

AM03 (Scot)

Notice of administrator's proposals



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number	S	C	3	5	1	6	1	0
Company name in full	JSS 2020 Limited							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Julie
Surname	Tait

3 Administrator's address

Building name/number	7 Exchange Crescent
Street	Conference Square
Post town	Edinburgh
County/Region	
Postcode	E H 3 8 A N
Country	

4 Administrator's name ①

Full forename(s)	Stuart
Surname	Preston

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	Level 8
Street	110 Queen Street
Post town	Glasgow
County/Region	
Postcode	G 1 3 B X
Country	

② Other administrator

Use this section to tell us about
another administrator.

AM03 (Scot)
Notice of Administrator's Proposals

6 Statement of proposals

<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals	
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7 Sign and date

Administrator's Signature	Signature X J Tait X									
Signature date	<table><tr><td>^d 1</td><td>^d 5</td><td>^m 1</td><td>^m 0</td><td>^y 2</td><td>^y 0</td><td>^y 2</td><td>^y 0</td></tr></table>	^d 1	^d 5	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0	
^d 1	^d 5	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0			

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Notice of Administrator's Proposals



Presenter information

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

Contact name

Steve P Tuffin

Company name

Grant Thornton UK LLP

Address

Level 8

110 Queen Street

Post town

Glasgow

County/Region

Postcode

G 1 3 B X

Country

DX

Telephone

0141 223 0000



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.



Further information

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

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



Ourref: JXT/JXC/SPT/TXA/152455-100/
Yourref:

To the creditors

Grant Thornton UK LLP
7 Exchange Crescent
Conference Square
Edinburgh
EH3 8AN
T +44 (0)131 229 9181
F +44 (0)131 229 4560

15 October 2020

Dear Sir

**JSS 2020 Limited (formerly known as Pressure Test Solutions Limited) - In Administration
(the Company)**
Aberdeen Sheriff Court, L38-20

Introduction

- 0.1 I was appointed Joint Administrator of the Company, together with Stuart Preston, by the directors on 9 October 2020. Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners. We are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.
- 0.2 Following on from our appointment we are submitting our proposals pursuant to Paragraph 49(1) of Schedule B1 to the Insolvency Act 1986 for achieving the objective of the administration.
- 0.3 This report contains the information required by Rule 3.35 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 (**the Rules**).
- 0.4 In accordance with Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or both of them.

Statutory information

- 1.1 The Company's statutory details are as follows:

Registered number	SC351610
Date of incorporation	20 November 2008
Authorised share capital	50,000
Issued share capital	50,000

Director	Shareholding
Gary Notman	Nil
Secretary	Shareholding
Blackadders LLP	Nil

- 1.2 The administration constitutes "main proceedings" under the EU Regulation on Insolvency Proceedings (Article 3(1)) as the Company's registered office is and always has been in Scotland and its management and principal trading activities are conducted in the United Kingdom.

Background to Joint Administrators' appointment

- 2.1 The background to the Joint Administrators' appointment, and a detailed explanation of the subsequent sale of the Company's business and assets, are contained in the report attached at Appendix A in accordance with the Statement of Insolvency Practice 16 (**the SIP16 Report**).
- 2.2 SIP16 directs insolvency practitioners appointed to administrations involving an immediate disposal of assets, to seek approval of their proposals (which is now being sought) from creditors as soon as reasonably practical and, ideally, with the SIP16 Report.
- 2.3 The objective of an administration is to either rescue a company as a going concern or to 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, if neither of these is reasonably practicable, to realise property in order to make a distribution to one or more secured or preferential creditors.

Proposals for achieving the objective of the administration

- 3.1 The Joint Administrators will pursue the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.
- 3.2 This objective will be achieved by the Joint Administrators working to maximise book debt and connected party recoveries in order to realise best value in respect of the Company's remaining assets. A sale of the Company's business and assets have been completed. Further information of the sale can be found at section 6 of this report and the SIP16 Report at Appendix A.
- 3.3 In relation to the above, the Joint Administrators propose:
- to dispose of the Company's remaining assets (where possible);
 - to manage the affairs of the Company and do all such other things, and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the administration;
 - to pursue and recover any debts (ie prepayments) identified as owed to the Company (where cost appropriate to do so);
 - to be authorised to continue, or raise, any legal actions required, provided such actions are in the best interests of the creditors and that it is economical to do so;
 - to be authorised to settle legal and other agents' fees and disbursements properly incurred in assisting the Joint Administrators, to be paid out of the assets of the Company as an expense of the administration;
 - to seek an extension of the administration period if deemed necessary;
 - that the creditors consider establishing a creditors' committee and that, if any such committee is formed, they be authorised to sanction the basis of the Joint Administrators' remuneration and any proposed act on the part of the Joint Administrators without the need to report back to a further meeting of creditors generally (to include any decision regarding the most appropriate exit route from the administration);
 - that, if having realised the assets of the Company, the Joint Administrators are of the opinion that a distribution will be made to the unsecured creditors other than by way of the prescribed part, that the Joint Administrators can apply for permission to make the distribution in the administration;

- that, should the conditions of Paragraph 83(2) of Schedule B1 of the Insolvency Act 1986 be met, the Joint Administrators be permitted to move the Company from administration to creditors' voluntary liquidation (**CVL**);
- that if the above CVL exit route is followed, it is proposed that the Joint Administrators in office at the time of the proposed transfer to CVL will become the Joint Liquidators of the Company. Creditors have the right to nominate an alternative liquidator of their choice. To do this, creditors must make their nomination in writing to the Joint Administrators prior to these proposals being approved. Where this occurs, the Joint Administrators will advise creditors and provide the opportunity to vote. In the absence of a nomination, the Joint Administrators will automatically become the Liquidators in the subsequent CVL. Any act required or authorised by the Liquidators may be done by any or all of them, and the basis or bases of their fees approved by creditors in the Administration will also apply to the CVL;
- that if, in accordance with Paragraph 84 of Schedule B1 of the Insolvency Act 1986, the Joint Administrators think that the Company has no property which might permit a distribution to its creditors, they will file a notice with the court and the Registrar of Companies for the dissolution of the Company; and
- that the Joint Administrators will be discharged from liability in accordance with Paragraph 98 of Schedule B1 to the Insolvency Act 1986.

Assets and liabilities

- 4.1 The director has been requested to prepare a statement of affairs of the Company, but this has yet to be provided due to time constraints.
- 4.2 An estimate of the financial position of the Company is attached at Appendix B, together with a list of the names and addresses of the creditors, the amount of their debts and details of any security.
- 4.3 There will be no prescribed part of floating charge assets to be set aside for the benefit of unsecured creditors under Section 176A of the Insolvency Act 1986, as Handelsbanken Plc's (**the Bank**) floating charge was released prior to the appointment of the Joint Administrators on 8 October 2020. There were therefore no floating charge holders on the date of the Joint Administrators' appointment.

Assets

- 4.4 Aside from the sale proceeds received from the disposal of the business and assets of the Company as detailed in the SIP16 report, the remaining Company assets to be realised in the administration are limited to:
 - company's book debts of c.£276,000;
 - cash at bank of approximately £10,000;
 - sums owed by connected parties; and
 - other accruals, sundry debtors and prepayments, which we will continue to investigate.

