

AM03

Notice of administrator's proposals



Companies House

THURSDAY



A08 *A836V75E* 11/04/2019 #71
COMPANIES HOUSE

1 Company details

Company number 08802537

Company name in full The Bristol, Gloucestershire, Somerset and Wiltshire Community
Rehabilitation Company Limited

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

2 Administrator's name

Full forename(s) Martin Charles

Surname Armstrong

3 Administrator's address

Building name/number Allen House

Street 1 Westmead Road

Post town Sutton

County/Region Surrey

Postcode SM1 4LA

Country United Kingdom

4 Administrator's name ①

Full forename(s) James Edmund

Surname Patchett

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

5 Administrator's address ②

Building name/number Allen House

Street 1 Westmead Road

Post town Sutton

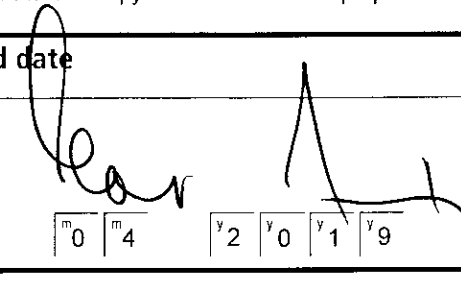
County/Region Surrey

Postcode SM1 4LA

Country United Kingdom

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

AM03
Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="checked" type="checkbox"/> I attach a copy of the statement of proposals	
7	Sign and date	
Administrator's Signature	<div>Signature</div> <div>✕  ✕</div>	
Signature date	<div><div><div>d</div><div>0</div><div>d</div><div>9</div></div><div><div>m</div><div>0</div><div>m</div><div>4</div></div><div><div>y</div><div>2</div><div>y</div><div>0</div><div>y</div><div>1</div><div>y</div><div>9</div></div></div>	

Joint Administrators' Proposals relating to

**The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited –
In Administration ("the Company")**

Issued on: 9th April 2019

Delivered to creditors on: 10th April 2019

For the purposes of these proposals, the following abbreviations shall be used:

"CRS"	Charles Russell Speechlys LLP, the solicitors engaged by the Joint Administrators
"CVL"	Creditors' Voluntary Liquidation
"GDPR"	The General Data Protection Regulation
"HMPPS"	Her Majesty's Prison and Probation Service
"KSS"	The Kent, Surrey and Sussex Community Rehabilitation Company Limited, the purchaser
"LtoO"	Licence to Occupy
"MBV"	Middleton Barton Valuation Limited, the independent agents/valuers engaged by the Joint Administrators
"MoJ"	Secretary of State for Justice
"RBS"	The Royal Bank of Scotland plc
"Seetec"	Seetec Business Technology Centre Limited
"SIP 16"	Statement of Insolvency Practice 16 (England & Wales)
"Symbiont"	Symbiont Facility Services Limited
"TBA"	<i>Turpin Barker Armstrong</i>
"the Company"	The Bristol, Gloucestershire, Somerset And Wiltshire Community Rehabilitation Company Limited
"the Companies" or "the CRCs"	The Wales Community Rehabilitation Company Limited, The Dorset, Devon and Cornwall Community Rehabilitation Company Limited and The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited
"the Court"	The High Court of Justice
"the Joint Administrators"	Martin C Armstrong and James E Patchett of Turpin Barker Armstrong
"WL"	Working Links (Employment) Limited (now in Administration)

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James E Patchett and I are the Joint Administrators of the Company and these are our statutory proposals relating to the Company.

1. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE JOINT ADMINISTRATORS

WL was established in 2000 as a public, private and voluntary company that provides welfare services and help with employability. It was acquired by the investment group, Aurelius, in June 2016.

WL provided welfare services and help with employability to disadvantaged people. WL was awarded contracts to run three Community Rehabilitation Companies as part of the government's Transforming Rehabilitation reforms with the aim of cutting reoffending. Under the reforms, probation services were split into two with the National Probation Service managing high risk offenders and Community Rehabilitation Companies managing low and medium risk offenders.

WL provided the infrastructure for the probation services carried out by its three CRCs (Community Rehabilitation Companies):

1. The Wales Community Rehabilitation Company Limited.
2. The Dorset, Devon and Cornwall Community Rehabilitation Company Limited.
3. The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited.

The CRCs provided probation services under contracts with the MoJ in their respective regions. WL provided a parent company guarantee to the MoJ for any liabilities owed by the CRCs under these contracts. The Group entered into administration on 14th February 2019 as a result of their respective forecasted financial positions which included significant sums that would likely be owed to the MoJ for performance related penalties. As part of this process, the MoJ, CRCs and the Joint Administrators entered into a Deed of Termination on 15th February 2019 to effect the termination of each of the respective CRCs' Services Agreements with the MoJ.

Another provider was identified by the MoJ (following a procurement process) and was interested in acquiring the assets and employees which were used in the running of the CRCs. The MoJ made arrangements for the preferred purchaser, namely KSS (an unconnected company), to have its own existing contracts with the MoJ varied to take on responsibility for the services previously provided by each of the CRCs.

At the date of Administration, monies were owed to each CRC by the MoJ. The Deed of Termination stipulates that the termination of the Services Agreements does not affect the Companies' rights to obtain payment of sums validly due and owing to it (subject to any right of set-off as a result of payments made by the MoJ to CRC employees in respect of wages that related to the period prior to administration and also regarding any ransom payments). For the avoidance of doubt, the MoJ is not able to set-off any costs or losses which the MoJ incurs as a result of the failure of any third party to facilitate the transfer of services to KSS or payments to third parties to ensure the same.

A summary of the Company's statutory information, list of known trading addresses and recent trading performance is attached as Appendices 1, 2 and 3, respectively.

The Companies provided security to RBS (by way of a fixed charge created on 30th September 2015) and to the ultimate controlling party, Aurelius Sigma Limited (by way of fixed and floating charges created on 4th June 2018 and 19th July 2018). The security held by Aurelius Sigma Limited related to a

funding facility of c.£11m made available to WL. The purpose of the facility was to allow WL to repay an existing RBS facility and existing shareholder loans. The facility was secured by fixed and floating charges over WL and the CRCs and was also supported by cross-guarantees from the CRCs. The security held by Aurelius Sigma Limited was subsequently assigned to Symbiont under a Deed of Assignment dated 28th September 2018. The RBS fixed charge was satisfied on 7th June 2018.

The forecasted financial position for the CRCs was expected to have a material adverse effect on the overall financial position of WL and, under the terms of the security held by Symbiont, was an event of default which would enable Symbiont to enforce its security against WL and the CRCs. As a result, Symbiont served a letter of demand on WL on 25th January 2019. In addition, WL subsequently failed to make the agreed monthly loan and interest repayment of circa £950,000 to Symbiont, due on 31st January 2019, which constituted a further default. As a result, Symbiont had threatened to immediately appoint an Administrator over WL and the CRCs to secure its position. This would have likely resulted in the complete cessation of services provided by the Group, which would have resulted in the loss of circa 1,200 jobs and left thousands of vulnerable members of the public without support.

In light of the above, it was considered appropriate that WL and the CRCs all be placed into Administration on the same day following arrangements made with the MoJ to allow KSS to seamlessly take on the services provided by the CRCs thus reducing the impact on the public and preserving the jobs of all CRC staff at the point of transfer. It would also allow WL to continue to provide key services (such as IT and infrastructure) to KSS and other key stakeholders such as the Department of Work and Pensions. Following negotiations with the MoJ, Symbiont, and other stakeholders, it was considered that this would be the best outcome in order to maximise realisations, preserve jobs, and prevent an increase in liabilities as a result of termination of contracts and redundancies. In view of the financial position of the CRCs, the desire for ongoing services to be provided to the MoJ, and the outstanding demand from Symbiont, matters needed to be dealt with swiftly, and a deadline of 15th February 2019 was agreed by all stakeholders.

In summary, it was considered to be in the public interest that WL and the CRCs be placed into Administration to enable the orderly transition of services provided under the MoJ (and other) contracts serviced by WL, whilst also providing an orderly wind down of the business and avoiding any formal action by Symbiont (which would have catastrophically affected the services provided by WL and the CRCs and led to the redundancy of all staff).

Prior to the commencement of the Administration we acted as advisors to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of WL or the CRCs on their personal financial affairs. Whilst not formally in office at that time, we were still required to act in our dealings with the Company in accordance with the Insolvency Code of Ethics. From 21st January 2019 until formal instruction to place WL and the CRCs into Administration, we obtained and reviewed financial information from the respective Boards and entered into discussions with Symbiont and the MoJ. On 5th February 2019, TBA were instructed to assist the respective Boards of the CRCs and WL to place the companies into Administration. Following this instruction, we continued to liaise with Symbiont and the MoJ. In accordance with the proposed strategy, the directors filed a Notice of Intention to Appoint an Administrator in the High Court of Justice on 4th February 2019 over WL and the CRCs.

Appendix 4 provides details of my firm's prior involvement with the Company, its directors and shareholders (and ultimate beneficial owners), including the safeguards introduced to reduce the ethical threats. Appendix 4 is a combined note in relation to WL and the CRCs. As required by the Insolvency Code of Ethics, James E Patchett and I considered the various threats to our objectivity

arising from this prior involvement. As stated in Appendix 4 we concluded that those threats were at an acceptable level such that we could still act objectively and hence could be appointed Joint Administrators of the Company.

On 14th February 2019, James E Patchett and I were appointed by the directors of the Company as Joint Administrators 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.

It should be noted that, in addition to the CRCs, James E Patchett and I were also appointed as Joint Administrators of WL on 14th February 2019 for the purposes of achieving the strategy outlined above.

2. OBJECTIVES OF THE ADMINISTRATION AND THE JOINT ADMINISTRATORS' STRATEGY FOR ACHIEVING THEM

As Joint Administrators of the Company, James E Patchett and I are officers of the Court, and must perform our 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, we are seeking to achieve objective (b) for the Company, and have done this by entering into a termination of the CRCs' Services Agreement with the MoJ, selling the Company's tangible assets shortly after appointment to KSS (the MoJ's preferred purchaser) and by continuing to provide certain infrastructure to KSS through WL. This overall strategy has preserved the jobs of circa 797 employees of the Company and the other two CRC companies, and additional employees of WL, and thus reduced overall employee liabilities in the respective Administrations. It will also have the effect of minimising claims in the Administrations in respect of counter claims for breach/termination of contracts. In addition, we have sought to realise the Company's remaining assets including a credit balance held in the Company's bank account, a substantial sum due to the Company from HMPPS and various outstanding balances due from trade debtors.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If we are unable to complete the Administration of the Company within 12 months then we will either apply to the Court, or seek a decision from the creditors to extend the duration of the Administration.

3. ACTIONS OF THE JOINT ADMINISTRATORS FOLLOWING APPOINTMENT

3.1. CRCs/MoJ

In order to ensure that KSS could continue to operate, the tangible assets of the Company were sold to KSS on 15th February 2019. The assets consisted primarily of motor vehicles. As previously mentioned, this sale was part of a wider transaction whereby KSS, as identified by the MoJ, took on the services previously provided by the CRCs under their contracts with the MoJ. Full details of the sales are provided in the Joint Administrators' SIP16 disclosure previously provided to creditors (a copy of which is attached as Appendix 5). Please note that as there were simultaneous sales of assets of related group companies, one document was prepared which covers all companies. This is primarily because the reasons for undertaking the sales were identical for each company.

The employees of the CRCs, and certain employees of WL relating to the MoJ contracts/CRC services, transferred to KSS under The Offender Management Act 2007 (Working Links) Staff Transfer Scheme 2019.

The following work has been required to be undertaken in relation to the CRC/MoJ sales/transfers:

- Agreeing the final terms of the sale;
- Liaising with solicitors in respect of the same;
- Agreeing the terms of the termination of the CRCs' Services Agreements;
- Entering into a Deed of Release with Symbiont to release their security for the purposes of executing the sale;
- Corresponding with KSS regarding post sale formalities;
- Dealing with enquiries and requests from the MoJ, particularly in relation to the transfer of employees and the provision of information/data.

3.2. Properties

The Company traded from various premises across the UK. These properties were occupied on a variety of terms, including under formal leases or just rolling rental agreements. In addition, WL held leases for other properties which were occupied by the CRCs.

A LtoO has been entered into to allow KSS to occupy the premises they require whilst they make separate arrangements for future use directly with the respective landlords. Some properties have not been retained for the purposes of the Administration.

The following work has been undertaken with regards to the properties and the LtoO:

- Notifications to the landlords of those properties that are being retained under the LtoOs;
- Correspondence with landlords to agree calculation of daily rental rates for retained properties;
- Reviewing rental invoices and arranging payments to landlords for post-appointment rent (and other associated obligations);
- Liaising with KSS regarding the occupation and vacation of certain properties.

3.3. Records

The Company's books and records were stored across the various trading premises and a third party document management facility.

Time has been spent liaising with staff, the existing third party storage provider, and others regarding these records. This process is ongoing.

The Joint Administrators are also seeking advice regarding their obligations under GDPR.

3.4. Business Rates

The Company traded from a number of premises across the UK. Since our appointment, we have sought to establish whether the Company is entitled to receive any refunds for business rates. We have instructed third party agents, CAPA, to undertake a review of the Company's property portfolio to establish whether any refunds are due.

3.5. RBS

In order to facilitate the receipt of funds owing to the Company, RBS were instructed to ensure that the Company's bank account remain open to receive credits only. Credit funds have been periodically transferred by RBS into the Administration estate account as and when requested.

The sum received from RBS to date may include some credits received post-Administration. Once the account has been closed, and all funds received, a reconciliation of these sums will be undertaken.

In addition, a number of cash deliveries totalling £1,665 (provided by a third party provider) were made to certain premises previously occupied by the Company. As these cash deliveries were made after the Administration had commenced, KSS agreed to reimburse these sums to the Administration. This sum is included in the cash at bank figure (as the cash deliveries were offset against the credit balance held by RBS).

The work undertaken in this regard relates to ongoing correspondence with RBS regarding the operation of the account and the transfer of funds and ongoing correspondence with KSS regarding the reimbursement of cash deliveries made post-administration.

3.6. Investigations

In accordance with Statement of Insolvency Practice 2, I have commenced an initial investigation into the Company's affairs to establish whether there are any potential asset recoveries or conduct matters that require further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. These investigations are ongoing.

3.7. Pensions

The Company operated three pension schemes and, whilst agents have been engaged to assist with our obligations in respect of the above pension schemes, the following work has been required in this regard:

- Dealing with the formalities of the instruction;

- Liaising with pension agents and dealing with queries;
- Corresponding with the Pension Protection Fund;
- Reviewing and authorising statutory notifications.

In addition to the above, I have undertaken routine statutory and compliance work, such as:

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.

Setting up electronic case files.

Setting up the case on the practice's electronic case management system and entering data.

Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.

Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).

Preparing, reviewing and issuing proposals to the creditors and members.

Filing the proposals at Companies House.

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the office holder's estate bank accounts.

Creating, maintaining and managing the office holder's cashbook.

Undertaking reconciliations of the bank accounts containing estate funds.

These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

I decided that the objective of the Administration was best achieved by the Company ceasing to trade on 14th February 2019, entering into a termination of its Services Agreement with the MoJ and selling the Company's tangible assets shortly after appointment to KSS (the MoJ's preferred purchaser).

I attach at Appendix 5 a copy of the disclosure I have previously made to creditors about the pre-pack sale. I was unable to issue my proposals at the time I made the SIP 16 disclosure because the sale of the CRCs' assets was part of a wider transaction. The SIP16 disclosure was required to be reviewed by the MoJ which delayed its circulation. The SIP16 statement was prepared separately to the Joint Administrators' proposals in light of the above.

4. FINANCIAL POSITION OF THE COMPANY

A summary of the Company's estimated financial position as at 14th February 2019 which is known as a Statement of Affairs ("SoA") is attached at Appendix 6.

My comments on the SoA are as follows. Where relevant, I have also commented on asset realisations which were not expected in the SoA.

4.1. Tangible assets

The directors' Statement of Affairs included an estimated to realise value of £1 for 'Fixed Assets.'

As disclosed previously, the tangible and intangible assets of the Company were sold to KSS on 15th February 2019 for the total sum of £14,750. Full details of this sale can be found in the SIP 16 disclosure but a summary is provided below.

