PHS Datasheed	Western Industrial estate, Caephilly, CF83 1XH	0 00
CP02	Pitney Bowes	Building 5, Trident Place, Hatfield Business Park, Mosquito Way, Hatfield, Hertfordshire, AL10 9UJ	0 00
CP03	Print Junction	Drum Lane, Ashford, Kent, TN23 1LQ	0 00
CP04	Pump Court Chambers	16 Bedford Row, London, WC1R 4EF	0 00
CQ00	QUBE RECRUITMENT LIMITED	Canterbury House, Waterside Court, Neptune Way, Rochester, ME24NZ	0 00
CR00	Recruitment Solutions Ltd	Oak House, 115 Sandgate Road, Folkestone, Kent, CT20 1BB	0 00
CR01	Reed Recruitment	120 Coombe Lane, London, SW20 0BA	0 00
CR02	Royal Mail	Payment Processing Centre, Rowland Hill House, Boythorpe Road, Chesterfield, S49 1HQ	0 00
CR03	RS Refrigerations Services Ltd	Unit 2, Murrell Green Business Park, London Road, Hook, Hampshire, RG27 9GR	0 00
CS00	Sage	North Park, Newcastle upon Tyne, NE13 9AA	0 00
CS02	South East Water Ltd	Rockfort Road, Snodland, Kent, ME6 5AH	0 00
CS03	STP Advisors Ltd	Terrace Hill House, 55 Ballynahatty Road, Belfast, BT8 8LE	0 00

Signature \_\_\_\_\_

**MacIntyre Hudson LLP**  
**Payroll Workshop Limited**  
**B - Company Creditors**

Key	Name	Address	£
CS04	SuperCups Vending Limited	Moat View, Moat Way, Orbital Park, Ashford, TN24 0TT	0 00
CT00	Taxation Workshop	The Workshop Group, South Stour Avenue, Eden Business Centre, Ashford, Kent, TN23 7RS	0 00
CA0A	The A Clean	10 Wyndham Way, Ashford, Kent, TN25 4PZ	0 00
CA02	The Ashford Catering Company	105 Ellingham Industrial Centre, Ellingham Way, Ashford, Kent, TN23 6LZ	0 00
CB01	The Business Lounge Ltd	Unit 4 Eden Business Centre, South Stour, Ashford, Kent, TN23 7RS	0 00
CC00	The Children's Society Trading Ltd	Edward Rudolf house, Margery street, London, WC1X0JL	0 00
CF01	The Fuelcard Company	St James Business Park, Grimbald Crag Court, Knaresborough, HG5 8QB	0 00
CT02	TV Licence	, Darlington, DL98 1TL	0 00
CV00	Virgin Strauss Water UK Ltd	Henley Business Park, Normandy, Surrey, GU3 2DX	0 00
CV01	Vodafone	Atlas House, Atlas Park, Simonsway, Manchester, M22 5RR	0 00
<b>63 Entries Totalling</b>			<b>1,465,000.00</b>

Signature \_\_\_\_\_

**APPENDIX 3**

**JOINT ADMINISTRATORS'  
RECEIPTS & PAYMENTS ACCOUNT**

**Payroll Workshop Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 13/08/2015 To 02/10/2015	From 13/08/2015 To 02/10/2015
ASSET REALISATIONS		
DVLA Refund	95 63	95 63
Book Debts	104,906 08	104,906 08
	<u>105,001 71</u>	<u>105,001 71</u>
	<u><b>105,001.71</b></u>	<u><b>105,001.71</b></u>
REPRESENTED BY		
Bank 2 Current		105,001 71
		<u><b>105,001 71</b></u>