Liabilities

- 4.5 The only known creditors are HM Revenue and Customs in respect of VAT and payroll tax liabilities and ordinary creditor claims.
- 4.6 There are not expected to be any payroll/salary related claims as all staff transferred by way of Transfer of Undertakings (Protection of Employment) Regulations 2006 (**TUPE**) to the purchaser, Safety & Technical Hydraulics Limited (**the Purchaser**).
- 4.7 Prior to the appointment of the Joint Administrators the Company had met the monthly payroll costs of all employees to 30 September 2020. In accordance with the sale and purchase agreement, the Purchaser will meet the payroll costs for the period from 1 October 2020 to 9 October 2020 (being the date of sale). The costs attributable to the salary payments in this period will be disclosed by the Purchaser and repaid as an expense of the administration.

Dividend prospects

- 5.1 We anticipate there will be sufficient funds to enable a distribution to unsecured creditors. However, the quantum and timing of any dividend remains uncertain and will depend on the realisation of the assets detailed at section 4.4.

Conduct of the administration

- 6.1 We concluded that the best way of achieving the objective of the administration was to implement the sale of the Company's business and assets as described in the SIP16 Report at Appendix A. This is in addition to maximising realisations in respect of the remaining Company assets in the administration.
- 6.2 The business sale, to the Purchaser comprised:
- £171,988 for fixed assets (plant and machinery)
 - £133,008 for stock
 - £1 for the goodwill
 - £1 for the customer contracts
 - £1 for the business intellectual property rights
 - £1 for the Company records
- 6.3 All of the Company's eight staff transferred to the Purchaser by way of TUPE.
- 6.4 The sale did not include the Company's trade debtors (including both current debts and retention amounts) or any other amounts due to the Company.
- 6.5 The Purchaser has agreed to assist the Joint Administrators with the collection of the book debts.
- 6.6 Our receipts and payments account covering the period 9 October 2020 to 14 October 2020 (**the Period**) is attached at Appendix C. It should be noted that, at 14 October 2020, the funds from the Company's pre-appointment bank account totalling c.£10,000 and the sale proceeds (currently held in our solicitors client account), have not yet been received in the administration bank account and are therefore not reflected in the receipts and payments account which has been prepared on a cash basis. The funds will be transferred shortly.

Joint Administrators' remuneration and disbursements

- 7.1 The basis of the Joint Administrators' remuneration is to be fixed by the creditors. If a creditors' committee is appointed, then this is a matter for the committee. If no committee is appointed, a decision of the creditors will be required.
- 7.2 Pre-administration costs unpaid at the date of appointment of the Joint Administrators may also be approved as above under Rule 3.52 of the Rules to rank as an expense of the administration. Approval of the statement of proposals does not constitute approval either of the Joint Administrators' remuneration or of unpaid pre-administration costs.
- 7.3 Please see Appendix D for details of our remuneration, expenses and payments made to associates in accordance with Statement of Insolvency Practice 9 (**SIP9**), which includes details of our proposed fee basis.

Decision of creditors

- 8.1 We attach at Appendix E notices for a decision of the creditors as they are required in respect of the resolution below:
- 1 The approval of these proposals;
 - 2 That the remuneration of the Joint Administrators be fixed according to the time properly spent by the Joint Administrators and their staff;

- 3 That the Joint Administrators' out of pocket expenses at cost; mileage is charged at 45p per mile, be approved;
 - 4 That the Joint Administrators' pre-appointment costs of £13,538 be approved;
 - 5 That TSA Auctioneers & Valuer's pre appointment costs of £450 be approved as an expense of the administration; and
 - 6 Whether a creditors' committee be formed.
- 8.2 Information concerning creditors' committees can be found in Liquidation / Creditors' Committees and Commissioners: A Guide for Creditors published by the Association of Business Recovery Professionals. This can be read at or downloaded from <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>.
- 8.3 The proposals contained in this statement will be deemed to have been approved by the creditors unless, within eight business days of this statement being sent out, creditors whose debts amount to at least 10% by value of the total debts of the Company request that the Joint Administrators seek a decision from the creditors as to whether they approve the proposals.

Data protection

- 9.1 Any personal information held by the Company will continue to be processed for the purposes of the administration of the Company and in accordance with the requirements of data protection law. Our privacy notice on our website (www.grantthornton.co.uk/en/privacy) contains further details as to how we may use, process and store personal data.

Covid-19

- 10.1 This report has been produced during Covid-19 restrictions. We have taken every reasonable step to ensure that the information in this report is accurate, but if it comes to light that anything is incorrect or incomplete, we will provide an explanation and corrected information in the next report.

Yours faithfully
For and on behalf of
JSS 2020 Limited



Julie Tait
Joint Administrator

A. Initial letter to creditors / SIP16 Report



JSS 2020 Limited (formerly Pressure Test Solutions Limited) - In Administration (the Company)

UK Recovery
Grant Thornton UK LLP
7 Exchange Crescent
Conference Square
Edinburgh
EH3 8AN

Report to creditors required under
Statement of Insolvency Practice 16

Prepared by: Julie Tait, Joint Administrator

Contact details: Should you wish to discuss any matters in
this report, please do not hesitate to
contact Kirsti Bell on 0141 223 0739

1 Executive summary

- Julie Tait and Stuart Preston of Grant Thornton UKLLP were appointed as Joint Administrators of the Company on 9 October 2020
- Upon appointment, we sold the trade and assets of the Company to Safety & Technical Hydraulics Limited (**the Purchaser**), an unconnected third party
- The transaction was entered into in pursuit of achieving 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), being a statutory purpose of administration
- We are of the opinion that the outcome achieved was the best available outcome that could be reasonably obtained, for creditors as a whole in all the circumstances
- The return to unsecured creditors of the Company remains uncertain and will depend on the realisation of the assets not included in the sale, namely the collection of the pre-appointment book debts and sums owed by connected parties. The Purchaser has agreed to assist the Joint Administrators with the collection of the book debts in accordance with the sale and purchase agreement



Julie Tait
Joint Administrator

15 October 2020

Please note that details of abbreviations and definitions used within this report are included at Appendix A

2 Initial introduction

2.1 Initial introduction

We were introduced to the Company by its auditor, Johnston Carmichael, on 15 September 2020. Prior to our involvement, a representative from Johnston Carmichael had been in discussions with the Company's Director regarding concerns surrounding ongoing cash constraints faced by the business and ultimately, the Company's ability to continue to trade solvently.

We initially consulted with the Director to assist with the orderly wind-down of the business and place the Company into liquidation. However, following discussions with the Director it became apparent that there may be an opportunity to explore the possibility of an accelerated disposal of the business and assets of the Company.

Grant Thornton was subsequently engaged by the Company on 21 September 2020 to provide the following services:

- a. Assist the Director explore the options available to the Company;
- b. Consider whether a sale of the business and assets of the Company could be achieved via an accelerated sales process and implement a strategy to do so; and
- c. Assist the Director in taking steps to place the Company into administration.

Please note that the Company has a sole director, Mr Gary Notman, and that all references to the Director are to Mr Notman acting in his capacity as sole director on behalf of the Company. We were not engaged to advise Mr Notman as to his personal position.

The sale was concluded by way of a pre-packaged sale from administration. Stuart Preston, Partner and Head of Restructuring (Scotland) and Julie Tait, Director, of Grant Thornton, were subsequently appointed as Joint Administrators of the Company.