MBV, a firm of independent professional valuers, were instructed to value the Company's assets on a desktop basis (in light of the type and location of these assets).

The valuation report was prepared by Chris Eckersley (MRICS Registered Valuer) and verified by Neil Duckworth (MA MRICS Registered Valuer). MBV confirmed that they hold adequate Professional Indemnity Insurance and they had no previous involvement in respect of the Company, and had no conflict of interest in preparing the valuation.

An outline of the different types of asset sold and the amount for which they were sold, together with a comparison against the valuation obtained, is as follows:

Asset category	Valuation basis & amount (£)		Sale Consideration (£)
	e.g. In-situ	e.g. Ex-situ	
<u>Fixed charge assets</u>			
IPR ¹	Nil	Nil	1
<u>Floating charge assets</u>			
Motor Vehicles	24,000	21,000	14,746
Furniture and Equipment ¹	Nil	Nil	1
<u>Uncharged assets</u>			
Intangibles ¹	Nil	Nil	1
Books and records ¹	Nil	Nil	1
Total	24,000	21,000	14,750

¹Whilst it is understood that the Company did not own any of these assets, a nominal sum of £1 was allocated to these items at the request of KSS.

The allocation of assets between fixed and floating realisations is subject to ongoing legal advice. It has been apportioned based on legal advice received by the Joint Administrators to date (but may be subject to change). To date, Symbiont has not disputed this advice.

MBV also advised that the Services Agreements with the MoJ did not hold any value. The Agreements precluded any transfer, assignment or otherwise without the specific written consent of the MoJ. In light of this (and also in light of the fact that the MoJ had already identified KSS as their preferred purchaser), MBV advised that there was no value in the Services Agreement or any of the CRCs' intangible assets.

Creditors will note that the sale consideration achieved for the motor vehicles is lower than both the in-situ and ex-situ valuations. It was considered that the best strategy to realise these assets was to seek a sale to the new service provider for the MoJ contracts (on the basis that they would have an immediate requirement for use of the assets). If a sale to the new provider could not be achieved, then MBV advised that a sale should be sought via a targeted marketing strategy. However, this would have required collection and relocation of the vehicles to one site. Not only would the costs of collecting and relocating the vehicles from all over the UK be significant (and likely outweigh any value), MBV advised that it would take circa 30 days to achieve. The offer from KSS was considered to represent the best outcome in the circumstances as it avoided the significant costs and delays in trying to collect the assets. Further, it was considered that any alternative interested party would not be willing to collect the assets in light of their nominal break-up value and the fact that the vehicles were in use by various employees of the CRCs.

4.2. Book debts – HMPPS

The SoA includes a debt due from HMPPS with a book value of £1,289,054 (for the period up to the end of January 2019). The directors placed a nil estimated to realise value on this debt for the purposes of the SoA on the basis that HMPPS have advised that they expect to be a creditor of the Company and intend to submit a subrogated preferential claim and an unsecured claim in the Administration.

4.3. Book debts – Trade Debtors

The SoA includes book debts with a book value of £50,878 and an estimated to realise value of nil. Realisations in this regard are speculative and are likely to be subject to disputes and hence, whilst a sum of £576 has been received to date, I am unable to estimate what additional recoveries (if any) will be made.

4.4. Cash at Bank

The SoA estimated that the sum of £701,316 would be realised in respect of the Company's cash at RBS. To date, the sum of £707,084.36 has been received, which includes reimbursement of £1,665 from KSS in respect of post-administration cash deliveries. The bank account was frozen by the Joint Administrators following appointment but remained open in order to collect monies due to the Company.

4.5. Preferential creditors

The only known preferential creditors are former employees of the Company for unpaid wages and holiday pay. Their claims are subject to a maximum limit set by the insolvency legislation.

On 15th March 2019, the MoJ put the Joint Administrators on notice that they will be formulating and submitting a subrogated preferential claim in respect of payments made by them to employees of the Company for wages etc. prior to Administration. This claim is yet to be received and the level of any claim is currently unknown.

4.6. 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 gave floating charges to Aurelius Sigma Limited on 4th June 2018 and 19th July 2018 in respect of a funding facility provided to WL and the prescribed part provisions will apply.

The funding facility provided by Aurelius Sigma Ltd to WL was secured by fixed and floating charges over all of the CRCs and cross-guarantees from the CRCs. The security held by Aurelius Sigma Limited was subsequently assigned to Symbiont under an Assignment Deed dated 28th September 2018. The SoA shows that the net property of the Company is £701,317 and based on this, the estimated prescribed part of the net property for unsecured creditors is £143,263.40. However, these estimates do not take into account any matters which may reduce the net property such as i) any potential subrogated preferential claim submitted by the MoJ or ii) the costs of the Administration, and/or any matters which may increase the net property such as i) any additional realisations, in particular the book debt paid by the MoJ, and ii) any reduction in Symbiont's liability as a result of distributions made by WL and/or one of the other CRCs. Based on current information, and after taking into account the costs of the Administration, I envisage being able to make a distribution of the prescribed part of the net property to the unsecured creditors, but I am unable to estimate the amount of that distribution at present.

In addition, I also anticipate that there will be sufficient funds available (after distributions to Symbiont from the Company, WL and one or more of the other CRCs) to enable Symbiont to be repaid in full. This would likely facilitate a distribution to unsecured creditors over and above the prescribed part (subject to the matters which may affect the outcome as mentioned above). As stated above, the sum owed to Symbiont is secured by fixed and floating charges over WL and fixed and floating charges and cross guarantees provided by the CRCs. There is no test or prescribed proportion that should be applied by each estate and the charges held by Symbiont do not provide that one entity has a primary liability for repayment. This means that each Administration estate is equally liable for the debt owed to Symbiont and it will be for the Joint Administrators of WL and the CRCs to calculate the appropriate level of distributions to Symbiont under the floating charges held by them.

Based on the information available to me, and in light of the above, it appears that floating charge distributions will be made in the Administrations of WL and one or more of the CRCs, thereby reducing the sum required to be paid to Symbiont under the floating charges held over the Company. At this stage, I am unfortunately unable to estimate the amount(s) Symbiont will receive from the Administrations of WL and/or the CRCs and consequently I am unable to estimate any distribution to unsecured creditors of the Company over and above the prescribed part.

5. JOINT ADMINISTRATORS' 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, 14th February 2019, to the date of these proposals, at Appendix 7.

I would comment as follows:

5.1. Tangible and Intangible assets

As previously reported, the Company's assets were sold to KSS for £14,750. A breakdown of the sale by asset category can be found earlier in these proposals.

5.2. Book Debts – Trade Debtors

A sum of £576 has been received from six debtors to date. Further recoveries are speculative.

5.3. Cash at Bank

To date, the sum of £707,084.36 has been received from RBS.

The above may include post-Administration credits in respect of debtor receipts. Once the account has been closed, and all funds received, a reconciliation will be undertaken.

5.4. Sundry Refunds

Although not included in the SoA, a nominal refund of £42.22 has been received in respect of an overpayment to a supplier.

5.5. Property Licence Fee

As detailed in the R&P account, a sum of £32,376.90 plus VAT (where applicable) has been received from KSS in respect of sums due under the LtoO. From this sum, payments totalling £442.25 plus VAT (where applicable) have been made to landlords following receipt of invoices for the period from 14th February 2019 to 28th February 2019. We are awaiting invoices from landlords before further payments can be made.

6. PROPOSED FUTURE ACTIONS OF THE JOINT ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company, the following work will be undertaken (in addition to the work already undertaken):

6.1. Investigations

As previously mentioned, the Joint Administrators will investigate the affairs of the Company to establish whether there are any potential asset recoveries or conduct matters that require further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. In addition, any matters brought to our attention will be considered and investigated as necessary.

Any additional recoveries made as a result of these investigations may facilitate an increased return to creditors. At this stage, however, I am not aware of any potential matters that require investigation, however, I should be pleased to receive from you any information that you have about the way that the Company's business was conducted or potential asset recoveries that you consider will assist me.

Within three months of our appointment, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work, which may indicate that the conduct of any past or present director would make him/her unfit to be concerned with the management of the Company. This report will be prepared and submitted in due course.

6.2. Book Debts

As previously mentioned, the sums received from RBS may include payments from debtors. Once the account has been closed, and all funds received, a reconciliation of these sums will be undertaken to

establish which debtors remain unpaid. Any unpaid debts will subsequently be pursued by the Joint Administrators (and any third party debt collection agents if deemed appropriate).

It is anticipated that this work will result in increased realisations in the Administration (and subsequent Liquidation).

6.3. LtoO

The following ongoing work will be required under the LtoO:

- Ongoing correspondence with KSS;
- Liaising with landlords regarding the retention of properties;
- Calculating and monitoring receipt of Licence fees from KSS;
- Agreeing and processing payments to landlords;
- Dealing with day to day queries from landlords;
- Preparing VAT receipts for KSS.

6.4. Business Rates

We will continue to liaise with business rates agents, CAPA, and local authorities to ascertain whether the Company is due to receive any business rates refunds.

6.5. Distributions to Symbiont

It is anticipated that distributions will be made under both the fixed and floating charges held by Symbiont. Time will therefore be spent calculating the appropriate level of distributions, corresponding with Symbiont, and processing payment of these distributions.

As previously stated, the charges held by Symbiont over WL and the CRCs do not stipulate that one entity has a primary liability for repayment. This means that each Administration estate is equally liable for the debt owed to Symbiont and it will be for the Joint Administrators of the Company and the CRCs to calculate the appropriate level of distributions to Symbiont under the floating charges held by them.

Based on the information available, and in light of the above, it appears that floating charge distributions will be made in the Administrations of WL and one or more of the CRCs, thereby reducing the sum required to be paid to Symbiont under the floating charges held over the Company.

6.6. Administration exit to CVL followed by a distribution to unsecured creditors

The Company's financial position (and overall position of the Group) means there is expected to be sufficient assets to pay a dividend to unsecured creditors over and above the prescribed part (subject to the matters which may affect the outcome as mentioned earlier in this report). Accordingly, it is currently intended that the Company exit administration via a CVL in order for a distribution to be made to unsecured creditors.

6.7. General

In addition, we will do all such things and generally exercise all powers as Joint Administrators as we in our discretion consider desirable or expedient in order to achieve the purpose of the Administration.

7. JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

I attach at Appendix 8 a copy of my practice fee recovery policy. In this case I am seeking to fix the basis of my remuneration on a time cost basis as detailed below:

My work in connection with this assignment cannot be identified with enough certainty for me to seek remuneration on a fixed or percentage basis. For all tasks in the Administration (and subsequent Liquidation), I propose to seek approval on a time cost basis. i.e. by reference to time properly spent by me and members of staff of the practice at our standard charge out rates. When I seek approval for my fees on a time cost basis I have to provide a fees estimate. That estimate acts as a cap on my time costs so that I cannot draw fees of more than the total estimated time costs without further approval from those who approved the fees. I attach two "Fees estimate summaries" at Appendix 9 that set out the work that I intend to undertake (one for the Administration and one for the subsequent Liquidation), the hourly rates I intend to charge for each part of the work, and the time that I think each part of the work will take. It includes a summary of that information in an average or "blended" rate for all of the work being carried out within the estimate.

As indicated in the fees estimate the following areas of work will be charged on a time cost basis in both the Administration (and subsequent Liquidation):

- Administration
- Creditors
- Realisation of Assets
- Investigations
- Case specific matters.

The following provides further information about the areas of work for which I am seeking approval on a time cost basis, whilst full information about the work that I will undertake on a time cost basis is contained in Appendix 10.

Administration:

This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder (and their managers). It does not provide a direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Case specific matters:

The case specific work which has been, or will be, undertaken in this case has been set out in these proposals and in Appendix 9. The majority of time in this category will be spent dealing with the LtoO and liaising with KSS and landlords in respect of the same. Whilst this work does not provide a financial benefit to the estate, it is required to assist the transfer of services and staff which, as previously stated, will serve to (a) reduce/avoid claims in the Administration which will benefit the position of unsecured creditors, and (b) enable essential services to vulnerable members of the public across to continue.

Creditors:

Employees - The office holder will need to review and reconcile any subrogated preferential claim submitted by the MoJ and any unsecured claim for any sums over and above the statutory preferential limit.

Agents may be required to be instructed to deal with this but the office holders will be required to correspond with the agents and liaise with the MoJ and solicitors to deal with matters and queries in this regard.

Claims of creditors - the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

Investigations:

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary.

The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

Realisation of Assets:

This is the work that needs to be undertaken to protect and then realise the known assets in the case. Assets may exceed the estimated to realise amounts provided to creditors in the directors' SoA (although this will depend on the outcome of the MoJ debtor/creditor position).

More details of the tasks included in these categories are included in the fees estimates. I estimate that the total time costs that I will incur in undertaking these tasks in this case will be as follows:

£103,895.00 at a "blended" rate of £239.11 per hour for work undertaken in the Administration.
£26,727.50 at a "blended" rate of £225.55 per hour for work undertaken in the Liquidation.

The above equates to a total of £130,622.50 at an overall "blended" rate of £236.21 per hour for all work undertaken in the Administration and subsequent Liquidation as detailed in Appendix 9.

These estimates have been provided to creditors at a relatively early stage in the administration of the case and before the office holders have full knowledge of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holders' current knowledge of the case and their knowledge and experience of acting as office holders in respect of cases of a similar size and apparent complexity. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case by the office holders exceed the estimate, or are likely to exceed the estimate, the office holders will provide an explanation as to why that is the case in the next progress report sent to creditors. Since the office holders cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where the office holders consider it appropriate in the context of the case, they will seek a resolution to increase the fee estimate so that they will then be able to draw additional remuneration over and above this estimate.

I anticipate needing to seek approval to exceed the estimate if this work leads to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings.

To date a total of 91 hours have been spent working on the above tasks in the Administration, and total time costs to date are £21,675 charged at an average charge out rate of £238.19. Details of the time units used and current charge-out rates are provided in our practice fee recovery sheet, a copy of which is enclosed at Appendix 8. I attach, in respect of the areas of work where I am seeking to charge fees on a time cost basis, an analysis of time costs incurred to date by reference to grade of staff and work done at Appendix 11.

The work for which fee approval is being sought includes the work that will need to be undertaken should the Joint Administrators be appointed Liquidators either following conversion to Creditors' Voluntary Liquidation or upon the making of a winding up order.

If a Creditors' Committee is appointed, it will be for the Committee to approve the basis of the Joint Administrators' remuneration. If a Committee is not appointed, then I will be seeking a decision from the creditors at the same time I seek a decision from them on whether or not to approve these proposals.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.turpinbainsolvency.co.uk/fees-and-links>. There are different versions of these Guidance Notes, and in this case please refer to the April 2017 version. Please note that we have also provided further details in the practice fee recovery sheet.

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

<u>Professional Advisor</u>	<u>Nature of Work</u>	<u>Fee Arrangement</u>
MBV	Valuer/Auctioneer	Time costs
CRS	Solicitors	*
Buzzacott	Tax advice/assistance	Time costs
Clumber Consultancy Limited	Pension services	Fixed fees (where appropriate) plus time costs
CAPA	Business rates analysis	Percentage of realisations

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

The following work was undertaken by the above following our appointment:

MBV

A summary of the work undertaken by MBV is as follows:

- Undertaking negotiations with KSS and their advisors in respect to the sale of various motor vehicles owned by the Company;
- Providing support to the Joint Administrators throughout negotiations with KSS and assisting in identifying assets for transfer to KSS;
- Liaising with Hitachi Capital Finance and KSS in relation to the identification of motor vehicle V5 Registration documents in order to assist in the sale/ownership transfer from the Company to KSS;
- Co-ordinating the recovery of the Company's records from the WL headquarters in Middlesbrough;
- Providing general assistance to the Joint Administration throughout.

CRS

CRS has been instructed to provide legal advice and assistance to the Joint Administrators of WL (and by default the CRCs) on a number of matters, including the following:

- Providing advice on the validity of the security held by Symbiont;
- Confirmation of the treatments of various assets and the extent to which Symbiont's charge over them is fixed or floating (or that the asset is not subject to any charge);
- Liaising directly with legal representatives of key stakeholders and interested parties;
- Dealing with post-sale formalities;
- Reviewing data requests from third parties and advising on GDPR obligations;
- Advising on property issues raised by landlords;
- Dealing with ad hoc queries as and when appropriate.