Michael Colin John Sanders  
Joint Administrator

**APPENDIX 4**

**JOINT ADMINISTRATORS'  
POST APPOINTMENT TIME COST ANALYSIS**



# Payroll Workshop Limited (IN ADMINISTRATION)

Analysis of Time Costs for the period 13 August 2015 to 2 October 2015

Classification of Work	Partner		Director		Manager		Administrator		Assistant		Cashiering		Total Hours		Time Cost		Average Hourly Rate	
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	£	£
Administration and Planning	2 30	1,058 00	0 00	0 00	4 10	1,066 00	44 50	9 790 00	3 40	487 00	0 00	0 00	54 30	12,401 00	0 00	0 00	228 38	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Investigations	21 73	9,997 33	0 00	0 00	0 00	0 00	0 65	143 00	0 00	0 00	0 00	0 00	22 38	10,140 33	0 00	0 00	453 10	0 00
Realisation of Assets	20 40	9,384 00	0 00	0 00	0 00	0 00	1 65	407 00	0 00	0 00	0 00	0 00	22 05	9,791 00	0 00	0 00	444 04	0 00
Creditors	0 00	0 00	0 00	0 00	0 50	130 00	2 63	592 00	0 00	0 00	0 00	0 00	3 13	722 00	0 00	0 00	230 67	0 00
Fixed Charge Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Fixed Charge Realisations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Cashiering	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	2 10	382 50	2 10	382 50	0 00	0 00	182 14	0 00
Pre Appointment	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total	44 43	20,439 33	0 00	0 00	4 60	1,196 00	49 43	10,832 00	3 40	487 00	2 10	382 50	103 96	33,436 83	0 00	0 00	321 63	0 00
Average Hourly Rate, £		460 03		0 00		260 00		221 16		143 24		182 14						

**APPENDIX 5**

**PRE APPOINTMENT  
TIME COST ANALYSIS**

# Payroll Workshop Limited

(IN ADMINISTRATION)

Analysis of Time Costs for the period 13 August 2015 to 13 August 2015

Classification of Work	Partner		Director		Manager		Administrator		Assistant		Cashiering		Total Hours	Time Cost	Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)			
Administration and Planning	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Fixed Charge Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Fixed Charge Realisations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Cashiering	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pre Appointment	2 10	966 00	0 00	0 00	5 70	1,482 00	0 30	66 00	1 00	145 00	0 00	0 00	9 10	2,659 00	292 20
<b>Total</b>	<b>2 10</b>	<b>966 00</b>	<b>0 00</b>	<b>0 00</b>	<b>5 70</b>	<b>1,482 00</b>	<b>0 30</b>	<b>66 00</b>	<b>1 00</b>	<b>145 00</b>	<b>0 00</b>	<b>0 00</b>	<b>9 10</b>	<b>2,659 00</b>	<b>292 20</b>
<b>Average Hourly Rate, £</b>		<b>460 00</b>		<b>0 00</b>		<b>260 00</b>		<b>220 00</b>		<b>145 00</b>		<b>0 00</b>			

**2.17B**

The Insolvency Act 1986

**Statement of administrator's proposals**

Name of Company Payroll Workshop Limited	Company number 08616634
In the High Court (full name of court)	Court case number 5406 of 2015

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)  
Michael Colin John Sanders  
MacIntyre Hudson LLP  
New Bridge Street House  
30 - 34 New Bridge Street  
London  
EC4V 6BJ

Georgina Marie Eason  
MacIntyre Hudson LLP  
New Bridge Street House  
30 - 34 New Bridge Street  
London  
EC4V 6BJ

\*Delete as  
applicable

attach a copy of our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 5 October 2015

Signed

*M. Sanders*  
Joint / Administrator(s)

Dated

*5/10/15*

**Contact Details**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to researchers of the public record

Michael Colin John Sanders  
MacIntyre Hudson LLP  
New Bridge Street House  
30 - 34 New Bridge Street  
London  
EC4V 6BJ

DX Number

0207 429 4100  
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -  
**Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff**

## Rule 2.35

## Notice of a meeting of Creditors

Name of Company Payroll Workshop Limited	Company number 08616634
In the High Court of Justice (full name of court)	Court case number 5406 of 2015

(a) Insert full name(s)  
and address(es) of  
administrator(s)

Notice is hereby given by (a)  
Michael Colin John Sanders  
MacIntyre Hudson LLP  
New Bridge Street House  
30 - 34 New Bridge Street  
London  
EC4V 6BJ

Georgina Marie Eason  
MacIntyre Hudson LLP  
New Bridge Street House  
30 - 34 New Bridge Street  
London  
EC4V 6BJ

(b) Insert full name and  
address of registered  
office of the company

that a meeting of creditors of (b)  
Payroll Workshop Limited  
New Bridge Street House  
30 - 34 New Bridge Street  
London, EC4V 6BJ

(c) Insert details of place  
of meeting

is to be held at (c)  
(c) New Bridge Street House, 30 - 34 New Bridge Street, London, EC4V 6BJ

(d) Insert date and time  
of meeting

on (d) Thursday 21 October 2015 at 10 00am

The meeting is

\*Delete as applicable

~~\*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')~~  
~~\*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~  
~~\*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~  
~~\*(4) a further creditors' meeting under paragraph 56 of the Schedule~~  
~~\*(5) a creditors' meeting under paragraph 62 of the Schedule~~

I invite you to attend the above meeting

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim

Signed M. Sanders  
Joint / Administrator(s)

Dated 21.10.15

\*Delete as applicable

A copy of the proposals is attached