Grant Thornton has received payment of £35,000 (excluding VAT) in respect of work in relation to undertaking an accelerated sales process.

2.2 Prior involvement with the Company

Grant Thornton had no prior dealings or involvement with the Company and/or its Mr Notman before this engagement.

3 Pre-appointment considerations

3.1 Nature of the Company's business

The Company was incorporated on 20 November 2008 with the principle trading activity being the provision of rental, sale and calibration of equipment, predominately to clients in the oil and gas industry.

The Company specialised in providing pressure test equipment and instrumentation rental, hazardous area equipment & communication rental, flushing units and hose reelers and the supply of hydraulic and pneumatic products.

The Company operated from a facility in Aberdeen, Scotland and employed eight staff.

3.2 Causes of the Company's distress

The insolvency of the Company can be attributed to:

- a decline in trading: over the last few years, the Company has incurred annual losses and, as a consequence, has encountered a gradual tightening in its cash position; and
- sector and industry distress, exacerbated by COVID-19: recent challenges in the oil and gas sector have resulted in further reduction in revenue.

In the days leading up to the submission of the Notice of Intention to Appoint, the Company received two letters from unsecured creditors demanding payment of outstanding debts, failing which a winding up petition would be lodged. Both demands were clear that, in their respective views, the current winding up restrictions were not applicable.

3.3 Actions taken by the Company

Given creditor pressure faced by the Company in respect of the significant level of creditor payments due, it was not feasible for the Company to introduce any further debt in order to relieve its cash flow issues.

The Director, personally, was also, in the short term, unable to provide adequate funding to support the business and meet the ongoing demands of creditors.

We understand that the Director entered into discussions with the Company's largest creditor in order to reach a compromise or a repayment arrangement to gradually reduce the arrears due; however, no resolution could be reached.

Grant Thornton was engaged to undertake an accelerated sales process of either the share capital or the business and assets of the Company.

In the event that it was not possible to successfully complete the accelerated sales process, Grant Thornton was engaged to assist the Director in taking steps to place the Company into liquidation.

3.4 Alternative courses of action considered by the proposed Joint Administrators

Throughout the period of the sale negotiations, we considered all options available to the Company.

We had established that a solvent solution to the funding issues was not possible as:

- no offers were received for the business on a solvent basis; and
- additional finance could not be obtained to restore cash flow solvency.

Given that insolvency was deemed to be unavoidable and in order to determine whether or not a pre-pack administration was the most appropriate route, we considered two other viable options: (i) trading in administration with a view to selling the business and assets as a going concern; and (ii) immediate close down of the business and sale of the assets on a break up basis.

It was determined that trading whilst in an administration and running a further sales process was not in the interests of creditors as:

- after reviewing updated financial and operational information the Company would likely generate a trading loss during administration and could not continue to trade without access to ongoing finance;
- it was considered that a sales process within the administration was unlikely to provide a materially better offer or higher return to creditors, particularly in light of the likely trading losses that would be incurred;
- there may be damage to the brand value of the business; and
- potential erosion of customer confidence in the business.

In relation to cessation of trade and immediate sale of the assets, this was also determined to be not in the best interest of the creditors as:

- we anticipated a lower recovery would be achievable on book debts;
- the valuation provided by our agent for plant and machinery was lower on a break-up basis than on a going concern; and
- this scenario would have resulted in all eight employees being made redundant and resulted in employment claims crystallising.

The above not only ruled out trading in administration, but was also the key reason for not pursuing a CVA or Part A1 moratorium and Company rescue.

Based on the financial analysis performed, the pre-pack administration route was considered the best option available to the Company as:

- during the accelerated sale process we identified a number of likely interested parties from within the sector and therefore, the transaction accepted was considered to be fair market value and would provide the best return to creditors; and
- the sales process within an administration was unlikely to provide a materially better offer or higher return to creditors.

3.5 Requests for funding the administration and the decision of whether to trade

Financial analysis was undertaken by us prior to the appointment. It was determined that continuing to trade would be to the detriment of the creditors as a whole primarily due to the level of Company creditors and the Company's recent trading performance.

As a result, no funding request was made to any lender or third party.

3.6 Consultation with major creditors and key stakeholders

We consulted with two material stakeholders as follows:

Handelsbanken Plc (the Bank)

The Bank has one outstanding charge registered at Companies House in respect of the Company as detailed below.

Date of charge	Charge holder	Details of the charge
8 February 2019	Handelsbanken Plc	Floating charge over the undertaking, and all property and assets of the Company

The outstanding balance due to the Bank was c.£2,500 in connection with funding for HP assets. In order to allow the assets to be included in the accelerated sale process, it was agreed with the Bank that the charge over the Company's assets would be settled and released prior to the completion of the sale. The Company made payment to the Bank prior to the Joint Administrators' appointment, and the deed of release of the charge was duly issued on 8 October 2020.

Please note Companies House has not yet been updated to reflect the release of this charge.

Majority creditor

Prior to our involvement the Director had been in discussions with the majority creditor to come to a settlement agreement in regards to the amount due to it by the Company. While initially the parties were unable to come to an agreement, the majority creditor subsequently indicated that it would potentially be interested in a debt to equity swap in respect of its debt.

The majority creditor therefore signed an NDA and was provided with the additional Company information, in line with other interested parties. However, no formal proposal was received by the deadline for indicative offers.

3.7 Previous connected insolvencies

There have not been any previous insolvencies in respect of the Company.

It has been confirmed that the Company's business and assets have not been acquired from an insolvency process in the last 24 months.

4 Marketing of the business and assets

4.1 Approach to interested parties

We identified potential interested parties through the following:

- Grant Thornton's existing database of potential contacts and investors within a similar sector;
- Liaising with colleagues across our Grant Thornton offices; and
- Parties identified by the Director

A teaser document was issued to potential interested parties in the week commencing 21 September 2020.

4.2 Marketing strategy

Given the increasing cash constraints faced by the Company and the intention to appoint administrators, it was considered that there was a very limited timeframe available to run a sales process and complete a transaction.

The marketing strategy was determined with regard to the following:

- Short timescales meant that only a limited number of parties could be effectively involved
- Confidentiality was required to protect the value of the assets of the business.

Following discussions with the Director, we identified a number of potential interested parties. Additionally, liaisons with colleagues across Grant Thornton identified some additional parties over and above those proposed by the Director.

Given the accelerated nature of the process and the limited time frame available for interested parties to conduct due diligence, we did not consider it feasible to market the to a wider pool of parties.

Due to the specialist nature of the business, wider publication was not appropriate given the small number of parties able to operate the business competently. As a result, no marketing took place via the web or otherwise.

Our marketing strategy identified a targeted pool of potential interested parties, which was essential to deliver an efficient and effective process.

The following marketing and subsequent actions were undertaken:

- Teaser documents were sent to 14 potential interested parties, with various follow up emails and phone calls
- NDAs were provided to 10 parties who indicated an interest in considering the opportunity. Seven NDAs were signed and returned
- Additional information was provided to those parties who returned a signed NDA which provided financial, operational and other information in respect of the Company
- Interested parties were offered meetings with the Company's management team to facilitate their due diligence process.

All interested parties were advised that indicative offers were to be received by midday on 1 October 2020, with final offers required by close of business on 5 October 2020.