*CRS has advised that they have not accrued any post-administration costs solely relating to the CRCs. The majority of work they've undertaken relates to WL but has also applied in certain instances to the CRCs.

Buzzacott

Buzzacott have been instructed to provide tax advice to the Joint Administrators and assist in finalising the Company's pre and post-Administration tax returns. The work undertaken to date mainly comprises initial set ups, data entry for the tax computations, and liaising with the Joint Administrators regarding additional queries.

Clumber Consultancy Limited

Clumber Consultancy Limited has been instructed to assist the Joint Administrators in dealing with the Company's pension schemes and the associated obligations. The work undertaken to date is as follows:

- Preparing pension scheme reports (fixed fee);

- Completion and submission of statutory Pensions Act notifications for all relevant schemes (fixed fee);
- Ongoing advice and assistance to the Joint Administrators in respect of pension matters (time costs).

CAPA

CAPA have been instructed to undertake a review of the Company's business rates position with a view to establishing if any refunds are due. As this review is still being undertaken, I am unable to estimate what realisations may be made in this regard.

Details of the expenses incurred (and paid) to date are as follows:

Type of expense	Amount incurred/accrued since appointment	Amount paid	Amount still to be paid
Agents'/Valuers' Post-appointment fees	£1,680.00	£1,680.00	N/A
*Legal Fees	£nil	£nil	£nil
Specific Bond	£1,030.00	£1,030.00	N/A
Statutory Advertising	£77.75	£77.75	N/A
Pension Agents' Post-appointment fees	£384.00	£75.00	£309.00
Tax Advisor Fees	£590.75	£nil	£590.75
TOTAL	£3,762.50	£2,862.75	£899.75

I anticipate that expenses totalling £38,057.75 will arise in these proceedings, (together with any subsequent Liquidation) as detailed in Appendix 12. Expenses do not have to be approved, but when reporting to any committee and the creditors during the Administration (together with any subsequent Liquidation,) the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences (for example, where legal costs rise due to escalated recovery action).

8. PRE-ADMINISTRATION COSTS

The Board of Directors formally instructed me to assist them in placing the Company in Administration on 5th February 2019. They agreed that I should be paid my pre-administration costs on a time cost basis estimated at £25,000. I attach at Appendix 13 a detailed time cost table showing the pre-appointment time costs incurred by category and staff grade at my firm.

In addition to my own time costs, the following expenses were incurred:

<u>Professional Advisor</u>	<u>Nature of Work</u>	<u>Basis of Fees</u>
MBV	Valuer/Auctioneer	Time costs + Disbursements
CRS	Solicitors	Time costs + Disbursements

The following work was undertaken:

Agents' Fees

MBV were engaged to value the tangible assets of the Company. MBV also advised on the overriding strategy which was to refrain from marketing the business and assets and to seek a sale of the assets to KSS as they would be providing continued services to members of the public (in accordance with their varied MoJ contracts).

MBV provides specialist advice to corporate recovery professionals and banks regarding insolvent companies. MBV have a clear understanding of the complexities of insolvency procedures and offer a complete business sales and marketing service.

Legal Fees

CRS were instructed to provide ongoing assistance and advice to the proposed Joint Administrators in relation to all pre-Administration matters. These include, but are not limited to, the following:

- Discussions with Symbiont and a review of the security held over the Group;
- Reviewing and preparing relevant documentation relating to placing the Company into Administration;
- Ongoing correspondence with key stakeholders (and their representatives), including the MoJ and KSS;
- Advice on the strategy adopted;
- Preparation of sale agreements, LtoO and associated documentation.

CRS is a law firm headquartered in London with offices in the UK, Europe and the Middle East. The CRS Corporate Recovery & Insolvency team is ranked in Chambers and Partners and Legal 500 for both London and the South. CRS were instructed in this matter as they have the requisite knowledge and experience in dealing with such matters.

This work was required to achieve the purpose of the Administration and facilitate a sale of the tangible assets to KSS (as part of the wider public interest transaction) whilst also engaging with key stakeholders to facilitate ongoing supply of third party services to enable contracts and staff to be transferred following Administration. This avoided significant employee claims in the Administration and minimised any claims which would arise upon the termination of contracts.

I also assisted the Board take the appropriate steps to place the Company into Administration. This task (together with some of the other tasks mentioned above) is required by statute or regulatory guidance, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

The following statement sets out my pre-administration costs incurred. The statement also shows those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds.

Description	Total pre-appointment costs incurred £	Paid pre-appointment by the Group £	To be paid £
Joint Administrators' remuneration	3,912.50	Nil	3,912.50
Valuation agents' fees	6,800.00	5,000.00	1,800.00
Legal Fees	7,555.00	£nil	7,555.00
TOTAL	18,267.50	5,000.00	13,267.50

The pre-administration costs that have already been paid were paid prior to the Administration by the Company.

If a Creditors' Committee is appointed, it will be for the Committee to approve payment of the pre-administration costs that have not yet been paid. If a Committee is not appointed, then since the pre-administration costs that have not yet been paid cannot be approved as part of these proposals, I will be seeking a separate decision from the creditors in accordance with rule 3.52 at the same time I seek a decision from them on whether or not to approve these proposals.

9. JOINT 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.

10. 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 addresses are in the United Kingdom.

11. JOINT ADMINISTRATORS' PROPOSALS

In order to achieve the objective set out at section 3 above, James E Patchett and I 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) Close the Company's bank account and realise the closing balances;
 - (ii) Reconcile the Company's debtor position and pursue any outstanding sums;
 - (iii) Continue to carry out necessary work under the terms of the LtoO;
 - (iv) Calculate and process dividends to Symbiont;
 - (v) Investigate the conduct of the Directors and prepare a confidential report to the Secretary of State;
 - (vi) Review and reconcile any subrogated preferential claim submitted by the MoJ.
 - (vii) Review, reconcile and liaise with the MoJ regarding any sums due to/from the Company.

- (viii) 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
 - (ix) 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) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that Martin C Armstrong and James E Patchett are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators.

Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved. Information about the approval of the proposals is set out at section 13.

- (c) the 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.
- (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 Martin C Armstrong and James E Patchett are appointed Joint Liquidators of the Company by the Court.

12. APPROVAL OF PROPOSALS

I am seeking decisions by correspondence from the creditors to approve my proposals, approve my pre-administration costs and to fix the basis of my remuneration. If a creditor wishes to vote on the decisions, they must complete and return the enclosed voting form to me by no later than 23.59 on 25th April 2019, the decision date. If a creditor has not already submitted proof of their debt, they should complete the enclosed form and return it to me, together with the relevant supporting documentation. A vote on the decisions by a creditor will not count unless they have lodged proof of their debt by no later than 23.59 on 25th April 2019.

Creditors are also invited to determine whether to form a Creditors' Committee, and a notice of invitation to form a Creditors' Committee and further instructions are enclosed. To enable the creditors to make an informed decision as to whether they wish to either seek to form a Committee, or to nominate themselves to serve on a Committee, further information about the role of the Committee and what might be expected from its members has been prepared by R3 and is available at the following link:

<https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>

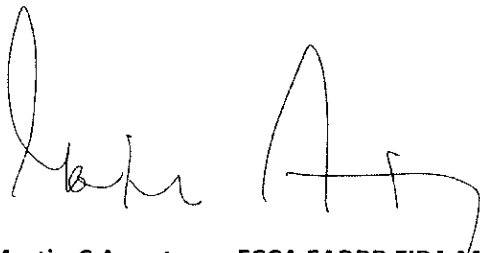
Please note that I must receive at least one vote by the decision date or the decisions will not be made. I would therefore urge creditors to respond promptly.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice that accompanies this letter. Such requests must be supported by proof of their debt, if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

13. FURTHER INFORMATION

To comply with the Provision of Services Regulations, some general information about Turpin Barker Armstrong, including about our complaints policy and Professional Indemnity Insurance, can be found at <https://www.turpinbainsolvency.co.uk/fees-and-links>.

If creditors have any queries regarding these proposals or the conduct of the Administration in general, or if they want hard copies of any of the documents made available on-line, they should contact this office by telephone on 020 8661 4004, or by email at workinglinks@turpinba.co.uk.

A handwritten signature in black ink, appearing to read 'Martin Armstrong', written in a cursive style.

Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator

The Joint Administrators are agents of the Company and act without personal liability.

APPENDIX 1
STATUTORY INFORMATION

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

STATUTORY INFORMATION

Company Information

Company name:	The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited
Previous name:	N/A
Trading name:	N/A
Company number:	08802537
Date of incorporation:	4 th December 2013
Trading addresses:	Attached at Appendix 2 is a schedule of all known trading addresses.
Current registered office:	Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA
Former registered office:	Queensway House, The Hedges St Georges, Weston Super Mare, Avon, BS22 7BB
Principal trading activity:	Justice and judicial activities

Appointment Details

Administrators	Martin C Armstrong and James E Patchett
Administrators' address	Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey, SM1 4LA
Date of appointment	14 th February 2019
Court name and reference	High Court of Justice 873 of 2019
Appointment made by:	The directors of the Company
Actions of Administrators:	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

Officers of the Company:

<i>Directors:</i>	<i>Name:</i>	<i>Shareholding</i>
	John Wiseman	Nil
	Stephen Jones	Nil
<i>Company secretary:</i>	<i>Name:</i>	<i>Shareholding</i>
	N/A	N/A

Shareholders of the
Company:

<i>Shareholders:</i>	<i>Name:</i>	<i>Shareholding</i>
	Working Links (Employment) Ltd	10 ordinary shares
	Secretary of State for Justice	1 preference share

Share capital

<i>Authorised</i>	<i>Allotted, called up and fully paid</i>
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10 ordinary shares of £1 each	10 ordinary shares of £1 each
1 preference share of £1 each	1 preference share of £1 each

The preference share does not carry an entitlement to share in capital or profits of the Company; however, they it does carry certain voting rights. Accordingly, whilst Working Links (Employment) Limited ("WL") owns 100% of the equitable interest in the Company; it only holds 90.91% of the controlling shares.

Charges

Companies House states that the following charges are registered against the Company:

<u>Person entitled</u>	<u>Description</u>	<u>Created</u>	<u>Delivered</u>	<u>Satisfied</u>
The Royal Bank of Scotland Plc	Fixed charge	30/09/2015	05/10/2015	07/06/2018
Aurelius Sigma Limited	Fixed & Floating Charge	04/06/2018	06/06/2018	N/A
Aurelius Sigma Limited	Fixed & Floating Charge	19/07/2018	25/07/2018	N/A

The Company provided security to The Royal Bank of Scotland Plc ("RBS") (by way of a fixed charge created on 30th September 2015) and to the ultimate controlling party, Aurelius Sigma Limited (by way of fixed and floating charges created on 4th June 2018 and 19th July 2018). The security held by Aurelius Sigma Limited related to a funding facility of c.£11m made available to WL. The purpose of the facility was to allow WL to repay an existing RBS facility and existing shareholder loans. The facility was secured by fixed and floating charges over WL and the CRCs and was also supported by cross-guarantees from the CRCs. The security held by Aurelius Sigma Limited was subsequently assigned to Symbiont Facility Services Limited ("Symbiont") under a Deed of Assignment dated 28th September 2018. The RBS fixed charge was satisfied on 7th June 2018.

APPENDIX 2
SCHEDULE OF TRADING ADDRESSES

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Property Address
Bath, The Old Convent, 35 Pulteney Road, Bath, Somerset, BA2 4JE SITE 1
Bristol, 1 Bridewell Street, Bristol, Avon, BS1 2AA
Bristol, Ceeds, Ujima House, 97-107 Wilder Street, St Pauls, Bristol, BS2 8QU
Bristol, Eden House, 11-13 Snowdon RD, Fishponds, Bristol
Bristol, Restore - Horfield 4-6 Longmead Avenue Bristol BS7 8QB
Cheltenham, Extra coms room 2-F02 - First Stop, 301-305 High Street Cheltenham GL50 3DA
Cheltenham, Hesters Way Police Station, Princess Elizabeth Way, Hesters Way, Cheltenham GL51 7SG
Cheltenham, Office space First Stop, 301-305 High Street Cheltenham GL50 3DA
Cirencester Police Station, The Forum, Cirencester, Gloucestershire GL7 2PG.
Gloucester, Twyver House, Bruton Way, Gloucester GL1 1DQ
Minehead Police Station, Townsend Road Minehead
Stroud, Open House, 1 Gloucester St, Stroud, GL5 1QG
Swindon, Second Floor, Centenary House, 150, Victoria Rd, Swindon, Wiltshire, SN1 3UZ
Trowbridge, Charlton and Caen Rooms, County Hall. Bythesea Road, Trowbridge, Wiltshire BA148JN
Worle, Interview Rooms, Queensway House, The Hedges, St Georges, Weston-Super-Mare BS22 7BB
Worle, Queensway House, The Hedges, St Georges, Weston-Super-Mare BS22 7BB FIRST FLOOR
Yeovil, 22 Hendford Yeovil, Somerset BA20 2QD
Bristol, 1 Bridewell Street, Bristol, Avon, BS1 2AA
Bristol, Ceeds, Ujima House, 97-107 Wilder Street, St Pauls, Bristol, BS2 8QU
Bristol, Eden House, 11-13 Snowdon RD, Fishponds, Bristol
Bristol, Restore - Horfield 4-6 Longmead Avenue Bristol BS7 8QB
Cheltenham, Office space First Stop, 301-305 High Street Cheltenham GL50 3DA
Cheltenham, Hesters Way Police Station, Princess Elizabeth Way, Hesters Way, Cheltenham GL51 7SG
Gloucester, Twyver House, Bruton Way, Gloucester GL1 1DQ
Minehead Police Station, Townsend Road Minehead
Stroud, Open House, 1 Gloucester St, Stroud, GL5 1QG
Swindon, Second Floor, Centenary House, 150, Victoria Rd, Swindon, Wiltshire, SN1 3UZ
Trowbridge, Charlton and Caen Rooms, County Hall. Bythesea Road, Trowbridge, Wiltshire BA148JN
Worle, Queensway House, The Hedges, St Georges, Weston-Super-Mare BS22 7BB FIRST FLOOR
Yeovil, 22 Hendford Yeovil, Somerset BA20 2QD
Cheltenham, Extra coms room 2-F02 - First Stop, 301-305 High Street Cheltenham GL50 3DA
Worle, Interview Rooms, Queensway House, The Hedges, St Georges, Weston-Super-Mare BS22 7BB
Cirencester Police Station, The Forum, Cirencester, Gloucestershire GL7 2PG.
Bath, The Old Convent, 35 Pulteney Road, Bath, Somerset, BA2 4JE SITE 1

APPENDIX 3

SUMMARY OF RECENT TRADING PERFORMANCE

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

SUMMARY OF RECENT TRADING PERFORMANCE

	DRAFT ACCOUNTS P/E 31/12/2018	AUDITED STATUTORY ACCOUNTS Y/E 30/09/2017	AUDITED STATUTORY ACCOUNTS Y/E 30/09/2016
Turnover	20,195,202	16,608,505	20,938,188
Gross Profit	20,195,202	16,608,505	20,938,188
Administration Expenses	(18,824,954)	(18,368,723)	(24,425,859)
Other operating income	13,549	685	15,526
Operating Profit / (Loss)	1,383,797	(1,759,533)	(3,472,145)
Other Interest Receivable and Similar Income	0	306	0
Interest Payable and Similar Charges	(5,716)	(9,167)	0
Profit / (Loss) before Tax	1,378,080	(1,768,394)	(3,472,145)
Tax on Profit / (Loss)	(57,195)	(73,147)	412,279
Profit / (Loss) for the financial year	1,320,885	(1,841,541)	(3,059,866)

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

APPENDIX 4

DETAILS OF PRIOR INVOLVEMENT AND ETHICAL CONSIDERATIONS

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

CONSIDERATION OF ACCEPTANCE OF APPOINTMENT AS JOINT ADMINISTRATORS OF:

WORKING LINKS (EMPLOYMENT) LIMITED ("WL")

and

THE BRISTOL, GLOUCESTERSHIRE, SOMERSET AND WILTSHIRE COMMUNITY REHABILITATION COMPANY LIMITED ("BGSW CRC")

THE DORSET, DEVON AND CORNWALL COMMUNITY REHABILITATION COMPANY LIMITED ("DCC CRC")

THE WALES COMMUNITY REHABILITATION COMPANY LIMITED ("W CRC")

(together "the CRCs")

It was proposed that James E Patchett and I are appointed as Joint Administrators of WL and the CRCs. The directors and shareholders of the companies are as follows:

Company	Directors	Shareholder(s)	Ultimate Beneficial Owner
WL	Rajesh Patel Stephen Jones	Aurelius Sigma Limited	Aurelius Equity Opportunities SE & Co KGaA
BGSW CRC	John Wiseman Stephen Jones	WL and the MoJ	Aurelius Equity Opportunities SE & Co KGaA
DCC CRC	John Wiseman Stephen Jones	WL and the MoJ	Aurelius Equity Opportunities SE & Co KGaA
W CRC	Dawn Blower Stephen Jones	WL and the MoJ	Aurelius Equity Opportunities SE & Co KGaA

The Aurelius Group (of which Aurelius Equity Opportunities SE & Co KGaA is the ultimate holding company) is a pan-European asset manager with offices in Munich, London, Stockholm, and Madrid. The Aurelius Group is focused on identifying investment opportunities and in light of the risk associated with investment opportunities, has been involved in previous insolvency procedures.

Aurelius Equity Opportunities SE & Co KGaA is quoted on the German Stock Exchange and is the ultimate parent company of the Group.

Attached to this note is a schedule of companies that we have previously acted in respect of (or are currently acting in respect of) which, whether directly or indirectly, are connected to WL's beneficial owner, Aurelius Equity Opportunities SE & Co KGaA (as part of the Aurelius Group).

In addition to the above, I have attached a schedule of companies that we are currently acting in respect of which, whether directly or indirectly, are connected to Friedrich Trautwein, a director of Symbiont Facility Services Limited ("Symbiont"), the secured creditor of WL and the CRCs.

I can confirm that neither my firm nor I carried out any work for the entities detailed in the attached schedule at any time prior to these appointments other than disclosed in this note. Further, I can confirm that prior to being asked by the Board to assist in this matter, Turpin Barker Armstrong had no involvement with WL or its directors (aside from advice to the Board of WL regarding the financial position and the proposed Administration). The advice was provided to WL under formal engagement by the Board of Directors ("the Board") which took

effect on 21st January 2019. Following this advice, this firm was instructed to assist the respective Boards of WL and the CRCs to place them into Administration on 5th February 2019.

In such circumstances it is important to consider the ethical considerations.

Considerations

Accordingly I reviewed the ACCA Handbook 2019 Part D Insolvency Code of Ethics; Sections 1 & 2.

It is evident that it is important to identify any threats to the fundamental principles and to evaluate those threats and to ensure that any threats are reduced to an acceptable level. I considered whether or not there were “self-interest”, “self-review”, “advocacy”, “familiarity” or “intimidation” threats that could threaten compliance with the Fundamental Principles. I also considered whether or not the relationships set out in this note were significant to the conduct of the insolvency appointment. I considered the following matters:

“Self-interest”

Aurelius Equity Opportunities SE & Co KGaA

My firm’s actual/anticipated fees for the instructions to date which are connected to the Aurelius Group are detailed on the attached schedule. In the period since our first appointment, the engagements detailed on the attached schedule collectively make up (or are expected to make up) the following percentages of practice turnover per annum:

Tax year	Total % of practice turnover (actual/anticipated)
2015	1.74%
2016	7.44%
2017	5.45%
2018	8.61%
2019	0.17%
2020	14.02%
2021	14.02%

I do not consider the above to be a significant element of practice turnover which would give rise to a material self-interest threat. The increase in 2020 and 2021, whilst significant, is principally attributable to the instruction in respect of WL which is only expected to run for 2 years over both the Administration and Liquidation. Furthermore, the appointments of Administrators were by the Board of Directors (with the consent of the charge holder), which had no involvement by any “Aurelius” company. I therefore consider that this threat is at an acceptable level.

Friedrich Trautwein

My firm’s actual/anticipated fees for the instructions to date which are connected to Mr Trautwein (other than WL and the CRCs) are detailed on the attached schedule. I do not consider the fees in relation to these assignments to be a significant element of practice turnover which would give rise to a material self-interest threat.

WL & the CRCs

As stated above, and on the attached schedule, my firm's anticipated fees for the instructions in respect of WL and the CRCs are estimated at 14.02% of practice turnover for 2020 and 2021. This significant increase only relates to two years and is directly attributable to the four assignments and their linked nature. Whilst separate office holders could be appointed to deal with all four appointments, it is considered that this would in fact increase costs and have a detrimental impact on the outcome for creditors. Any fees received on these assignments will be disclosed fully and be subject to review and agreement by creditors.

Although it could be perceived that there is a material self-interest threat, on the basis that the fees are subject to approval from creditors, and all major decisions have been taken with the guidance and agreement of key stakeholders, including the Ministry of Justice ("MoJ"), I consider that this threat is at an acceptable level.

Finally, it is understood that there are intercompany balances between WL and the CRCs. The claims in the connected Administrations are to be calculated and verified by an independent third party.

Notwithstanding the above, all self-interest threats will be subject to ongoing review.

"Self-review"

Aurelius Equity Opportunities SE & Co KGaA

Whilst we have acted in respect of companies connected to the ultimate beneficiary, there is no evidence to suggest any of these companies had any dealings with WL or the CRCs that would require me to review my firm's previous work on other assignments.

I do not therefore consider there to be any threat of self-review in respect of any work undertaken during my role as office-holder in the previously mentioned insolvencies.

Friedrich Trautwein

We have not carried out professional work for the above previously and therefore do not consider there to be any self-review threats. Further, the work undertaken in respect of companies connected to Mr Trautwein is completely unrelated to this assignment and so would not require any self-review.

I do not therefore consider there to be any threat of self-review in respect of any work undertaken during my role as office-holder in the prior insolvencies connected to Mr Trautwein.

WL & the CRCs

There may be self-review threats in respect of the asset sales proposed to be entered into in respect of the CRCs. However, these sales are being entered into (a) as the preferred route of the MoJ and (b) subject to independent valuation. The proposed purchaser was a preferred purchaser and has had its own MoJ contract varied to enable it to undertake the services previously provided by the CRCs (and enabled all staff of the CRCs (and some staff of WL) to transfer under the Offenders Management Act 2007).

We have also not acted on behalf of, or carried out work for, any officer/shareholder (current or former) directly. We are, however, instructed to carry out the concurrent insolvency processes of WL and the CRCs which have common directors and advice has been provided to the Board of WL in this regard.

Notwithstanding the above, all self-review threats will be subject to ongoing review.

“Familiarity”

Aurelius Equity Opportunities SE & Co KGaA

Whilst there could be a perception of familiarity, as we are acting for companies connected to the Aurelius Group, I do not believe this could threaten compliance with the Fundamental Principles.

We have not carried out any work for WL/the CRCs or the directors previously (aside from advice to the Board of WL prior to formal instruction in respect of Administration).

Any prior contact with the ultimate beneficial owner in respect of the prior assignments will not have been substantial. Contact would have been limited to issuing statutory notices and requesting any relevant documentation/information.

If required, we will obtain independent legal advice on any matters which may arise as a result of our investigations. The office holders will be guided by the legal advice received.

Friedrich Trautwein

Whilst there could be a perception of familiarity, as we are interacting with the secured creditor (of which Friedrich Trautwein is a director) during this assignment, I do not believe this could threaten compliance with the Fundamental Principles.

Aside from the instructions disclosed in this note, we have not carried out any work for Symbiont or its directors previously.

Any prior contact with Mr Trautwein in respect of the prior assignments will not have been substantial. Contact would have been limited to obtaining information/documentation in respect of the companies in question.

If required, we will obtain independent legal advice on any matters which may arise as a result of our investigations. The office holder will be guided by the legal advice received.

WL & the CRCs

This firm was only instructed by the Board of WL with effect from 21st January 2019 and subsequently instructed by the directors of WL and the CRCs on 5th February 2019. In view of the relatively short time frame since first contact I do not believe there to be any familiarity threats in respect of WL and the CRCs. Further, the CRCs also have directors which are not connected to WL/the other CRCs, further reducing any perceived familiarity threats.

Notwithstanding the above, all familiarity threats will be subject to ongoing review.

“Advocacy”

Aurelius Equity Opportunities SE & Co KGaA

I do not believe there to be any advocacy threats arising from prior appointments over Aurelius Group companies. Aurelius have had no involvement in these assignments and there is no prospect of any return to the shareholder, which is part of the Aurelius Group.

Friedrich Trautwein

I do not believe there to be any advocacy threats arising from prior appointments connected to Friedrich Trautwein. Mr Trautwein is a director of the charge holder which, based on the information available to me currently, is fully secured.

WL & the CRCs

I do not believe there to be any advocacy threats relating to the positions of the directors. There has not been, and will not be, any sales to connected parties based on current known information (other than the sale of shares in Turas Nua Limited, over which the existing shareholders have first option). Further, the purchasers for the CRCs assets (and staff) identified to date have been specifically identified by the MoJ. All sales have been subject to advice from independent valuation agents and the office holders have been guided by this advice.

Notwithstanding the above, all advocacy threats will be subject to ongoing review.

“Intimidation”

Aurelius Equity Opportunities SE & Co KGaA

There are no known intimidation threats in respect of the ultimate beneficial owner.

Friedrich Trautwein

It could be perceived that Mr Trautwein, on behalf of the charge holder, could seek to intimidate us to improve the charge holder's position. As stated above, based on current information, the charge holder appears to be fully secured and will be repaid in full. Legal advice has been, and will continue to be, sought in respect of the validity of the security held by Symbiont and the assets over which their debt is secured. The office holders will be guided by, and act in accordance with, this independent advice. I therefore do not consider there to be any intimidation threats in this regard.

WL & the CRCs

There are no known material intimidation threats. All asset sales are subject to advice from independent valuation agents and any intercompany claims will be based upon the respective companies accounting records. Where necessary, independent verification and advice will be sought on the intercompany balances. As previously stated, the CRCs also have directors that are not directors of WL, reducing any perceived threats further.

Notwithstanding the above, all intimidation threats will be subject to ongoing review.

I considered whether or not my previous appointments would impair my objectivity or be perceived to impair my objectivity. I have concluded that any threat to the Fundamental Principles is at an acceptable level such that a reasonable and informed third party having knowledge of all relevant information would conclude to be an "acceptable" level of threat. In reaching this conclusion I considered all of the matters detailed above together with the following safeguards to reduce the threat:

1. The appointments will be subject to ongoing review.
2. *Prior relationships have been/will be disclosed to major creditors and all relevant stakeholders (incl. Ministry of Justice).*
3. Independent agents are being utilised to value the assets of WL and the CRCs and to advise on any sales.
4. Independent legal advisors are being utilised to provide advice on various matters arising during these assignments.
5. An independent third party is being utilised to calculate and verify the sums owed to WL by the CRCs.
6. Should the level of threat increase to an unacceptable level, an independent third party/IP will be instructed to carry out any other necessary aspects of the insolvencies.

Martin Armstrong

Schedule of companies that we have previously acted in respect of (or are currently acting in respect of) which, whether directly or indirectly, are connected to WL's beneficial owner, Aurelius Equity Opportunities SE & Co KGaA.

Name	Type of Appointment	Appointment date	Case Closure date	Actual/expected duration (rounded to nearest year)	Actual/anticipated fees (excluding VAT)	Fees as % of practice turnover per annum
Transform Medical Group (CS) Ltd	Administration	30/06/2015	N/A – Case open	4 years	£250,000	1.39%
Transform Aesthetics Ltd	Creditors' Voluntary Liquidation	17/07/2015	06/04/2016	<1 year	£5,000	0.11%
Transform (Property) Ltd	Creditors' Voluntary Liquidation	17/07/2015	06/04/2016	<1 year	£5,000	0.11%
Health & Surgical Holdings Ltd	Creditors' Voluntary Liquidation	17/07/2015	14/09/2017	2 years	£5,921	0.13%
PD Verwaltung GmbH	Creditors' Voluntary Liquidation	22/07/2016	27/09/2017 (alternative Liquidator appointed)	1 year	£50,000	1.25%
The Hospital Group Healthcare Limited	Administration	06/10/2016	N/A – Case open	3 years	£160,000	1.19%
Surgicare Medical Limited	Administration	06/10/2016	06/10/2017	1 year	£13,239	0.29%
Dolan Park Limited	Administration	06/10/2016	21/07/2018	2 years	£50,161	0.56%
The Hospital Group Obesity Surgery Limited	Creditors' Voluntary Liquidation	28/10/2016	10/10/2017	1 year	£2,500	0.06%
The Hospital Group Non-surgical Limited	Creditors' Voluntary Liquidation	28/10/2016	10/10/2017	1 year	£2,500	0.06%
The Hospital for Cosmetic Dentistry Ltd	Creditors' Voluntary Liquidation	28/10/2016	10/10/2017	1 year	£2,500	0.06%
Nu-Age Medical Limited	Creditors' Voluntary Liquidation	28/10/2016	10/10/2017	1 year	£2,500	0.06%
TWP (Newco) 65 Limited	Creditors' Voluntary Liquidation	28/10/2016	N/A – Case open	3 years	£2,500	0.06%
The Hospital Medical Group Holdings Limited	Creditors' Voluntary Liquidation	28/10/2016	N/A – Case open	3 years	£2,500	0.06%
The Hospital Group Cosmetic Surgery Ltd	Creditors' Voluntary Liquidation	11/11/2016	10/10/2017	1 year	£29,873	0.66%
Imerplast UK Limited	Company Voluntary Arrangement	07/12/2016	N/A – Case open	3 years	£217,500	1.61%
Bowens International Limited	Advice	08/05/2017	14/07/2017	<1 year	£12,250	0.31%
Bowens International Limited	Creditors' Voluntary Liquidation	14/07/2017 (date of instruction)	N/A (alternative liquidator appointed)	<1 year	£7,500	0.19%
Aurelius Omega Limited	Creditors' Voluntary Liquidation	Did not proceed	N/A - Did not proceed	<1 year	£9,000	0.2%
Nestor Primicare Services Limited	Advice	07/12/2017	24/04/2018	<1 year	£116,050	2.58%
Nestor Primicare Services Limited	Company Voluntary Arrangement	17/05/2018	N/A – Company now in Administration and CVA to be terminated	1 year	£75,000	1.67%
Nestor Healthcare Group Limited	Creditors' Voluntary Liquidation	17/05/2018	N/A – Case open	2 years	£15,000	0.17%
WL	Administration & CVL	14/02/2019	N/A – Case open	2 years	£983,000	10.03%
BGSW CRC	Administration & CVL	14/02/2019	N/A – Case open	2 years	£130,000	1.33%
DCC CRC	Administration & CVL	14/02/2019	N/A – Case open	2 years	£130,000	1.33%
W CRC	Administration & CVL	14/02/2019	N/A – Case open	2 years	£130,000	1.33%

Schedule of companies that we have previously acted in respect of (or are currently acting in respect of) which are connected to Friedrich Trautwein, the director of Symbiont.

Name	Connection to Friedrich Trautwein	Type of Appointment	Appointment date	Case Closure date	Actual/expected duration (rounded to nearest year)	Actual/anticipated fees (excluding VAT)	Fees as % of practice turnover per annum
Nestor Healthcare Limited	Sole director	Creditors' Voluntary Liquidation	31/01/2019	N/A – Case open	1 year	£5,000	0.10%
Newbase International Limited	An ultimate beneficial owner	Creditors' Voluntary Liquidation	01/02/2019	N/A – Case open	2 years	£300,000	3.13%
Helenus Limited	Sole director	Creditors' Voluntary Liquidation	N/A – recent instruction	N/A – not appointed	1 year	£5,000	0.10%

APPENDIX 5

JOINT ADMINISTRATORS' SIP16 DISCLOSURE

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Background to the Administrations

Working Links (Employment) Limited ("WL") was established in 2000 as a public, private and voluntary company that provides welfare services and help with employability. It was acquired by the investment group, Aurelius, in June 2016.