During the course of the accelerated sale process, a Notice of Intention to Appoint Administrators was filed by the Director on 30 September 2020 in order to protect the Company from creditor enforcement action (which would have resulted in liquidation and a potentially worse return to the creditors)

4.3 Offers received

Two parties indicated that they were interested in various items of plant and machinery but did not submit an offer.

Three separate parties expressed interest up to the closing date and entered discussions with the Director to obtain additional information in respect of the Company.

One offer was received from the Purchaser for the business and assets of the Company, as a whole. This also included the transfer of the Company's employees by way of TUPE. This was assessed by us and it was concluded that the sale to the Purchaser provided the best result for the creditors.

Having identified the Purchaser as the sole bidder for the business and assets, we moved into the next phase of drawing up a sale and purchase agreement.

Further information in respect of the sale is detailed at section 6 of this report.

5 Valuation of the business and assets

5.1 Basis of valuations

We obtained valuations of the assets to enable us to make a decision as to whether the transaction would be in the best interests of the creditors.

A break-up valuation reflects the value of the assets should the company cease to trade. This is used to estimate the outcome for creditors should the transaction not occur and the company proceed into liquidation. This is usually the worst-case position for creditors.

A going concern valuation reflects the value of the assets where a transaction includes a trading business. This is typically of greater value than a break-up basis due to the attributing of value to goodwill and future income streams. A going concern value is used to provide a guide to administrators as to the value of individual assets being sold as part of a wider transaction.

We consider that we obtained fair market value through the marketing process undertaken, as, ultimately, the assets are worth what a party will pay for them in the circumstances, taking into account the distressed nature of the business. We considered the offer received (considered to be fair market value) against the break-up value to ensure that the transaction provided a better position for the creditors.

We reviewed the accelerated sale process which had been undertaken and considered that it was sufficiently comprehensive.

5.2 Intangible assets

A formal valuation was not instructed due to the significant cost associated with the valuation and assessment that the intangible assets of the Company were likely to hold little to no value to any potential purchaser. It was concluded that the cost of instructing the valuation would outweigh any sale consideration attributed to the assets by a purchaser.

For the purpose of the sale consideration received, the balance attributed to the Company's goodwill and intellectual property was £1 each.

5.3 Tangible assets

Following our formal instruction by the Company, TSA was engaged to provide a professional independent valuation of all the fixed assets and stock owned by the Company on a going concern and break-up value, this excluded the trade debtors, which the Joint Administrators will be realising for the benefit of all creditors over the course of the administration, with the assistance of the Purchaser. TSA has adequate professional indemnity insurance and have confirmed their independence in this matter. The valuation and report was undertaken by Mark Barrack, who is qualified by the Institute of Auctioneers and Appraisers in Scotland and prepared in accordance with these guidelines.

The valuation provided by TSA in respect of the assets relating to the Company was provided as follows:

£	Going-concern valuation	Break-up valuation
Office furniture and equipment	7,500	1,500
Workshop equipment	24,000	12,000
Hazardous area equipment	150,000	30,000
Flushing units	60,000	20,000
Hydraulic workshop equipment	18,000	6,000
Stock	56,000	11,200
Total	315,500	80,700

The transaction achieved a value of £305,000 for the business and assets of the Company. Although slightly less than TSA's going concern valuation, it was the only offer received and would avoid the uncertainty of a break up basis sale at auction and the associated holding costs (marketing, auction professional and contingency costs). It was also deemed that a business and assets sale would provide continuity of trading, which would also assist with collection of the remaining book debts.

Please note, the final allocation of the sale proceeds, as seen in section 6 differs to the above valuation. This is in accordance with the Purchaser's split of sale proceeds between fixed assets and stock, which brings the stock figure in line with the Company's balance sheet at 9 October 2020.

6 The transaction

6.1 Details of the transaction

Date of transaction	9 October 2020
Identity of the Purchaser	Safety & Technical Hydraulics Limited Blackwood House, Union Grove Lane, Aberdeen, Scotland, AB10 6XU Company number: SC286215
Purchaser's connection to the Company's:	
Directors	None
Shareholders	None
Secured creditors / the Bank	None
Associates	None
Company directors, former directors, or their associates	None
Total consideration	£305,000
Allocation against assets:	
Fixed assets	£171,988
Stock	£133,008
Goodwill	£1
Customer contracts	£1
Business Intellectual property rights	£1
Sellers records	£1
Material conditions for consideration	No other deferred consideration, options, buyback agreements, or other conditions attached to the consideration. Best price has been obtained for the business and assets of the Company
Terms of payment	Cash paid on completion
Part of a wider overall transaction	No
Providers of finance to the transaction	Not applicable
Did the provider of finance also fund the vendor company and if so, had the directors given any guarantees to that provider?	Not applicable

7 Pre-pack pool

7.1 Connected party transactions

The Purchaser is not a party connected with the Company and therefore did not approach the pre-pack pool, a body of independent reviewers of a pre-packaged sales of businesses from cases of company administration.

8 Other information for creditors

8.1 Future correspondence

All future creditors' reports will be shared through the creditors' portal which can be found at:

- <https://www.grantthornton.co.uk/portal/>

The unique passwords are being notified to creditors separately. (Any creditor that does not have a unique creditor's password should contact Kirsti Bell by email at Kirsti.Bell@uk.gt.com).

The officers of the Company are required to furnish us with a statement of affairs as required by the Insolvency Act 1986, however due to time constraints this has not yet been received. Therefore included in the Joint Administrators proposals is an estimated summary of the Company's financial position.

Further details of the administration are also provided within the proposals, in addition to information about our fees.

Creditors can find a guide to their rights in an administration at <https://www.grantthornton.co.uk/portal/>.

A creditor has a right to opt out of receiving further documents about the proceedings (with some exceptions). Further information is provided in Appendix C.

8.2 Making a claim in the administration

Creditors can log onto the portal to submit their claim directly. Alternatively, a proof of debt form can be provided upon request and submitted manually.

8.3 Bad debt relief

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with section 36 of the Value Added Tax Act 1994. In broad terms relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account. Insolvency practitioners have no role in administering VAT bad debt relief. Creditors who are uncertain how to claim should contact their VAT office or take professional advice.

8.4 Retention of title claims

If you contend that you have any form of security or reservation of title in respect of goods supplied, please contact us immediately, in writing, with full details of your claim. We would advise you that, pursuant to Paragraph 43 of Schedule B1 to the Insolvency Act 1986, you will not be able to enforce any security or reservation of title claim without our consent or the permission of the court.

8.5 Investigations into the Company's affairs

We shall be pleased to receive, from any creditor, any useful information concerning the Company, its dealings or conduct, which may assist us in any investigations into the Company's affairs.

8.6 Contact from third parties

Please be aware that fraudsters have been known to masquerade as the legitimate Joint Administrators. Fraudsters may contact creditors asking for an upfront fee or tax to release an investment or to enable payment of a dividend / the release of money payable to the creditor. An administrator would never ask for such a payment nor instruct a third party to make such a request.

8.7 Data protection

Any personal information held by the Company will continue to be processed for the purposes of the administration of the Company and in accordance with the requirements of data protection law. Our privacy notice on our website (www.grantthornton.co.uk/en/privacy) contains further details as to how we may use, process and store personal data.