WL provided welfare services and help with employability to disadvantaged people. WL was awarded contracts to run three Community Rehabilitation Companies as part of the government's Transforming Rehabilitation reforms with the aim of cutting reoffending. Under the reforms, probation services were split into two with the National Probation Service managing high risk offenders and Community Rehabilitation Companies managing low and medium risk offenders.

WL provided the infrastructure for the probation services carried out by its three UK Community Rehabilitation Companies:

1. The Wales Community Rehabilitation Company Limited
2. The Dorset, Devon and Cornwall Community Rehabilitation Company Limited
3. The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited (collectively "the Companies" or "the CRCs")

The CRCs were incorporated on 4 December 2013. The shareholders of the CRCs are as follows:

Name of shareholder	Type/Amount of shares
WL	10 Ordinary Shares
Secretary of State for Justice	1 Special Rights Redeemable Preference Shares

The Special Rights Redeemable Preference shares do not carry an entitlement to share in capital or profits of the CRCs; however, they do carry certain voting rights. Accordingly, whilst WL owns 100% of the equitable interest in the CRCs, it only holds 90.91% of the controlling shares.

The current officers of the CRCs are provided in Appendix 1.

The CRCs provided probation services under contracts with The Ministry of Justice ("MoJ") in their respective regions. WL provided a parent company guarantee to the MoJ for any liabilities owed by the CRCs under these contracts. WL and the three CRCs (collectively "the Group") entered into administration on 14th February 2019 as a result of their forecasted financial position which included significant sums that would likely be owed to the MoJ for performance related penalties. As part of this process, the MoJ, CRCs and the Joint Administrators entered into a Deed of Termination on 15th February 2019 to effect the termination of each of the respective CRCs' Services Agreements with the MoJ.

Another provider was identified by the MoJ (following a procurement process) and was interested in acquiring the assets and employees which were used in the running of the CRCs. The MoJ made arrangements for the preferred purchaser, namely The Kent, Surrey and Sussex Community Rehabilitation Company Limited ("KSS") (an unconnected company), to have its own existing contracts with the MoJ varied to take on responsibility for the services previously provided by each of the CRCs.

At the date of Administration, monies were owed to each CRC by the MoJ. The Deed of Termination stipulates that the termination of the Services Agreements does not affect the Companies' rights to obtain payment of sums validly due and owing to it (subject to any right of set-off as a result of payments made by the MoJ to CRC employees in respect of wages that related to the period prior to administration and also regarding any ransom payments). For the avoidance of doubt, the MoJ is not able to set-off any costs or losses which the MoJ incurs as a result of the failure of any third party to facilitate the transfer of services to KSS or payments to third parties to ensure the same.

A summary of the recent trading performance of the CRCs is shown in Appendix 2.

The Companies provided security to The Royal Bank of Scotland Plc ("RBS") (by way of a fixed charge created on 30th September 2015) and to the ultimate controlling party, Aurelius Sigma Limited (by way of fixed and floating charges created on 4th June 2018 and 19th July 2018). The security held by Aurelius Sigma Limited related to a funding facility of c.£11m made available to WL. The purpose of the facility was to allow WL to repay an existing RBS facility and existing shareholder loans. The facility was secured by fixed and floating charges over WL and the CRCs and was also supported by cross-guarantees from the CRCs. The security held by Aurelius Sigma Limited was subsequently assigned to Symbiont Facility Services Limited ("Symbiont") under a Deed of Assignment dated 28th September 2018. The RBS fixed charge was satisfied on 7th June 2018.

The forecasted financial position for the CRCs was expected to have a material adverse effect on the overall financial position of WL and, under the terms of the security held by Symbiont, was an event of default which would enable Symbiont to enforce its security against WL and the CRCs. As a result, Symbiont served a letter of demand on WL on 25th January 2019. In addition, WL subsequently failed to make the agreed monthly loan and interest repayment of circa £950,000 to Symbiont, due on 31st January 2019, which constituted a further default. As a result, Symbiont had threatened to immediately appoint an Administrator over WL and the CRCs to secure its position. This would have likely resulted in the complete cessation of services provided by the Group, which would have resulted in the loss of circa 1,200 jobs and left thousands of vulnerable members of the public without support.

In light of the above, it was considered appropriate that WL and CRCs all be placed into Administration on the same day following arrangements made with the MoJ to allow KSS to seamlessly take on the services provided by the CRCs thus reducing the impact on the public and preserving the jobs of all CRC staff at the point of transfer. It would also allow WL to continue to provide key services (such as IT and infrastructure) to KSS and other key stakeholders. Following negotiations with the MoJ, Symbiont, and other stakeholders, it was considered that this would be the best outcome in order to maximise realisations, preserve jobs, and prevent an increase in liabilities as a result of termination of contracts and redundancies. In view of the financial position of the Company and the CRCs, the desire for ongoing services to be provided to the MoJ, and the outstanding demand from Symbiont, matters needed to be dealt with swiftly, and a deadline of 15th February 2019 was agreed by all stakeholders.

In summary, it was considered to be in the public interest that WL and the CRCs be placed into Administration to enable the orderly transition of services provided under the MoJ (and other) contracts serviced by WL, whilst also providing an orderly wind down of the business and avoiding any formal action by Symbiont (which would have catastrophically affected the services provided by WL and the CRCs and led to the redundancy of all staff).

It should be noted that, in addition to the CRCs, James E Patchett and I were also appointed as Joint Administrators of WL on 14th February 2019 for the purposes of achieving the strategy outlined above.

Role of the Insolvency Practitioner

We were introduced to the respective Directors of the Group by Stephen Moon, a former director of WL and a current employee of Aurelius Investments Limited, a company connected to Aurelius Sigma Limited.

Our first contact with the Board of WL was via a conference call held on 21st January 2019 to discuss the Group's financial affairs. Prior to the commencement of the Administration we advised the Board as a whole to help determine an appropriate course of action to take.

This advice was provided to WL under formal engagement by the Board which took effect from 21st January 2019. This work also included advice regarding the connected CRC companies. No advice was given to the individual directors regarding the impact of the insolvency of WL or the CRCs on their personal financial affairs. Whilst not formally in office at that time, we were still required to act in our dealings with WL and the CRCs in accordance with the Insolvency Code of Ethics. From 21st January 2019 until formal instruction to place WL and the CRCs into Administration, we obtained and reviewed financial information from the respective Boards and entered into discussions with Symbiont and the MoJ. On 5th February 2019, Turpin Barker Armstrong was instructed to assist the respective Boards of the CRCs and WL to place the companies into Administration. Following this instruction, we continued to liaise with Symbiont and the MoJ. In accordance with the proposed strategy, the directors filed a Notice of Intention to Appoint an Administrator in the High Court of Justice on 4th February 2019 over WL and the CRCs.

Ultimately (for the reasons set out above) WL and the CRCs were placed into Administration and we were appointed Joint Administrators of all four entities. As Joint Administrator we are officers of the Court and we have taken over the management of the Companies from the Board. The purpose of the Administration is to achieve one of the hierarchies of statutory objectives, 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.

Further information about the objective we are seeking to achieve in respect of the Companies is set out below.

In order to help us achieve the objective we have a wide range of powers, as set out in the insolvency legislation, and we must perform our functions as quickly and efficiently as is reasonably practicable. We must also act in the interests of the creditors of the Company as a whole other than where objective c) is being pursued where we need only ensure that we do not unnecessarily harm the interests of the creditors of the Company as a whole.

Pre-appointment considerations

Following our first contact with the Directors of the Companies, we had regular communications with various stakeholders regarding the financial position of the CRCs, and the attitudes of the MoJ and Symbiont.

It was considered that the CRCs (and the wider Group) would have been unable to obtain further funding for the following reasons:

- The CRCs had already approached the MoJ to request improved contractual terms but this was not agreed. Instead, the MoJ had expressed their wish to reassign the services to another provider (which they were contractually able to do);
- WL was already in breach of its terms with Symbiont and had been served with a letter of demand (with Symbiont threatening to appoint an Administrator over the Group);
- Symbiont and the ultimate beneficiary of the Group, Aurelius Sigma Limited, were unwilling to provide further funding in light of the Group's financial position;
- Significant penalties were anticipated to be levied against at least two of the CRCs (and were guaranteed by WL);
- In light of the imminent failure of the CRCs, WL's income would be dramatically reduced;
- Symbiont already had security in place and any new investor would rank behind them (Symbiont would not agree to a deed of priority).

In light of the above, further funding was not considered a possible option. In addition, in view of the pressure being put on the Group by Symbiont, and the fact that the MoJ were keen to formalise the transfer of services from the CRCs to a new provider as quickly as possible, a formal insolvency procedure was therefore required.

The following Insolvency procedures were discussed with the respective Boards:-

Company Voluntary Arrangement (CVA) – In view of the MoJ's wish to reassign the services to another provider and the imminent performance penalties (at least in relation to two of the CRCs), coupled with the demand received from Symbiont, a CVA proposal was not considered appropriate.

Trading Administration – For the reasons set above, this was not considered a realistic option. The MoJ had already expressed that they wished for the KSS to take over the services provided by the CRCs and hence it was considered that a pre-pack sale (in conjunction with the termination of the MoJ contract would enable this to be achieved). This route also enabled circa 800 jobs to be saved across the CRCs on appointment (and hence also reduced liabilities in the Administrations)

"Pre-Pack" Administration – A sale of the CRCs' tangible assets on appointment was considered appropriate in view of wider transactions involving the termination of the CRCs' Services Agreements with the MoJ (and also in view of the simultaneous sale of the assets of WL). KSS required the assets and staff of the CRCs along with assets and certain staff of WL. In light of the potential impact on thousands of vulnerable members of the public, it was considered that it would be in the public interest for simultaneous sales to KSS to be effected that predominantly related to the CRC operations, in accordance with the MoJ's preferred route.

Creditors Voluntary Liquidation (CVL) – It was considered that a liquidation should be avoided in light of the impact on the public a complete cessation of services would generate. A liquidation would have resulted in the loss of circa 1,200 jobs across the Group and significant employee claims. In addition, all contracts would have been terminated which would have resulted in significant claims for damages and would have left thousands of vulnerable people without support. This would have resulted in a significantly worse outcome for all creditors.

As previously stated, during the pre-appointment process we consulted with Symbiont, the MoJ and other stakeholders of WL. No other major creditors were consulted in order to avoid the situation becoming public knowledge, which would've had a detrimental effect on ongoing negotiations, the provision of ongoing services, and affected to the MoJ's planned announcements.

The pre-pack sales of the assets (together with the wider transactions) helped us to achieve the objective set out at b) above as it achieves a better result for the creditors as a whole than would be likely if the CRCs had been placed into Liquidation without first being in Administration. This will largely be as a result of the preservation of jobs and the avoidance of significant counter claims against the CRCs for breach/termination of contracts. We can also confirm that the outcome achieved as a result of the pre-pack sales and the proposed strategy was the best available outcome for creditors of the respective Companies as a whole in all the circumstances of the case.

Valuation of the business and assets

Middleton Barton Valuation Limited ("MBV"), a firm of independent professional valuers, were instructed to value the CRCs' assets. The tangible assets in question mainly comprised various motor vehicles, such as mini buses, vans and trailers. In light of the type and location of the assets involved, and in order to avoid excessive costs, it was considered appropriate for these items to be valued on a desktop basis and based on information and schedules provided to MBV by the respective CRCs. For the purposes of the valuations it was assumed that the vehicles were in average condition in light of their age and usage. It was also assumed that all vehicles were road worthy and that each Vehicle Registration Document (V5) was available.

The valuation reports were prepared by Chris Eckersley (MRICS Registered Valuer) and verified by Neil Duckworth (MA MRICS Registered Valuer). They have considerable experience in dealing with assets of this nature and extensive knowledge of the industry and were therefore considered to be suitable for assisting in this matter. The valuations were undertaken in full compliance with the RICS Valuation – Global Standards 2017 Edition, Valuation Practice Statement (VPS) 4.4. Further, MBV confirmed that they hold adequate Professional Indemnity Insurance and they had no previous involvement in respect of the CRCs, and had no conflict of interest in preparing the valuations.

The assets were valued both on the basis of an "in situ" sale with a view to continuing to trade and on an "ex situ" break-up basis. Details of the value attributed to each category of asset and the values realised are provided in Appendix 3.

MBV also advised that the Services Agreements with the MoJ did not hold any value. The Agreements precluded any transfer, assignment or otherwise without the specific written consent of the MoJ. In light of this (and also in light of the fact that the MoJ had already identified KSS as their preferred purchaser), MBV advised that there was no value in the Services Agreement or any of the CRCs' intangible assets.

Full details regarding the CRCs' additional assets (such as book debts etc.) which were excluded from the sales will be disclosed in the Joint Administrators' proposals which will be delivered to creditors in due course and, in any event, within 8 weeks of appointment.

Marketing of the business and assets

In view of the fact that KSS had been identified by the MoJ as the preferred party for the transfer of the services provided by the CRCs and the purchase of the assets of the CRCs, it was not deemed appropriate to undertake marketing of the CRCs' business and assets. Further, the MoJ were able to stipulate which provider they wished to take over the CRC services and could have blocked any other third party from taking over the services. In addition, any transaction needed to take place in a relatively short timescale. MBV therefore advised that the overriding strategy should be to seek a sale of the assets to KSS as they would be providing continued services to members of the public (in accordance with their varied MoJ contracts). Further, it was considered that any marketing would jeopardise the negotiations being undertaken between the MoJ and KSS. The MoJ also required that any publicity regarding the proposed process (including ministerial announcements) be managed sensitively and with their permission/approval. The principle goal for all stakeholders was to minimise the disruption to the services carried out by WL and the CRCs in the public interest.

Overall, it was concluded that efforts to preserve the ongoing services provided by the CRCs and WL outweighed the requirement for marketing. The tangible assets of WL and the CRCs that were sold to KSS are relatively nominal. Further, there was no business to be marketed and sold as the MoJ were seeking a mutual termination of the contracts with the CRCs. The services WL provided to the CRCs would be funded by KSS whilst they made their own arrangements for ongoing supply. It was therefore concluded that it was in the public interest to refrain from marketing the business and assets.

Details of the pre-pack sales

The tangible assets of the CRCs were sold to KSS on 15th February 2019. It had been intended that the sales would complete on 14th February 2019 (the date of Administration), however, the sealed notices of appointment of an administrator were not returned by the Court until 15th February 2019 and the sale agreements could only be executed once these were received.

The total sale consideration, as per the tables in Appendix 3, totalled £50,000 and this was paid in full upon completion. There are no conditions of the contracts which can affect the consideration.

KSS (CRN: 08802556) is not connected to the Company or the CRCs and was identified as the preferred purchaser by the MoJ as part of a procurement process. No directors, or former directors (or their associates), of the Companies are involved in the management, financing, or ownership of KSS, or of any other entity into which any of the assets are transferred.

As previously mentioned, this sale was part of a wider transaction whereby KSS took on the services previously provided by the CRCs under their contracts with the MoJ. This was effected by the CRCs entering into a mutual termination of its contracts with the MoJ, whilst KSS had its own existing contract with the MoJ varied to absorb these services. A sale of the assets held in WL to KSS completed on the same date as the sales of the CRCs. At the same time, a Licence to Occupy was granted to KSS in respect of properties which were fundamental to ongoing CRC services. The

leases/rental agreements for the properties which are subject to the Licence to Occupy are either held by WL (or occupied by one of the CRCs) or directly held by one of the CRCs.

In conjunction with the above sales, all staff employed by the CRCs, along with those employed by WL who were relevant to CRC operations, were transferred to KSS in accordance with The Offender Management Act 2007 (Working Links) Staff Transfer Scheme 2019 made by the Secretary of State pursuant to the provisions of the Offender Management Act 2007. The Staff transfer Scheme was required because transfers from the Company and the CRCs to KSS are transfers of administrative functions between bodies which are carrying out public administrative functions on behalf of the MoJ and do not fall within the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE").

Creditors will note that the sale consideration achieved for the respective motor vehicles is lower than both the in-situ and ex-situ valuations. It was considered that the best strategy to realise these assets was to seek a sale to the new service provider for the MoJ contracts (on the basis that they would have an immediate requirement for use of the assets). If a sale to the new provider could not be achieved, then MBV advised that a sale should be sought via a targeted marketing strategy. However, this would have required collection and relocation of the vehicles to one site. Not only would the costs of collecting and relocating the vehicles from all over the UK be significant (and likely outweigh any value), MBV advised that it would take circa 30 days to achieve. The offer from KSS was considered to represent the best outcome in the circumstances as it avoided the significant costs and delays in trying to collect the assets. Further, it was considered that any alternative interested party would not be willing to collect the assets in light of their nominal break-up value and the fact that the vehicles were in use by various employees of the CRCs.

As previously stated, the security held by Symbiont purports to create fixed charges over the majority of assets. The allocation of assets between fixed and floating realisations is subject to legal advice. It has been apportioned (as per Appendix 3) based on legal advice received by the Joint Administrators to date (but may be subject to change).

Respective Deeds of Release were entered into between the CRCs, the Joint Administrators, and Symbiont on 15th February 2019 to partially release the security for the purposes of executing the sales.

On 20th February 2019, a three month Licence Agreement was entered into between WL and Seetec Business Technology Centre Limited ("Seetec"), the parent company of KSS, to enable KSS to perform its obligations under its varied contract with the MoJ. This allows Seetec to grant sub-licences to KSS for the use of IT software and other services. As part of the Licence Agreement, WL (acting by its Joint Administrators) is retaining supplier contracts which are key to the future service provision by KSS.

Conclusion

As previously stated, the sale of the CRCs' assets was part of a wider transaction which has resulted in the continuity of services under government contracts. It was in the public interest to ensure that KSS could continue to provide these services uninterrupted whilst it also avoided significant employee liabilities. In addition, a mutual termination of the MoJ contracts (and continuity of service) avoided substantial enforced termination penalties which would have been levied against the CRCs (which were guaranteed by WL).

This disclosure is being provided as early as possible to creditors. The slight delay is as a result of this disclosure being required to be reviewed by the MoJ which has delayed its circulation. This statement has been prepared separately to the Joint Administrators' proposals in light of the above. Full details of the Companies' other assets will be included in the Joint Administrators' proposals.

We can confirm that the sale price achieved, and also the outcome, was in the public interest and was the best available outcome for creditors of the CRCs as a whole (and the wider Group) in all the circumstances of the case. The pre-pack sales will assist in achieving the statutory purpose of the Administrations that we are seeking to achieve.

Appendix 1

The Wales Community Rehabilitation Company Ltd

Name	Position	Appointed
Stephen Jones	Director	30 June 2017
Dawn Blower	Director	1 February 2016

The Dorset, Devon and Cornwall Community Rehabilitation Company Ltd

Name	Position	Appointed
Stephen Jones	Director	30 June 2017
John Wiseman	Director	1 September 2015

The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Ltd

Name	Position	Appointed
Stephen Jones	Director	4 July 2017
John Wiseman	Director	30 January 2014

Appendix 2

The Wales Community Rehabilitation Company Limited

	DRAFT ACCOUNTS P/E 31/12/2018	AUDITED STATUTORY ACCOUNTS Y/E 30/09/2017	AUDITED STATUTORY ACCOUNTS Y/E 30/09/2016
Turnover	27,521,404	22,511,450	27,234,739
Gross Profit	27,521,404	22,511,450	27,234,739
Administration Expenses	(28,830,499)	(25,115,620)	(32,604,455)
Other operating income	68,139	43,298	178,868
Operating Loss	(1,240,956)	(2,560,872)	(5,190,848)
Other Interest Receivable and Similar Income	0	198	6,363
Interest Payable and Similar Charges	(5,716)	(9,172)	-
Loss before Tax	(1,246,672)	(2,569,846)	(5,184,485)
Tax on Loss	(250,828)	412,708	198,422
Loss for the financial year	(1,497,501)	(2,157,138)	(4,986,063)

The Dorset, Devon and Cornwall Community Rehabilitation Company Limited

	DRAFT ACCOUNTS P/E 31/12/2018	AUDITED STATUTORY ACCOUNTS Y/E 30/09/2017	AUDITED STATUTORY ACCOUNTS Y/E 30/09/2016
Turnover	13,176,107	11,948,315	14,429,906
Gross Profit	13,176,107	11,948,315	14,429,906
Administration Expenses	(12,885,422)	(13,818,423)	(17,219,715)
Other operating income	4,541	137,723	120,704
Operating Profit / (Loss)	295,226	(1,732,385)	(2,669,105)
Other Interest Receivable and Similar Income	0	0	0
Interest Payable and Similar Charges	0	0	0
Profit / (Loss) before Tax	295,226	(1,732,385)	(2,669,105)
Tax on Profit / (Loss)	(183,177)	251,001	100,651
Profit / (Loss) for the financial year	112,049	(1,481,384)	(2,568,454)

The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited

	DRAFT ACCOUNTS	AUDITED STATUTORY ACCOUNTS	AUDITED STATUTORY ACCOUNTS
	P/E	Y/E	Y/E
	31/12/2018	30/09/2017	30/09/2016
Turnover	20,195,202	16,608,505	20,938,188
Gross Profit	20,195,202	16,608,505	20,938,188
Administration Expenses	(18,824,954)	(18,368,723)	(24,425,859)
Other operating income	13,549	685	15,526
Operating Profit / (Loss)	1,383,797	(1,759,533)	(3,472,145)
Other Interest Receivable and Similar Income	0	306	0
Interest Payable and Similar Charges	(5,716)	(9,167)	0
Profit / (Loss) before Tax	1,378,080	(1,768,394)	(3,472,145)
Tax on Profit / (Loss)	(57,195)	(73,147)	412,279
Profit / (Loss) for the financial year	1,320,885	(1,841,541)	(3,059,866)

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

Appendix 3

The Wales Community Rehabilitation Company Ltd

Asset category	Valuation basis & amount (£)		Sale Consideration (£)
	e.g. In-situ	e.g. Ex-situ	
<i>Fixed charge assets</i>			
IPR*	Nil	Nil	1
<i>Floating charge assets</i>			
Motor Vehicles	46,000	38,000	26,746
Furniture and Equipment*	Nil	Nil	1
<i>Uncharged assets</i>			
Intangibles*	Nil	Nil	1
Books and records*	Nil	Nil	1
Total	46,000	38,000	26,750

The Dorset, Devon and Cornwall Community Rehabilitation Company Ltd

Asset category	Valuation basis & amount (£)		Sale Consideration (£)
	e.g. In-situ	e.g. Ex-situ	
<i>Fixed charge assets</i>			
IPR*	Nil	Nil	1
<i>Floating charge assets</i>			
Motor Vehicles	15,000	12,000	8,496
Furniture and Equipment*	Nil	Nil	1
<i>Uncharged assets</i>			
Intangibles*	Nil	Nil	1
Books and records*	Nil	Nil	1
Total	15,000	12,000	8,500

The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Ltd

Asset category	Valuation basis & amount (£)		Sale Consideration (£)
	e.g. In-situ	e.g. Ex-situ	
<i>Fixed charge assets</i>			
IPR*	Nil	Nil	1
<i>Floating charge assets</i>			
Motor Vehicles	24,000	21,000	14,746
Furniture and Equipment*	Nil	Nil	1
<i>Uncharged assets</i>			
Intangibles*	Nil	Nil	1
Books and records*	Nil	Nil	1
Total	24,000	21,000	14,750

**Whilst it is understood that the Companies did not own any of these assets, a nominal sum of £1 was allocated to these items at the request of KSS.*

The allocation of assets between fixed and floating realisations is subject to ongoing legal advice. It has been apportioned based on legal advice received by the Joint Administrators to date (but may be subject to change).

APPENDIX 6

DIRECTORS' STATEMENT OF AFFAIRS AND LIST OF CREDITORS

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Statement of affairs

Name of company The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited	Company number 08802537
High Court of Justice	Court case no. 873 of 2019

(a) Insert name and address
of registered office of the
company

Statement as to the affairs of (a) The Bristol, Gloucestershire, Somerset and
Wiltshire Community Rehabilitation Company Limited, Allen House, 1 Westmead
Road, Sutton, Surrey, SM1 4LA

(b) Insert date

on the (b) 14th February 2019, the date that the company entered administration.

Statement of Truth

I believe that 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 (b) 14th February 2019,
the date that the company entered administration

Full name STEPHEN GEORGE JONES

Signed 

Dated 27th MARCH 2019

The Bristol, Gloucestershire, Somerset And Wiltshire Community Rehabilitation Company Limited
Statement Of Affairs as at 14 February 2019

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Symbiont Facility Services Ltd		(6,335,498.00)
Deficiency c/d		(6,335,498.00)
Assets subject to floating charge:		
Fixed Assets	2,386.00	1.00
Book Debts - HMPPS	1,289,054.00	NIL
Book Debts - Trade Debtors	50,878.00	NIL
Cash at Bank	701,316.00	701,316.00
Uncharged assets:		
Estimated total assets available for preferential creditors		701,317.00

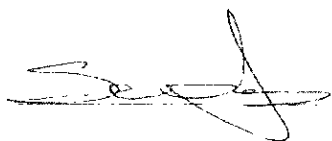
Signature  Date 27TH MARCH 2019

The Bristol, Gloucestershire, Somerset And Wiltshire Community Rehabilitation Company Limited
Statement Of Affairs as at 14 February 2019

A1 - Summary of Liabilities

		Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)		701,317.00
Liabilities		
Preferential Creditors -		NIL
Estimated deficiency/surplus as regards preferential creditors		701,317.00
Debts secured by floating charges pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		NIL
		701,317.00
Estimated prescribed part of net property where applicable (to carry forward)		143,263.40
Estimated total assets available for floating charge holders		558,053.60
Debts secured by floating charges post 14 September 2003		
Deficiency b/d	6 335,498.00	
		6 335,498.00
Estimated deficiency/surplus of assets after floating charges		(5 777,444.40)
Estimated prescribed part of net property where applicable (brought down)		143 263.40
Total assets available to unsecured creditors		143,263.40
Unsecured non preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	696 550.00	
Working Links (Employment) Ltd	914 241.00	
GMPF Pension Fund	91 294.00	
HM Revenue & Customs - PAYE/NI	147 172.00	
HM Revenue & Customs - VAT	641 276.00	
		2 490,533.00
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(2 347 269.60)
Shortfall in respect of F.C's post 14 September 2003 (brought down)		5 777,444.40
Estimated deficiency/surplus as regards creditors		(9,124 714.00)
Issued and called up capital		
Preference Shareholders	1.00	
Ordinary Shareholders	10.00	
		11.00
Estimated total deficiency/surplus as regards members		8 124 725.00

Signature



Date 27th March 2019

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Date of release
See Attached	LEDGER Balance AS AT 14/2/2019.		CASH ON HAND		15/2/2019
HARC VAT	IMPERIAL HOUSE 77 VICTORIA STREET GLASGOW D13 1DB	—	—		15/2/2019
HARC PAYE	BX9 LEH	—	—		15/2/2019
GMPF PENSION FUND		—	—		15/2/2019
Woking LIME EMPLOYMENT LTD		—	—		15/2/2019

See Attached Ledger Book AS AT 14/2/2019

IMPERIAL HOUSE RECORDS
DENVER CO B-10B

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Working	Letter	Employment	END
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BSGW CREDS

Supplier Name	Balance	Address	Address 2	City	County	Postcode
Hier Majesty's Prison and Probation Service	£	221,689.54 PO Box 781		Newport	Gwent	NP23 5WB
Catch 22	£	95,672.66 27 Pear Tree Street:		London	Greater London	EC1A 1AA
Seven Resourcing Ltd	£	91,997.06 2nd Floor, Columba House	Abertall Park	Northampton	Northampton	NN2 3JG
The Nelson Trust	£	58,350.05 Port Lane	Brimcombe	Stafford	Staffordshire	ST16 2JG
Sanitary Personnel Ltd	£	42,685.63 Willis Building	35 Fratts Street	CSA 27	Sussex	BN1 1TH
Pact Futures	£	30,223.52 29 Pecham Road		London	Greater London	SE18 3JA
Robert Half International	£	22,401.50 Credit Control, Washington House	International Square, Off Starkey Rd.	Northampton	Northampton	NN2 3JG
Service Care Solutions Ltd	£	29,332.00 Arthur House	12 - 13 Stone Street	Northampton	Northampton	NN2 3JG
Jobseekers Recruitment Services Ltd	£	16,742.74 Wreken House	Magdalen Street	Northampton	Northampton	NN2 3JG
Home Group Limited	£	16,400.00 2 Gosforth Park Way	Gosforth Business Park	Newcastle	Northumbria	NE12 8ET
Service Resourcing Solutions	£	13,089.68 4th Floor	Solar House	Northampton	Northampton	NN2 3JG
MITE Cleaning & Environmental Services	£	9,862.95 1 Harlequin Office Park	Fieldfare Enterprise Green	Bedford	Bedfordshire	MK43 7JH
Shyward Limited	£	9,383.79 Shyward House	457 Kingston Road	Bedford	Bedfordshire	MK43 7JH
Concert Products Ltd	£	6,399.35 10 Cary Court	Somerston Business Park	Somerset	Somerset	TA11 5JH
Link Up Works TA thebbyword	£	5,513.81 Link Up House	Rigg Road, Lower Farm	Northampton	Northampton	NN2 3JG
Royal Mail Group Plc	£	5,077.06 Payment Processing Centre	Rowland Hill House	Northampton	Northampton	NN2 3JG
Wales CNG	£	4,852.61 Bridgend Probation Office	Temple House	Northampton	Northampton	NN2 3JG
Office Depot UK Ltd	£	3,899.01 501 Beaumont Lys Lane	Watson Park	Northampton	Northampton	NN2 3JG
Alerte Technology Plc	£	3,774.00 92 Park Drive	PO Box 598	Northampton	Northampton	NN2 3JG
One Step Recruitment	£	3,120.24 RBS Invoice Finance	395 King Street	Northampton	Northampton	NN2 3JG
Fitt Somerset and Avon Ltd	£	3,052.50 Shared Services	Rowland Hill House	Northampton	Northampton	NN2 3JG
Royal Mail Renewal Account	£	1,888.80 Payment Processing Centre		Northampton	Northampton	NN2 3JG
Posturite UK Ltd	£	1,866.13 The Mill		Northampton	Northampton	NN2 3JG
JRC Accountants Ltd	£	1,840.20 24 Centenary Way	Vale Road	Northampton	Northampton	NN2 3JG
AXA ICAS DHS	£	1,600.00 PP House	St Pauls	Northampton	Northampton	NN2 3JG
Malcolm X Community Centre	£	1,050.00 141 City Road		Northampton	Northampton	NN2 3JG
Crest Advisory (UK) Ltd	£	934.80 32 Tavistock Street	Redhill Distribution Centre, Salisbury Road	Northampton	Northampton	NN2 3JG
Avonvale Cars Private Hire	£	775.20 17 Avonvale Road	PO Box 3484	Northampton	Northampton	NN2 3JG
Brunei School of Motoring	£	638.00 37 Lynwood Grove	South Newton	Northampton	Northampton	NN2 3JG
Restore Plc	£	591.81 Unit 5	Volunteer Action Swindon, 1 John Street	Northampton	Northampton	NN2 3JG
Elim Connect Centre	£	439.50 EFGA re: Wells Connect Centre	Railway Street	Northampton	Northampton	NN2 3JG
Apire Taxis	£	330.00 Apire House, Westminster Road	County Road	Northampton	Northampton	NN2 3JG
Disability Experts C.L.C	£	310.00 The Palmer Room	Macroe Road, Eden Office Park	Northampton	Northampton	NN2 3JG
Johns Taxis	£	216.00 103 Elliotts Drive	Harlebury Trading Estate, Crown Lane	Northampton	Northampton	NN2 3JG
A1 ACE Transport Services Ltd	£	211.00 Watcombe House	London	Northampton	Northampton	NN2 3JG
United Radio Cars Ltd	£	198.12 The Apex Centre, Transfer Ind Estate		Northampton	Northampton	NN2 3JG
Channel Network Services Ltd	£	193.20 Channel House		Northampton	Northampton	NN2 3JG
Andy Loos	£	190.08 Unit 22		Northampton	Northampton	NN2 3JG
CitizenCard	£	166.00 36 Bromwells Road		Northampton	Northampton	NN2 3JG
James Radford	£	110.80 74 Falcondale Road		Northampton	Northampton	NN2 3JG
Scubed Ltd	£	109.92 The Heath Business & Tech Park		Northampton	Northampton	NN2 3JG
Adapt Telecom GB Ltd	£	91.18 PO Box 473	PO Box 13	Northampton	Northampton	NN2 3JG
21 Telecom Ltd	£	81.60 Accounts Dept	Church View Business Park, Corny Green	Northampton	Northampton	NN2 3JG
Swindon Borough Council	£	50.00 Civic Offices	Euclid Street	Northampton	Northampton	NN2 3JG
South Somerset District Council	£	24.19 Anne Haller	South Somerset District Court	Northampton	Northampton	NN2 3JG
1 & 1 Internet Ltd	£	172.66 Discovery House	154 Southgate Street	Northampton	Northampton	NN2 3JG
SSE	£	693.97 PO Box 514	Basildon	Northampton	Northampton	NN2 3JG
BSGW CRC Ltd Accounts Payable	£	696,549.60				

Name of Shareholder

Address (with postcode)

No of
shares
held

Normal
Value

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16-26 Albert Road MIDWICH T51 1DE.