8.8 Covid-19

This report has been produced during Covid-19 restrictions. We have taken every reasonable step to ensure that the information in this report is accurate, but if it comes to light that anything is incorrect or incomplete, we will provide an explanation and corrected information in the next report.

A Definitions

The Bank	Handelsbanken Plc
The Company	JSS 2020 Limited (Formerly known as Pressure Test Solutions Limited)
The Director	Gary Notman
Grant Thornton	Grant Thornton UKLLP
HP Asset	Hire Purchase Assets
Johnston Carmichael	Johnston Carmichael LLP
The Joint Administrators	Stuart Preston and Julie Tait, of Grant Thornton UKLLP
NDA	Non-Disclosure Agreement
Pre-pack (administration)	An insolvency procedure whereby a company arranges to sell its assets to a buyer before appointing administrators to facilitate the sale
The Purchaser	Safety & Technical Hydraulics Limited
RICS	Royal Institute of Chartered Surveyors
The Shareholder	The shareholder (and/or their ultimate beneficial owners) of the Company
SIP	Statement of Insolvency Practice
TSA	TSA Auctioneers & Valuers
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
VAT	Value Added Tax

B Statutory information

Company information

Company name	Pressure Test Solutions Limited
Date of incorporation	20 November 2008
Company registration number	SC351610
Present registered office	6 Bon Accord Square, Aberdeen, AB11 6XU
Registered charges	Chargeholder: Svenska Handelsbanken AB (Publ) Creation date: 8 February 2018 Nature of security: Floating Charge
	Please note that a deed of release in regards to this charge was signed by Handelsbanken PLC on 8 October 2020

Administration information

Administration appointment	The administration appointment in Aberdeen Sheriff Court
Appointor	The Director of the Company
Date of appointment	9 October 2020
Joint Administrator names	Julie Tait Stuart Preston
Joint Administrator address	7 Exchange Crescent Conference Square Edinburgh EH3 8AN
Functions	In accordance with Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Administrators are to be exercised by any or both of them.
Current administration expiry date	8 October 2021

C Opting out of creditor notices

Entitlement of creditors to opt out of receiving further documents relating to the administration

Administrators	Julie Tait and Stuart Preston
Postal address	7 Exchange Crescent, Conference Square, Edinburgh, EH3 8AN
Email address for contact	Kirsti.Bell@uk.gt.com

A creditor has the right to elect to opt out of receiving further documents about the proceedings unless:

1. the Insolvency Act 1986 requires a document to be delivered to all creditors without expressly excluding opted-out creditors
2. it is a notice relating to a change in the office holder or the office-holder's contact details
3. it is a notice of a dividend or proposed dividend or a notice which the court orders to be sent to all creditors, or to all creditors of a particular category to which the creditor belongs

Opting out will not affect the creditor's entitlement to receive dividends should any be paid to creditors.

Unless the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 provide to the contrary, opting out will not affect any right the creditor may have to vote in a decision procedure or to participate in a deemed consent procedure in the proceedings although the creditor will not receive notice of it.

A creditor who opts out will be treated as having opted out in respect of any consecutive insolvency proceedings of a different kind in respect of the Company.

In order to opt out please contact us in writing (by post or by email) at the relevant address given above. You may do this at any time. You may revoke the election to opt out at any time by a further notice in writing.

Explanatory Note

As Joint Administrators of the Company, we are required to issue progress reports bi-annually and upon the conclusion of the administration. If you opt out, you will not receive these. If further decisions are sought from the creditors, you will not receive notice of these, although you would still be entitled to participate if you learned of the decision procedure informally.

Opting out will not impact on the procedure of agreeing your claim in the event that a dividend becomes payable and you will receive notice of intended dividends and payment of dividends.

D Notice about this report

This report has been prepared by Julie Tait, the Joint Administrator of Pressure Test Solutions Limited – in administration, solely to comply with the Joint Administrators' duty to report to creditors under the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 and SIP 16 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators does not assume any liability in respect of this report to any such person.

Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointment of the Joint Administrators is personal to them and to the fullest extent permitted by law, Grant Thornton UKLLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

Please note you should read this report in conjunction with any other reports that may have been issued by the Joint Administrators to the Company's creditors, which can be found on the Grant Thornton Insolvency Act portal. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT. For definitions of abbreviations please refer to Appendix A.

B. Estimated financial position at 9 October 2020

£	NBV 9 October 2020	Estimated to realise
Assets		
Fixed assets (plant and machinery)	67,091	171,988
Stock	133,008	133,008
Trade debtors	275,533	176,016
Goodwill	-	1
Other intangible assets	-	3
Cash bank	9,182	10,362
Intercompany loan	508,510	508,510
Prepayments	23,571	-
Total asset realisations		999,888
Liabilities		
Preferential creditors		-
Net property		999,888
Unsecured creditors		(570,672)
Estimated surplus / (deficit) as regards to members		429,216

Notes:

- i) Estimated financial position does not include costs associated with the administration

Company creditors

Key	Name	Address	£
CF02	Flow technology UK Ltd (Online)	Pimbo Road, Skelmersdale, Lancashire, WN8 9RB	1,204
CF01	Flow Technology Ltd	Half House Lane, Hove Edge, Brighouse, West Yorkshire, HD6 2PH	3,305
CH00	HM Revenue & Customs,	Debt Management, Barrington Road, WORTHING, West Sussex, BN12 4SE	43,990
CB01	Brennan Industries	Brennan Industries, Unit 1, Bentley Mill Way, Walsall, West Midlands, WS2 0LE	176
CB03	Burnett & Hillman	Havyat Road, Wrington, Bristol, UK, BS40 5AE	868
CM06	Modus Gauges Ltd	Modus Gauges Ltd, Unit 4C, Woodhall Business Park, Sudbury, Suffolk	649
CG02	Graham's The Family Dairy	Airthrey Kerse Farm, Henderson Street, Bridge of Allan, Stirling, FK9 4RW	21
CS08	Staffordshire Hydraulic Services Ltd	Mount Road, Kids Grove, Stoke on Trent, Staffordshire, ST7 4AZ	4,880
CW01	Workman LLP	4th Floor, Minton Place, Station Road, Swindon, SN1 1DA,	71,454
CO00	O2 Telefonica UK Ltd	Bath Road, Slough, Berkshire, SL1 4DX,	257
CN01	National Fluid Power Centre Ltd	C/O RNN Group, Finance Department, Eastwood Lane, Rotherham, South Yorkshire	2,058
CT00	The Millennium Coupling Company	71A Roman Way, Longridge Road, Ribbleson, Preston, PR2 5BE	6
CO02	Century Hose Ltd	71A Roman Way, Ribbleson, Preston, PR2 5BE,	2,513
CE09	Evo-Fluid Hydraulics UK Ltd	Unit 9, Peartree Lane Industrial Estate, Crackley Way, Peartree Lane, Dudley	15,453
CB00	British Fluid Power Association Ltd	Cheriton House, Cromwell Park, Chipping Norton, Oxon, OX7 5SR	3,234
CI03	ISIS Fluid Control Ltd	Station Yard, The Leys, Chipping Norton, Oxfordshire, OX7 5HZ	1,121
CD00	Delta Fire	Wendover Road, Rackheath Industrial Estate, Norwich, NR13 6LH	83
CG04	Greene Tweed & Co Ltd	Mere Way, Ruddington Fields Business Park, Ruddington, Nottingham, NG11 6JS	1,033
CE05	Equipment Supply Co (GY) Ltd	Kirkland House, Main Cross Rd, Great Yarmouth, Norfolk, NR30 3NZ	1,529
CR03	RS Components Ltd	PO Box 99, Northamptonshire, Northamptonshire, NN17 9RS	2,417
CT01	Test & Measurement, Hire Station Ltd T/A ESS Safeforce	Fields Farm Road, Long Eaton, Nottingham, NG10 3FZ	1,141
CM01	MAC RK Precision Engineering Ltd	Unit A1 Bridge Road Ind Estate, Bridge Road, Southall, Middlesex, UB2 4AB	325
CS00	Safety-Kleen UK Ltd	Credit Services Department, Profile West, 950 Great West Road, Brentford, Middlesex, TW8 9ES	846
CP01	Pegasus Hydraulics Limited	Unit 5 Harbour Place, Harbour Lane, Knowsley Industrial Park, Liverpool, L33 7XG	4,626
CD03	Dixon Group Europe Ltd	350 Leach Place, Walton Summit Centre, Preston, Lancs, PR5 8AS	2,492
CT03	TNT UK Ltd	PO Box 4, Ramsbottom, Bury, Lancashire, BL8 9AR	37
CM03	Merseyflex Ltd	60 Evans Road, Venture Point, Liverpool, L24 9PB	7,700
CI02	InXpress Ltd	Uniconr Trading UK Ltd, t/a InXpress Ltd, 33 Malachi Gait, Kirkliston, EH29 9FR	82
CN02	Norscott Vending Services	Stadium Trading Park, Stadium Road, Inverness, IV1 1FF	323
CJ02	John Bell Pipeline Equipment Ltd	Unit 3 & 4, Camestone Road, Thainstone Industrial Estate, Inverurie, AB51 5GT	152
CM04	Metnor GT Yarmouth Ltd	Edison Way, Off Morton Peto Road, Garton Hall Ind Estate, Great Yarmouth, NR31 0NG	353,686
CE08	Eden Springs (UK) Ltd	Hamilton International Technology Park, 3 Livingston Boulevard, Glasgow, G72 0BP	154
CM00	M Seals UK Limited	Quartz Close., Enderby, Leicester, England, LE19 4SG	31
CE00	EFF Offshore Solutions Ltd	Unit 5A, Balmacassie Brae, Balmacassie Industrial Estate, Elton, AB41 8BY	1,033
CC03	Concept Group Ltd	Concept House, Fairbairn Road, Livingston, EH54 6TS	135
CC00	Calor Gas Ltd	Aberdeen Calor Centre, Wellshead Place, Wellheads Industrial Estate, Dyce, Aberdeen	264
CE01	Bhrcs LTD	Unit H Crawley Way, Peartree Industrial Estate, Peartree Lane, Dudley, DY2 0UW	3,601
CL00	Leengate Valves Ltd	Grange Close, Clover Nook Industrial Estate, Somercoles, DE55 7GZ	863
CD02	DHL International (UK) Ltd	Southern Hub, Unit 1, Horton Road, Colnbrook, Berkshire	6
CC07	Custom Fittings	Rawfolds Way, Spen Valley Industrial Park, Bradford Road, Cleckheaton, West Yorkshire	928
CA00	ALD Automotive	Oakwood Drive, Emersons Green, Bristol, BS16 7LB	4,955
CP04	PTS Services	Unit 16 & 18, Denmore Industrial Estate, Denmore Road, Bridge Of Don, Aberdeen	626
CN00	National Insurance Fund	Insolvency Service, Redundancy Payments, PO Box 16885, Birmingham, B2 2LX	-
CX00	Xerotec Office Systems Ltd	Ashridge House, Oaklands Park, Wokingham, Berks, RG41 2FD	431
CF05	Fuel Card Services Limited	Kingsway House, Kingsway, Burnley, BB11 1BJ	578
CF03	Fluid Controls Ltd	Unit 50, Easter Park, Benyon Road, Aldermaston, Berkshire	64
CA02	APF SERVICES	Strathend Croft, Hatton, Peterhead, Aberdeenshire, AB42 0TA	108
CB02	Bridge Of Don Garage	Unit 25 Denmore Ind Estate, Denmore Road, Bridge of Don, Aberdeen, AB23 8JW	978
CC06	Cromwell Tools Ltd	Unit 2, Muncar Industrial Estate, Denmore Road, Aberdeen, AB23 8JW	144
CG00	GS Hydro UK Ltd	Unit A, Broadfold Road, Bridge of Don, Aberdeen, AB23 8EE	3,289
CJ00	Jasmine Ltd	Jasmine House, Hillview Road, East Tullos Industrial Estate, Aberdeen, AB12 3HB	2,035
CJ01	Jasmine Holding Ltd	Jasmine House, Hillview Road, East Tullos, Aberdeen, AB12 3HB	852
CM08	Murison Commercial Ltd	The Parkway, Greenhole Place, Bridge of Don, Aberdeen, AB23 8EU	88
CR02	RS Machinery Group	Denmore Place, Denmore Industrial Estate, Bridge of Don, Aberdeen, AB23 8JS	347
CS04	Scots Bearings Ltd	15 & 16 Robert Leonard Centre, Kirkhill Industrial Estate, Dyce, Aberdeen, AB21 0GG	94
CS09	Swagelok Scotland Ltd	Silvertrees Drive, Silvertrees Business Park, Westhill, Aberdeen, AB32 6BH	13
CT02	TIS Hydraulics Ltd	Kirkhill Place, Kirkhill Ind Estate, Dyce, Aberdeen, AB21 0GU	395
CW00	William Nicol (Aberdeen) Ltd	Badentoy Crescent, Badentoy Industrial Park, Portlethen, Aberdeen, AB12 4YT	636
CY00	YESSS Electrical Ltd	Unit 17 Denmore Industrial Estate, Denmore Road, Bridge of Don, Aberdeen, AB23 8JW	312
CF04	Fraser Fire & Security	7 Tuach Road, Kintore, Inverurie, AB51 0UZ	1,260
CM05	Milec UK Ltd	Damhead Way, Dales Industrial Estate, Peterhead, AB42 3GY	120
CS03	Sciamed Ltd	Mart Road, Alford, Aberdeenshire, AB33 8BZ	1,464
CE06	Equipshift Ltd	14 Ruddiman Drive, Laurencekirk, Aberdeenshire, AB30 1GB	3,600
CS07	Station Garage	Mugiemoss Road, Bucksburn, Aberdeen, AB21 9US	273
CG03	Granplan Continental	Birchwood Works, Kinellar, Aberdeen, AB21 0SH	144
CP03	Premier Dry Cleaning	Unit 9, Conrhill Shopping Arcade, Aberdeen, AB16 5UT	49
CE02	ELS Waste Services	Gallowhill Checkbar, Nigg, Aberdeen, AB12 4LP	284
CH02	Henderson & Dick Designs	Craigshaw Road, West Tullos, Aberdeen, AB12 3AP	44
CA04	A J Robson (Electrical) Ltd	Unit 1A Deemouth Centre, South Esplanade East, Aberdeen, AB11 9PB	5,444
CJ03	Johnston Carmichael (Scotland) Ltd	Bishops Court, 29 Albyn Place, Aberdeen, AB10 1YL	613
CS05	Shamrock Hose & Fittings Inc.	1771 Ivanhoe Road, Cleveland, Ohio, 44112	45
CA01	Alphabet GB Ltd	Summit Avenue, Farnborough	25
CA03	Auto Smart International	2 Corsar Croft, Arbroath, DD11 4JG	104
CC04	Concept Promotional Merchandise Ltd	15-17 Commerce Street, Aberdeen, AB11 5EU	240
CD01	Dena Screenprint Ltd	5 Weigh House Square, Aberdeen, AB11 5AF	635

Key	Name	Address	£
CE03	E.On	PO Box 2010, Nottingham, NG1 9GQ	780
CF00	FedEx Express	PO Box 119, Coventry, CV1 4QD	866
CG01	Gibb Tools & Supplies Ltd	271 King Street, Aberdeen, AB24 5AN	191
CH03	Hydrotechnik UK	1 Central Park, Lenton Lane, Nottingham	199
CI01	Involve HR LLP	4 South Silver Street, Aberdeen, AB10 1PR	171
CM02	M B Air Systems Ltd	149 Glasgow Road, Wishaw, ML2 7QJ	785
CM07	Motion Software Ltd	115 Grandholm Drive, Aberdeen, AB22 8AE	2,340
CP02	PPL	1 Upper James Street, London, W1F 9DE	222
CR01	Roy's Window Cleaning Services	9 Stocklet Parade, Aberdeen, AB16 5QN	144
Total entries	84		570,672

C. Receipts and payments account for the Period 9 October 2020 to 14 October 2020

Receipts	Statement of Affairs (£)	Total (£)
		0.00
Payments		
		0.00
Balance - 14 October 2020		0.00
Made up as follows		
		0.00

Notes:

- i) The Bank have confirmed that there was cash at bank of £10,362 as at the date of the Joint Administrators' appointment. This is in the process of being transferred to the Joint Administrators' bank account
- ii) The sale proceeds as detailed in section 5 of this report is currently being held in the Company's solicitor's bank account. This is in the process of being transferred to the Joint Administrators' bank account

D. SIP9: payments, remuneration and expenses to the Joint Administrators or their associates

This appendix has been prepared in accordance with the requirements of the Insolvency Act 1986, the Rules and SIP9. In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the Joint Administrators and their team during the Period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment the Joint Administrators, by way of engaging Grant Thornton UK LLP (**Grant Thornton**), were engaged by the director through an engagement letter (**the Agreement**) dated

24 September 2020 under which the fee basis was based on the actual time costs incurred from Monday 21 September 2020 to the date of appointment, at our normal scale rates. The work undertaken was:

- undertaking an accelerated merger and/or acquisition process. Grant Thornton invoiced and was paid £35,000 for the initial work carried out in this engagement; and
- the necessary steps to secure a sale of the Company's business and assets to the Purchaser and ultimately place the Company into administration. The Agreement entitles Grant Thornton to total pre-administration fees of £13,538 plus VAT and out of pocket expenses. The Company did not settle these fees prior to its administration, and as such, this portion of fees will be subject to creditor approval.

Creditor approval is sought for payment of £13,538, plus VAT of pre-administration costs, and TSA's pre appointment costs of £450 plus VAT. Notice of the respective decision procedure is attached as Appendix E.

Details of the pre-appointment costs are provided below:

Cost	Work done	Why the work was necessary pre-appointment and how it furthered the achievement of an objective of administration	Incurred			Paid		Unpaid
			Grade	Hrs	£	Name of payer and relationship to estate	Pre/post administration	£
Grant Thornton UK LLP fees	• Administration eligibility assessment	• To confirm that an objective of administration could be achieved and that administration, therefore, was an option for the Company	Partner / Director	16.00	7,530			13,538
	• Pre-packaged sale and discussions with interested parties	• To assist management with gathering and preparing information, including valuations, for potential acquirers; identification of and introduction to potential acquirers	Manager	8.30	2,608			
	• Pre-appointment formalities and practicalities of the appointment of Joint Administrators	• To assist management with: preparation, issue and filing of required documents and notices; liaising with key stakeholders; and to advise directors of their general responsibilities with regard to insolvency	Administrator	20.00	3,400			
		• To deal with potential acquirer interest and queries, securing an offer for the business and negotiating the sale delivered shortly following appointment						
			Total	44.3	13,538			

TSA Auctioneers and Valuers	<ul style="list-style-type: none">• Valuation services	<ul style="list-style-type: none">• To provide valuation of the Company's fixed assets and stock	450	450
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Post-appointment costs

Fee basis of the Joint Administrators

As at the date of this report the fee basis has not been set.

We have outlined our proposed fee basis below and the intended method of approval. This approval will be sought following the date of this report.

Proposed fee basis

We propose that the remuneration of the Joint Administrators be fixed on the basis of time properly spent by the Joint Administrators and their staff at our standard rates and out of pocket disbursements.

Likely return to creditors

As the employees have had their contracts of employment transferred under TUPE regulations, we are not aware of any preferential creditors in the administration.

It is likely that there will be a dividend to unsecured creditors.

The timing and quantum of future dividends is currently unknown, as it is based on the future asset realisations and payment of all costs incurred in the administration.

Work done by the Joint Administrators and their team during the Period

We are required to provide an analysis of our remuneration charged in the Period (which is set out in the SIP9 time cost analysis table below) and to provide narrative explanation of what has been achieved during the Period and how. Narrative in respect of what has been achieved in the Period is set out within the body of our report and the SIP16 Report.

Summary SIP9 time cost analysis for the Period

Period from 09/10/2020 to 14/10/2020

Area of work	Partner		Manager		Executive		Administrator		Cumulative total as at period end		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr
Trading	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	-	0.20	34.00	0.20	34.00	170.00
Administration	-	-	0.80	476.00	1.80	504.00	1.40	241.00	4.00	1,221.00	305.25
Realisation of assets	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	0.80	476.00	1.80	504.00	1.60	275.00	4.20	1,255.00	298.81

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant manager and executives
- Due to a system update delay, time costs are not reflective of the total time spent in the Period. An updated SIP9 will be provided to creditors in the next report

Hourly charge out rates

Time is charged in units of six minutes for each grade of staff used. The hourly charge out rates applied during the Period are as follows:

Grade	Insolvency £/hr	Tax & pensions £/hr
Partner	485	n/a
Director	485	705
Associate director	343	595
Manager	253	495
Assistant manager	245	405
Executive	205	350
Administrator	150	-
Treasury	180	n/a

We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Expenses and disbursements incurred in the Period

No expenses or disbursements have been incurred during the Period.

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall in to two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the Joint Administrators' receipts and payment account at Appendix C.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only charged at 45p a mile.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	<ul style="list-style-type: none">Tax work/advice (narrative is included within the above narrative of work done)Pensions work/advice (narrative is included within the above narrative of work done)	<ul style="list-style-type: none">Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the Joint Administrators' fee basis, or who provide services to us as Joint Administrators, which may give rise to a potential conflict.

Information for creditors

Provided below is information to help creditors to understand their rights in insolvency and regarding officeholders' fees, and the roles and functions of committees.

R3 is the trade association for the UK's insolvency, restructuring, advisory and turnaround professionals. Amongst other things, R3 has made available written guidance for stakeholders affected by insolvency, in particular creditors, for some of which the web links are provided below.

Where web links are provided for the information, we will supply this information by post, free of charge on request.

'Office holder' means, for example, the appointed administrator(s), liquidator(s) or trustee(s) in bankruptcy.

R3 creditor guides

- Rights of creditors during an insolvency process guides: <https://www.r3.org.uk/what-we-do/publications/professional/creditors-guides>
- Background information regarding the fees of officeholders: <https://www.r3.org.uk/what-we-do/publications/professional/fees>
- Liquidation/Creditors' committees and commissioners: <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>

Creditor's right to claim that remuneration is excessive under Rule 3.100

- (1) If the Joint Administrator's remuneration and outlays have been fixed by the creditors' committee or by the creditors, any creditor or creditors of the Company representing in value at least 25 percent of the creditors may apply to the court not later than eight weeks after the end of an accounting period for an order that the Joint Administrator's remuneration or outlays be reduced on the grounds that they are, in all the circumstances, excessive.
- (2) The court may make an order fixing the remuneration or outlays at a reduced amount or rate.
- (3) The court may order the expenses of the creditor making the application to be paid as an expense of the administration.

E. Decision of creditors

Notice of vote by correspondence

Company name	JSS 2020 Limited
Company number	SC351610
Court name and number	Aberdeen Sheriff Court, L38-20
Decision date	2 November 2020

NOTICE IS HEREBY GIVEN that under Section 138 of the Insolvency Act 1986 and Rule 5.22 of the Rules decisions of the creditors are sought as follows:

- 1 The approval of the Joint Administrators' proposals
- 2 That the remuneration of the Joint Administrators be fixed according to the time properly spent by the Joint Administrators and their staff
- 3 That the Joint Administrators be permitted to draw category 2 disbursements for mileage at 45p per mile
- 4 That the Joint Administrators' pre-appointment costs of £13,538, be approved as an expenses of the administration
- 5 That TSA Auctioneers & Valuer's pre appointment costs of £450 be approved as an expense of the administration
- 6 Whether a creditors' committee be formed

A creditor who is entitled to vote should return the voting form provided with this notice to Julie Tait at Grant Thornton UK LLP, 7 Exchange Crescent, Conference Square, Edinburgh, EH3 8AN or as an attachment to an email to Kirsti.Bell@uk.gt.com no later than 23:59 on the decision date.

In order for a creditor's vote to be valid a statement of claim together with documentary evidence of the debt must be received no later than the decision date, failing which the creditor's vote will be disregarded. A statement of claim should be delivered to Julie Tait at Grant Thornton UK LLP, 7 Exchange Crescent, Conference Square, Edinburgh, EH3 8AN or as an attachment to an email to Kirsti.Bell@uk.gt.com. A new statement of claim is not required if you have previously submitted one in the proceedings. A statement of claim form is enclosed for completion if required.

A creditor whose debt is treated as a small debt in accordance with Rule 7.35 of the Rules must deliver a statement of claim if they wish to vote, unless a statement of claim has previously been submitted, failing which the vote will be disregarded.

A creditor who has opted out from receiving notices may nevertheless vote if a statement of claim is delivered, unless a statement of claim has previously been submitted, failing which the vote will be disregarded.

A vote cast in a decision procedure which is not a meeting may not be changed.

A decision of the convenor is subject to appeal to the court by any creditor in accordance with Rule 8.35 of the Rules. An appeal under this Rule may not be made later than 21 days after the decision date.

A physical meeting will be held to replace this vote by correspondence if requested not later than five business days after the date of delivery of this notice by not less than one of the following:

- 10% in value of the creditors
- 10% in number of the creditors
- 10 creditors.

DATED THIS 14th DAY OF October 2020

A handwritten signature in black ink, appearing to read "J Tait", positioned above a horizontal line.

Julie Tait

Joint Administrator

VOTING FORM

Company name

JSS 2020 Limited

Please delete as appropriate if you are for or against the resolutions below.

This form must be received at Grant Thornton UKLLP, 7 Exchange Crescent, Conference Square, Edinburgh, EH3 8AN or as an attachment to an email to Kirsti.Bell@uk.gt.com by 23.59 on 2 November 2020 in order to be counted. It must be accompanied by a statement of claim together with documentary evidence of the debt, unless you have previously submitted a statement of claim, failing which your vote will be disregarded.

Resolution(s)

- | | |
|---|---------------|
| 1 The approval of the Joint Administrators' proposals | For / Against |
| 2 That the remuneration of the Joint Administrators be fixed according to the time properly spent by the Joint Administrators and their staff | For / Against |
| 3 That the Joint Administrators be permitted to draw category 2 disbursements for mileage at 45p per mile | For / Against |
| 4 That the Joint Administrators' pre-appointment costs of £13,538 be approved as an expenses of the administration | For / Against |
| 5 That TSA Auctioneers & Valuer's pre appointment costs of £450 be approved as an expense of the administration | For / Against |
| 6 Whether a creditors' committee be formed | Yes / No |

If a creditors' committee is formed I/we nominate the following creditors to serve as members of such committee:

- 1
- 2
- 3
- 4
- 5

A creditor is eligible to be a member of such a committee if, the person has submitted a statement of claim; the debt is not fully secured; and neither of the following apply: the claim has been wholly disallowed for voting purposes, or the claim has been wholly rejected for the purpose of distribution or dividend. No person can be a member as both a creditor and a contributory. A body corporate may be a member of a creditors' committee, but it cannot act otherwise than by a representative appointed under Rule 10.17 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of Creditor:

Signature:

Date (DD/MM/YYYY):

(If signing on behalf of the creditor, state capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your vote, please contact Kirsti Bell at the address above. Please note that once cast, a vote cannot be changed or withdrawn

Office use only:

Date Completed form received
(DD/MM/YYYY)

Initial

Statement of claim

Our ref: 152455-100/JXT/JXC/SPT/TXA/gen2002

JSS 2020 Limited (Formerly known as Pressure Test Solutions Limited) - In Administration

Date of administration 9 October 2020.		
1	Name of creditor (If a company please also give company registration number)	
2	Address of creditor for correspondence:	
3	Email address:	
4	Telephone number:	
5	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date of insolvency. In calculation of the total amount of the claim a creditor shall deduct the value of any security as estimated by the creditor unless the creditor surrenders it.	£
6	If amount in 5 above includes outstanding uncapitalised interest please state amount	£
7	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
8	Particulars of any security held, the value of the security, and the date it was given.	
9	Particulars of any retention of title claimed in respect of goods supplied to which the claim relates.	
10	The nature and amount of any preference under schedule 6 to the Act claimed in respect of the debt.	
11	In the case of a member State liquidator creditor, specify and give details of the underlying claims in respect of which the creditor is claiming.	
12	Details of any documents by reference to which the debt can be substantiated.	
13	Signature of creditor or person authorised to act on his behalf _____	
	Name in BLOCK LETTERS _____	
	Position with or in relation to creditor _____ Address of person signing (if different from 2 above) _____	

Please provide any two pieces of documentation from the list below to verify the bank details provided.

- Bank details on letter headed paper signed by a director or other authorised person.
- Invoice, which incorporates bank account details.
- Bank statement - including bank details, dated within 3 months.
- Copy cheque - including bank details.
- Bank giro credit slip (Paying in slip) - including bank details.

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[illegible][illegible]

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