TOTALS

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APPENDIX 7

RECEIPTS AND PAYMENTS ACCOUNT

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

The Bristol, Gloucestershire, Somerset And Wiltshire Community Rehabilitation Company Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 09/04/2019

S of A £		£	£
	FIXED CHARGE ASSETS		
	IPR	1.00	1.00
	FIXED CHARGE CREDITORS		
(6,335,498.00)	Symbiont Facility Services Ltd	NIL	NIL
	ASSET REALISATIONS		
1.00	Fixed Assets	NIL	
	Furniture & Equipment	1.00	
	Motor Vehicles	14,746.00	
	Books and records	1.00	
NIL	Book Debts - HMPPS	NIL	
NIL	Book Debts - Trade Debtors	576.00	
	Intangibles	1.00	
701,316.00	Cash at Bank	707,084.36	
	Sundry Refunds	42.22	
	Property licence fee	32,376.90	754,828.48
	COST OF REALISATIONS		
	Agents'/Valuers' Post-App Fees - MBV	1,680.00	(1,680.00)
	COST OF ADMINISTRATION		
	Specific Bond	1,030.00	
	Statutory Advertising	77.75	
	Rents Payable	440.25	
	Pension Agents' Post-App Fees	75.00	(1,623.00)
	UNSECURED CREDITORS		
(696,550.00)	Trade & Expense Creditors	NIL	
(914,241.00)	Working Links (Employment) Ltd	NIL	
(91,294.00)	GMPF Pension Fund	NIL	
(147,172.00)	HM Revenue & Customs - PAYE/NI	NIL	
(641,276.00)	HM Revenue & Customs - VAT	NIL	NIL
	DISTRIBUTIONS		
(1.00)	Preference Shareholders	NIL	
(10.00)	Ordinary Shareholders	NIL	NIL
(8,124,725.00)			751,526.48
	REPRESENTED BY		
	Input VAT		572.55
	Bank - Current a/c		721,967.28
	Bank - Property Account		38,323.98
	Output VAT		(9,337.33)

Note:

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT.

Martin C Armstrong FCCA FABRP FIPA
Joint Administrator

APPENDIX 8
FEE RECOVERY POLICY

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

PRACTICE FEE RECOVERY POLICY FOR TURPIN BARKER ARMSTRONG

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <https://www.turpinbainsolvency.co.uk/fees-and-links>. Alternatively a hard copy may be requested from Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Charge-out Rates

Grade of staff	Current charge-out rate per hour, effective from 1 st April 2019 £	Current charge-out rate per hour, effective from 1 st April 2017 £	Previous charge-out rate per hour, effective from 1 st April 2013 £
Senior Partner	595.00	545.00	495.00
Partner	440.00	400.00	365.00
Manager	350.00	325.00	295.00
Assistant Manager	310.00	285.00	260.00
Senior Administrator	290.00	265.00	240.00
Administrator	240.00	220.00	200.00
Assistant Administrator	100.00	90.00	80.00
Junior Administrator	40.00	40.00	40.00

These charge-out rates charged are reviewed on 1st April each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading
- Case specific matters.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and the basis of our post-appointment fees will be determined once we are aware of the full circumstances of the case and will be subject to approval.

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and

creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Turpin Barker Armstrong; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

APPENDIX 9

**FEES ESTIMATE SUMMARIES FOR WORK TO BE UNDERTAKEN IN THE ADMINISTRATION &
SUBSEQUENT LIQUIDATION**

&

A SUMMARY OF TOTAL FEES ESTIMATE

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

FEES ESTIMATE SUMMARY FOR WORK TO BE UNDERTAKEN IN THE ADMINISTRATION

Case name

The Bristol Gloucestershire, Somerset and Wiltshire Community
Rehabilitation Company Limited

The office holder is seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. This document provides an estimate as to how much time the office holder and his staff will spend undertaking specific tasks within broad categories of work, and the time costs of undertaking such work, which will depend upon the grade or grades of staff undertaking the work and the number of hours spent undertaking the work by each grade of staff. The estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at what is known as a blended hourly charge out rate for that category of work. The sum of all the estimates for the different categories of work is the total estimated time costs to undertake all the necessary work on the case. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for the case as a whole.

The hourly charge out rates that will be used on this case are:				£
Senior Partner				595.00
Partner				440.00
Manager				350.00
Assistant Manager				310.00
Senior Administrator				290.00
Administrator				240.00
Assistant Administrator				100.00
Junior Administrator				40.00
ADMINISTRATION				
Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £	
Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case	7.00	3,275.00		
Administration of electronic case files	16.00	1,790.00		
Maintenance of practice's electronic case management system and entering data	18.00	1,870.00		
Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment (as applicable)	15.00	3,525.00		
Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate)	1.00	395.00		
Preparing, reviewing and issuing SIP16 disclosure to creditors and other relevant third parties	10.00	3,150.00		
Preparing, reviewing and issuing Administrators' proposals to creditors and members	13.00	4,200.00		
Filing the proposals at Companies House	0.50	175.00		
Seeking approval of the proposals by way of a decision by correspondence	2.50	875.00		
Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court	1.00	350.00		
Seeking additional decisions from creditors (as applicable)	1.50	647.50		
Dealing with all routine correspondence and emails relating to the case	25.00	5,460.00		
Opening, maintaining and managing the office holder's Administration estate bank accounts	3.00	630.00		
Creating, maintaining and managing the office holder's Administration cashbook	3.00	630.00		
Undertaking regular bank reconciliations of the bank accounts containing estate funds	1.00	240.00		
Reviewing the adequacy of the specific penalty bond on a quarterly basis	1.00	350.00		
Undertaking periodic reviews of the progress of the case	5.00	2,435.00		
Overseeing and controlling the work done on the case by case administrators	3.00	1,050.00		
Preparing, reviewing and issuing 6 month progress reports to creditors and members	6.00	2,165.00		
Filing progress reports at Companies House	0.50	175.00		
Preparing and filing VAT returns	2.50	907.50		
Reviewing Corporation Tax returns and dealing with tax queries from Buzzacott	3.00	1,217.50		
Preparing, reviewing and issuing final reports to creditors and members	5.00	1,297.50		
Filing final reports at Companies House	0.50	175.00		
Liaising with agents, The Pension Protection Fund and The Pension Regulator in respect of pension obligations	2.00	945.00		
Reviewing and authorising statutory pension notifications	1.50	647.50		
Dealing with Bribery, Anti Money Laundering and Code of Ethics requirements and considerations	3.00	1,385.00		
Total:	150.50	£40,052.50		£266.13

The blended rate in respect of this category of work is broadly in line with the that of the case as a whole. This is because the majority of work in the Administration will consist of the above tasks.

INVESTIGATIONS

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Recovering the physical and electronic books and records for the case (involving coordination of collections at multiple locations across the UK)	6.50	2,410.00	
Coordinating the listing of the books and records recovered and reviewing the same.	2.00	745.00	
Preparing a report on the conduct of the directors as required by the Company Directors Disqualification Act.	29.00	9,815.00	
Dealing with enquiries from The Insolvency Service following submission of the report on the conduct of the directors	4.00	1,070.00	
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc	27.00	8,270.00	
Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors	23.00	2,940.00	
Total:	91.50	£25,250.00	£275.96

The blended rate in respect of this category of work is slightly higher than that of the case as a whole as a number of tasks will require more involvement by Partners and Managers.

REALISATION OF ASSETS

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Arranging suitable insurance over assets	1.00	350.00	
Regularly monitoring the suitability and appropriateness of the insurance cover in place	1.00	350.00	
Corresponding with debtors and attempting to collect outstanding book debts	6.00	2,125.00	
Liaising with the bank regarding maintaining accounts during the trading period and releasing of credit funds	2.00	590.00	
Liaising with the bank regarding the closure of the account	1.00	350.00	
Instructing agents to value known assets	1.00	350.00	
Liaising with agents to realise known assets	1.00	350.00	
Liaising with the secured creditors over the realisation of the assets subject to a mortgagee or other charge	1.00	350.00	
Correspondence with KSS regarding post sale formalities	19.00	1,670.00	
Collating information and instructing business rates analysts with a view to identifying refunds owed to the Company	8.00	1,340.00	
Total:	41.00	£7,825.00	£190.85

The blended rate in respect of this category of work is slightly lower than that of the case as a whole. This is because the majority of work can be carried out, or assisted by, staff with a lower hourly charge out rate.

CREDITORS

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Dealing with creditor correspondence, emails and telephone conversations regarding their claims	26.00	3,115.00	
Liaising with solicitors regarding the validity and nature of charges held by Symbiont	2.00	945.00	
Providing regular updates to Symbiont	1.00	595.00	
Processing dividends to Symbiont	1.50	647.50	
Maintaining up to date creditor information on the case management system	20.00	2,460.00	
Reviewing proofs of debt received from creditors	22.00	3,650.00	
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims in the subsequent liquidation	21.00	2,450.00	
Liaising with MoJ regarding proposed claim in the Administration	8.50	3,600.00	
Review of MoJ reconciliation relating to proposed claim in the Administration	8.50	3,600.00	
Total:	110.50	£21,062.50	£190.61

The blended rate in respect of this category of work is slightly lower than that of the case as a whole. This is because the majority of work can be carried out, or assisted by, staff with a lower hourly charge out rate.

CASE SPECIFIC MATTERS

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Dealing with enquiries and requests from the MoJ, particularly in relation to the transfer of employees and the provision of information/data	4.00	1,450.00	

Dealing with enquiries from KSS and landlords regarding the Licence to Occupy	20 00	3,730 00	
Calculating and agreeing daily rent owed in respect of properties retained under the Licences to Occupy and making appropriate payments to landlords	13 00	2,750 00	
Dealing with data requests from various third parties (including the MoJ & DWP) and liaising with solicitors regarding associated GDPR obligations	3 00	1,385 00	
Liaising with insurers regarding existing insurance claims	1 00	350 00	
Total:	41 00	£9,705 00	£236 71

The blended rate in respect of this category of work is broadly in line with that of the case as a whole. The majority of work in this category can be carried out, or assisted by, staff with a lower hourly charge out rate (with input from Partners and Managers)

GRAND TOTAL FOR ALL CATEGORIES OF WORK	434 50	£103,895 00	£239 11
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FEES ESTIMATE SUMMARY FOR WORK TO BE UNDERTAKEN IN THE SUBSEQUENT LIQUIDATION

Case name

The Bristol, Gloucestershire, Somerset and
Wiltshire Community Rehabilitation
Company Limited

The office holder is seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. This document provides an estimate as to how much time the office holder and his staff will spend undertaking specific tasks within broad categories of work, and the time costs of undertaking such work, which will depend upon the grade, or grades, of staff undertaking the work and the number of hours spent undertaking the work by each grade of staff. The estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at what is known as a blended hourly charge out rate for that category of work. The sum of all the estimates for the different categories of work is the total estimated time costs to undertake all the necessary work on the case. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for the case as a whole.

The hourly charge out rates that will be used on this case are:		£		
Senior Partner		595.00		
Partner		440.00		
Manager		350.00		
Assistant Manager		310.00		
Senior Administrator		290.00		
Administrator		240.00		
Assistant Administrator		100.00		
Junior Administrator		40.00		
ADMINISTRATION				

The blended rate in respect of this category of work is slightly higher than that of the case as a whole. This is because the majority of work will be required to be carried out by Partners and/or Managers. Many of the simpler administrative tasks will already have been completed in the prior Administration.

INVESTIGATIONS

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Continuation, if applicable, of investigations into possible asset recoveries uncovered during investigations carried out in Administration	10.00	2,975.00	
Total:	10.00	£2,975.00	£297.50

The blended rate in respect of this category of work is higher than that of the case as a whole. This is because the majority of work will be required to be carried out by Partners and/or Managers. Many of the simpler administrative tasks will already have been completed in the prior Administration.

REALISATION OF ASSETS

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	blended charge out rate to undertake the work £
Corresponding with debtors and attempting to collect outstanding book debts (if applicable)	2 50	997 50	
Instructing solicitors to assist in the realisation of assets (if applicable)	1 50	647 50	
Total:	4 00	£1 645 00	£411.25

The blended rate in respect of this category of work is higher than that of the case as a whole as it is expected that any debtors not collected in the prior Administration will be disputed. Accordingly, the collection of any remaining debts is likely to be complex in nature and therefore require more involvement by Partners and Managers

CREDITORS

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	blended charge out rate to undertake the work £
Dealing with creditor correspondence, emails and telephone conversations regarding their claims	17 00	2 545 00	
Maintaining up to date creditor information on the case management system	11 00	1 750 00	
Issuing a notice of intended dividend and placing an appropriate gazette notice	3 00	430 00	
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend	13 50	2,160 00	
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims	12 00	1,390 00	
Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend	8 00	1 785 00	
Total:	64 50	£10 060 00	£155.97

The blended rate in respect of this category of work is lower than that of the case as a whole as a number of tasks are able to be carried out or assisted by, staff with a lower hourly charge out rate

GRAND TOTAL FOR ALL CATEGORIES OF WORK	118 50	£26 727 50	£225.55
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SUMMARY OF TOTAL FEE ESTIMATE

Insolvency procedure	Total Hours £	Total Fee Estimate £	Blended Rate £
Administration	434.50	103,895.00	239.11
Liquidation	118.50	26,727.50	225.55
Total	553.00	130,622.50	236.21

APPENDIX 10

**DETAILS OF WORK TO BE UNDERTAKEN IN THE ADMINISTRATION
(AND SUBSEQUENT LIQUIDATION)**

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Details of work to be undertaken in the Administration (and subsequent Liquidation)

A. Work for which the Joint Administrators are seeking to be remunerated on a time cost basis:

Administration:

Work to be undertaken during the Administration

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.

Administration of electronic case files.

Maintenance of practice's electronic case management system and entering data.

Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment (as applicable).

Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).

Preparing, reviewing and issuing SIP16 disclosure to creditors and other relevant third parties.

Preparing, reviewing and issuing Administrators' proposals to creditors and members.

Filing the proposals at Companies House.

Seeking approval of the proposals by way of a decision by correspondence.

Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court.

Seeking additional decisions from creditors (as applicable).

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the office holder's Administration estate bank accounts.

Creating, maintaining and managing the office holder's Administration cashbook.

Undertaking regular bank reconciliations of the bank accounts containing estate funds.

Reviewing the adequacy of the specific penalty bond on a quarterly basis.

Undertaking periodic reviews of the progress of the case.

Overseeing and controlling the work done on the case by case administrators.

Preparing, reviewing and issuing 6 month progress reports to creditors and members.

Filing progress reports at Companies House.

Preparing and filing VAT returns.

Reviewing Corporation Tax returns and dealing with tax queries from Buzzacott.

Preparing, reviewing and issuing final reports to creditors and members.

Filing final reports at Companies House.

Liaising with agents, The Pension Protection Fund and The Pension Regulator in respect of pension obligations.

Reviewing and authorising statutory pension notifications.

Dealing with Bribery, Anti Money Laundering and Code of Ethics requirements and considerations.

Work to be undertaken during the subsequent Liquidation

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.

Setting up new electronic case files.

Setting up the case on the practice's electronic case management system and entering data.

Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.

Arranging transfer of the specific penalty bond.

Seeking decisions from creditors (as applicable).

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the office holder's liquidation estate bank account.

Creating, maintaining and managing the office holder's liquidation cashbook.
Undertaking regular reconciliations of the bank account(s) containing estate funds.
Reviewing the adequacy of the specific penalty bond on a quarterly basis.
Undertaking periodic reviews of the progress of the case.
Overseeing and controlling the work done on the case by case administrators.
Preparing, reviewing and issuing annual progress reports to creditors and members.
Filing returns at Companies House.
Preparing and filing VAT returns.
Preparing and filing Corporation Tax returns.
Seeking closure clearance from HMRC and other relevant parties.
Preparing, reviewing and issuing a final account of the liquidation to creditors and members.
Filing a final return at Companies House.
Liaising with agents, The Pension Protection Fund and The Pension Regulator in respect of pension obligations.
Reviewing and authorising statutory pension notifications.
Dealing with Bribery, Anti Money Laundering and Code of Ethics requirements and considerations.

Realisation of assets:

Work to be undertaken during the Administration

Arranging suitable insurance over assets.
Regularly monitoring the suitability and appropriateness of the insurance cover in place.
Corresponding with debtors and attempting to collect outstanding book debts.
Liaising with the Bank regarding continuation of the account.
Liaising with the Bank regarding the closure of the account.
Instructing agents to value known assets.
Liaising with agents to realise known assets.
Liaising with the secured creditors over the realisation of the assets subject to a mortgagee or other charge.
Correspondence with KSS regarding post sale formalities.
Collating information and instructing business rates analysts with a view to identifying refunds owed to the Company.

Work to be undertaken during the subsequent Liquidation

Corresponding with debtors and attempting to collect outstanding book debts (if applicable).
Instructing solicitors to assist in the realisation of assets (if applicable).
Liaising with business rates analysts with a view to identifying refunds owed to the Company.

Creditors:

Work to be undertaken during the Administration

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
Liaising with solicitors regarding the validity and nature of charges held by Symbiont.
Providing regular updates to Symbiont.
Processing dividends to Symbiont.
Maintaining up to date creditor information on the case management system.
Reviewing proofs of debt received from creditors.
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims in the subsequent liquidation.
Liaising with MoJ regarding proposed claim in the Administration.

Review of MoJ reconciliation relating to proposed claim in the Administration.

Work to be undertaken during the subsequent Liquidation

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.

Maintaining up to date creditor information on the case management system.

Issuing a notice of intended dividend and placing an appropriate gazette notice.

Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.

Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.

Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.

Investigations:

Work to be undertaken during the Administration

Recovering the physical and electronic books and records for the case (involving co-ordinating collections at multiple locations across the UK).

Coordinating the listing of the books and records recovered and reviewing the same.

Liaising with The Insolvency Service and preparing a report on the conduct of the directors as required by the Company Directors Disqualification Act.

Dealing with enquiries from The Insolvency Service following submission of the report on the conduct of the directors (if applicable)

Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.

Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.

Work to be undertaken during the subsequent Liquidation

Continuation, if applicable, of investigations into possible asset recoveries uncovered during investigations carried out in Administration.

Case Specific Matters:

Work to be undertaken during the Administration

Dealing with enquiries and requests from the MoJ, particularly in relation to the transfer of employees and the provision of information/data.

Dealing with enquiries from KSS and landlords regarding the Licence to Occupy.

Calculating and agreeing daily rent owed in respect of properties retained under the Licence to Occupy and making appropriate payments to landlords.

Dealing with data requests from the MoJ and liaising with solicitors regarding associated GDPR obligations.

Liaising with insurers regarding existing insurance claims.

Work to be undertaken during the subsequent Liquidation

Dealing with data requests from the MoJ and liaising with solicitors regarding associated GDPR obligations.

Liaising with insurers regarding existing insurance claims.

APPENDIX 11

TIME COST ANALYSIS (POST-APPOINTMENT)

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Time Entry - Detailed SIP9 Time & Cost Summary

XT0246 - The Bristol, Gloucestershire, Somerset And Wiltshire Community Rehabilitation Company Limited
From 14/02/2019 To 09/04/2019
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
402 Cash-entr	1.20	1.50	0.50	1.70	4.90	1,349.50	275.41
504 Statutory Reporting to Creditors	2.20	5.70	0.50	2.00	10.40	3,173.00	305.10
600 Administration	0.90	3.10	0.00	4.10	8.10	1,768.00	218.27
603 Statutory filing	1.10	0.00	0.00	0.00	1.10	599.50	545.00
604 Appointment notification	1.10	1.50	0.00	4.10	6.70	1,294.50	193.21
606 M.R/Eth cs/tribury checklists	1.10	1.30	0.00	1.20	3.60	1,026.50	285.14
607 Post-appointment VAT/CT returns	0.20	0.60	0.00	0.00	0.80	302.50	378.13
608 Pension matters	0.10	0.10	0.00	0.50	0.70	117.50	167.86
704 Strategy (incl Sales)	1.70	0.00	0.00	0.00	1.70	680.00	400.00
Administration & Planning	9.60	13.80	1.00	13.60	38.00	10,311.00	271.34
601 Case Specific 1	0.40	2.20	0.00	20.30	22.90	3,181.50	138.93
Case Specific Matters	0.40	2.20	0.00	20.30	22.90	3,181.50	138.93
505 Report / Secured Creditor	0.00	0.50	0.00	0.00	0.50	154.50	309.00
500 Preferential Creditors	0.00	0.10	0.00	0.00	0.10	32.50	325.00
501 Unsecured Creditors	0.30	1.40	0.00	18.20	19.90	4,144.50	208.27
502 Employee Matters	0.00	0.60	0.00	0.00	0.60	200.00	333.33
Creditors	0.30	2.60	0.00	18.20	21.10	4,531.50	214.76
203 Investigations (other)	4.00	0.40	0.00	0.50	4.90	2,334.00	476.33
Investigations	4.00	0.40	0.00	0.50	4.90	2,334.00	476.33
300 Ident - Securing & Insuring	0.10	0.30	0.00	0.10	0.50	134.50	269.00
303 Debtors/retentions	0.00	0.30	0.00	0.00	0.30	85.50	285.00
304 Plant & Machinery / Motor Vehicles	0.00	0.40	0.00	0.00	0.40	114.00	285.00
306 Other Assets	0.40	0.40	0.20	0.00	1.00	385.00	385.00
307 Cash at bank	0.20	1.50	0.00	0.20	1.90	598.00	314.74
Realisation of Assets	0.70	2.90	0.20	0.30	4.10	1,317.00	321.22
Total Hours	15.00	21.90	1.20	52.90	91.00	21,675.00	238.19
Total Fees Claimed						0.00	

APPENDIX 12

**ESTIMATE OF EXPENSES TO BE INCURRED IN THE ADMINISTRATION (AND SUBSEQUENT
LIQUIDATION)**

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Estimate of expenses to be incurred in the Administration (and subsequent Liquidation)

Type of expense	Estimated Amount
Bonding - this is insurance required by statute that every office holders have to obtain for the protection of each estate, with the premium being based on the value of the company's assets	£1,030.00
Postal Redirections	£250.00
Gazetting – various notices relating to the company have to be placed in the London Gazette	£227.75
Insurance – pre-pack insurance cover over assets and property owners liability cover over properties pending transfer/disclaimer of leases	£5,000.00
Conference call costs – third party conference call services which are directly attributable to the Administration.	£50.00
HM Land Registry – property searches (where relevant) and filing of lease disclaimers in liquidation (as appropriate)	£1,000.00
Middleton Barton Valuation, valuation agents – Valuation services, site visits, and ongoing advice on various matters in the Administration. Further details of which can be found in the Proposals.	£1,500.00
Charles Russell Speechlys LLP, solicitors – Providing ongoing advice, preparing documentation and liaising with third parties regarding a number of matters in the Administration, further details of which can be found in the Proposals.	£10,000.00
Buzzacott, tax advisors – Providing advice on tax matters and preparing relevant pre and post appointment tax returns.	£3,000.00
Restore, storage of accounting records – the Company's historic accounting records have to be collected and stored by the office holders. Restore were engaged by the Company to assist with this and it is likely the Joint Administrators will retain their services.	£5,000.00
VZX Consultancy, document management/collection and storage of accounting records – the Company's other accounting records have to be collected from the Company's trading sites across the UK and stored by the office holders.	£2,500.00
Clumber Consultancy Limited, pension services – providing advice and assistance in respect of the office holders' pension obligations.	£3,500.00
Clumber Consultancy ERA Limited, ERA services – assistance in dealing with review of subrogated preferential claim. Calculation and agreement of preferential and unsecured elements of employee claims and associated RTI submissions.	£5,000.00
Total estimated expenses	£38,057.75

APPENDIX 13

TIME COST ANALYSIS (PRE-APPOINTMENT)

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Time Entry - Detailed SIP9 Time & Cost Summary

XT0246 - The Bristol, Gloucestershire, Somerset And Wiltshire Community Rehabilitation Company Limited
To 14/02/2019
All Pre Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
500 Administration	0.00	1.70	0.00	0.00	1.70	516.50	303.82
606 MLR/Ethics/Bribery checklists	0.00	0.70	0.00	1.40	2.10	283.50	135.00
611 Maintenance of case files/records	0.00	0.40	0.00	0.00	0.40	130.00	325.00
701 Strategy and Sales	5.40	0.00	0.00	0.00	5.40	2,160.00	400.00
Administration & Planning	5.40	2.80	0.00	1.40	9.60	3,090.00	321.88
502 Employee Visitors	0.00	0.10	0.00	0.00	0.10	32.50	325.00
505 Recruit / Secured Creditor	0.00	0.10	0.00	0.00	0.10	32.50	325.00
Creditors	0.00	0.20	0.00	0.00	0.20	65.00	325.00
312 Property	0.00	0.10	0.00	0.00	0.10	28.50	285.00
303 Book Descriptions	0.00	0.10	0.00	0.00	0.10	32.50	325.00
304 Plant & Machinery / Motor Vehicles	0.00	0.10	0.00	0.00	0.10	28.50	285.00
306 Other Assets	0.00	2.00	0.00	0.20	2.20	668.00	303.64
Realisation of Assets	0.00	2.30	0.00	0.20	2.50	757.50	303.00
Total Hours	5.40	5.30	0.00	1.60	12.30	3,912.50	318.09
Total Fees Claimed						0.00	

APPENDIX 14

PROOF OF DEBT FORM

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Rule 14.4 The Insolvency (England and Wales) Rules 2016

Proof of Debt – General Form

IN THE

High Court of Justice

Number:

873 OF 2019

Name of Company in Administration:

The Bristol, Gloucestershire, Somerset and Wiltshire
Community Rehabilitation Company Limited

Company Registration Number:

08802537

Date of Administration:

14th February 2019

1 Name of creditor

(If a company, please also provide the company
registration number).

2 Correspondence address of creditor (including
any email address)

3 Total amount of claim (£)
(include any Value Added Tax)

4 If amount in 3 above includes (£)
outstanding uncapitalised interest, state
amount.

5 Details of how and when the debt was incurred.
(If you need more space, attach a continuation
sheet to this form)

6 Details of any security held, the value of the
security and the date it was given.

7 Details of any reservation of title claimed in
respect of goods supplied to which the debt
relates.

8 Details of any document by reference to which the debt can be substantiated

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Admitted for dividend for

Amount (£)

Amount (£)

Date

Date

Martin C Armstrong
Joint Administrator

Martin C Armstrong
Joint Administrator

Notes:

1. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

APPENDIX 15
NOTICE OF DECISION FOR WHICH APPROVAL IS SOUGHT
&
VOTING FORM

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Notice of decisions by correspondence

**The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited –
In Administration
In the High Court of Justice Number 873 of 2019**

(Company Number 08802537)

NOTICE IS GIVEN by Martin C Armstrong and James E Patchett to the creditors of The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited that set out below are decisions for your consideration under paragraph 51 of Schedule B1 of the Insolvency Act 1986. Please complete the voting section below indicating whether you are in favour or against the following decisions:

- i). That the Joint Administrators' proposals be approved.
- ii). That the Joint Administrators' pre-Administration costs, the details of which are set out in the Joint Administrators' proposals and issued with the notice of the decision procedure, be approved.
- iii). That the Joint Administrators' fees will be charged by reference to the time properly spent by them and their staff in dealing with the matters relating to the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken and subject to the fees estimate set out in the Joint Administrators' proposals and issued with the notice of the decision procedure.

The final date for votes is 25th April 2019, the decision date.

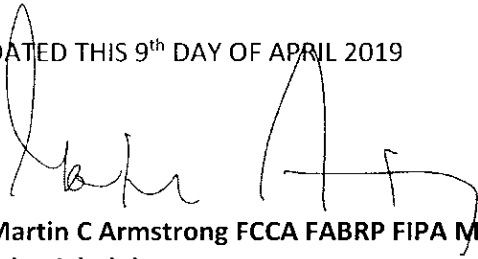
1. In order for their votes to be counted creditors must submit to me their completed voting form so that it is received at Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA by no later than 23.59 hours on 25th April 2019. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote(s) being disregarded.
2. Creditors must lodge proof of their debt (if not already lodged) at the offices of Martin Armstrong and James Patchett by no later than 23.59 on 25th April 2019, without which their vote will be invalid.
3. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
4. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decisions provided they have lodged proof of their debt.
5. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decisions above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum

of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

6. Creditors have the right to appeal the decision made by applying to Court under Rule 15.35 within 21 days of 25th April 2019, the decision date.

Creditors requiring further information regarding the above, should either contact me at Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA, or contact workinglinks@turpinba.co.uk or 020 8661 4004.

DATED THIS 9th DAY OF APRIL 2019

A handwritten signature in black ink, appearing to read 'Martin C Armstrong', written over the printed name.

Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator

Notice of decisions by correspondence

**The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited –
In Administration**

In the High Court of Justice Number 873 of 2019

(Company Number 08802537)

Voting on Decisions

- i). That the Joint Administrators' proposals be approved.

For / Against

- ii). That the Joint Administrators' pre-Administration costs, the details of which are set out in the Joint Administrators' proposals and issued with the notice of the decision procedure, be approved.

For / Against

- iii). That the Joint Administrators' fees will be charged by reference to the time properly spent by them and their staff in dealing with the matters relating to the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken and subject to the fees estimate set out in the Joint Administrators' proposals and issued with the notice of the decision procedure.

For / Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of
creditor: _____

Signature of
creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing document: _____

Dated: _____

APPENDIX 16

NOTICE OF INVITATION TO FORM A COMMITTEE

Ref: MCA/JEP/XT0246

Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey SM1 4LA

Notice of invitation to form a Creditors' Committee

**The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited—
In Administration**

In the High Court of Justice Number 873 of 2019

(Company Number 08802537)

NOTICE IS GIVEN by Martin C Armstrong and James E Patchett to the creditors of The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited of an invitation to form a Creditors' Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016.

1. In addition to seeking a decision on the matters set out in the accompanying notice, creditors are also invited to determine, at the same time, whether a Creditors' Committee should be established.
2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. The specified date for receipts of nominations for creditors to act as a member of the Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016 is 25 April 2019, the Decision Date.
5. Please complete the form sent with this notice, and include the name and address of any person you wish to nominate to act as a member of the Committee. The completed document should be returned to Turpin Barker Armstrong of Allen House, 1 Westmead Road, Sutton, Surrey, SM1 4LA so that it is received by no later than 23.59 hours on 25 April 2019, the decision date.

Note: Further information on the rights, duties and the functions of a Committee is available in a booklet published by the Association of Business Recovery Professionals (R3). This booklet can be accessed at the following link:

<https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>

If you require a hard copy of the booklet please contact this office.

DATED THIS 9th DAY OF APRIL 2019



**Martin C Armstrong FCCA FABRP FIPA MBA FNARA
Joint Administrator**

**The Bristol, Gloucestershire, Somerset and Wiltshire Community Rehabilitation Company Limited -
In Administration
In the High Court of Justice Number 873 of 2019
(Company Number 08802537)**

1. That a Creditors' Committee should be established.

For/Against

I wish to nominate the following creditor to act as a member of the committee:

Name of nominated creditor _____

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

Dated: _____

Note: The completed form should be delivered to Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA.