

AM10

Notice of administrator's progress report



Companies House



1 Company details

Company number 0 0 2 6 3 9 9 5

Company name in full Redhall Group Plc

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

2 Administrator's name

Full forename(s) Christopher J

Surname Petts

3 Administrator's address

Building name/number Rotterdam House

Street 116 Quayside

Post town Newcastle-Upon-Tyne

County/Region

Postcode N E 1 3 D Y

Country

4 Administrator's name ①

Full forename(s) Sarah

Surname O'Toole

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

5 Administrator's address ②

Building name/number 4 Hardman Square

Street Spinningfields

Post town Manchester

County/Region

Postcode M 3 3 E B

Country

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

AM10

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6 Period of progress report

From date	d	1	d	0	m	1	m	2	y	2	y	0	y	1	y	9
To date	d	0	d	9	m	0	m	6	y	2	y	0	y	2	y	0


7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X  X

Signature date	d	0	d	1	m	0	m	7	y	2	y	0	y	2	y	0
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AM10

Notice of administrator's progress report



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 **Suzanne Blakey**

Company name **Grant Thornton UK LLP**

Address
4 Hardman Square
Spinningfields

Post town **Manchester**

County/Region

Postcode

M 3 3 E B

Country

DX

Telephone

0161 953 6900



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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



Redhall Group Plc - in administration (the Company)

Recovery and Reorganisation
Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

**Joint administrators' progress report for the
period 10 December 2019 to 9 June 2020**

Prepared by: Christopher J Petts, Joint Administrator

Contact details: Should you wish to discuss any matters in
this report, please do not hesitate to
contact Suzanne Blakey on
0191 203 7789

Definitions

The following definitions are used either within the body of this report, the appendices to it, or both.

the Company	Redhall Group PLC
the Group	Redhall Group PLC and its subsidiaries
HSBC / Bank	HSBC UK Bank Plc
Joint administrator / we / us / our	Chris Petts and Sarah O'Toole
Lombard Odier	Lombard Odier (Europe) S.A. UK Branch
Squire Patton Boggs	Squire Patton Boggs (UK) LLP
Stainless Metalcraft	Stainless Metalcraft (Chatteris) Limited
TSA	Transitional Services Agreement
VAT	Value Added Tax

1 Executive summary

- This progress report for the Company's administration covers the period from 10 December 2019 to 9 June 2020
- Our proposals were approved on 5 July 2019 by deemed approval
- In addition to our statutory duties, the key work performed in the period has been:
 - Management of the Company's books and records, progress with which has been restricted due to restrictions imposed following the Covid-19 pandemic
 - Settling various expenses of the administration
 - Payment of pre-appointment expenses following approval from the secured creditors
 - Obtaining approval for our fees from the secured creditors
 - Pursual of intercompany debtors
- Following approval by secured creditors of our request to extend the administration, the administration is currently due to end on 9 June 2021. It is anticipated that this matter will be completed prior to then
- It is unlikely that there will be any net property to enable a prescribed part distribution to unsecured creditors. It is therefore intended to exit the administration and move the Company to dissolution
- However, if more time is required to realise assets, in particular monies owed from Group companies where those companies have longer term asset realisation strategies, it may be that the administrators present a petition to wind up the company and seek appointment as liquidators, as set out in our statement of proposals



Christopher J Petts
Joint Administrator

1 July 2020

2 Progress to date

2.1 Strategy and progress since our statement of proposals

As outlined in the joint administrators' statement of proposals, circulated on 21 June 2019, the statutory objective of the administration is to realise assets for the benefit of preferential or secured creditors.

We concluded that the best way of achieving this objective was to undertake a sale of the freehold property to Stainless Metalcraft immediately upon appointment and retain a team to continue essential head office functions on behalf of certain subsidiaries and their purchasers, in exchange for an appropriate level of management charge under a TSA.

~~This objective has been met through the sale of the freehold property on 11 June 2019 and provision of central services which have now ceased.~~

2.2 Realisation of Assets

We advised in our progress report dated 19 December 2019 that all assets had been realised and that we were not aware of any other assets that remain which could be recovered in the administration.

However, we have subsequently been made aware that the Company may be the beneficiary of distributions from the liquidation of three subsidiaries where there are significant intra Group debtor positions. We discuss our future strategy in this regard later in this report.

3 Creditors

3.1 Secured creditors

HSBC

HSBC was granted a fixed and floating charge debenture over the Company's assets on 21 January 2011. At the date of administration, the balance due, secured by this debenture, was £4.93 million.

Squire Patton Boggs was engaged in order to advise us on the validity of HSBC's security. Squire Patton Boggs has subsequently written to us stating that no issues were identified.

Whilst there are registered charges in favour of other parties dated after that of HSBC, Squire Patton Boggs has advised that there is a valid deed of priority in favour of HSBC.

To date a distribution of £1,125,000 has been made to HSBC under its security. There will be a shortfall to HSBC against its lending.

Lombard Odier

Lombard Odier was granted a fixed and floating charge debenture over the Company's assets on 24 May 2015 and a further charge, due to new monies introduced, on 24 January 2019.

Lombard Odier has not confirmed the balance due secured by this debenture as at the date of writing. As HSBC is to face a shortfall, and there is no prospect of a return to unsecured creditors (other than the prescribed part in which Lombard Odier cannot partake), the level of debt has no impact on this report, or the insolvency waterfall of funds available to creditors.

Squire Patton Boggs was engaged in order to advise us on the validity of Lombard Odier's security. Squire Patton Boggs has subsequently written to us stating that no issues were identified.

Whilst the registered charges post-date those of HSBC, Squire Patton Boggs has advised that there is a valid deed of priority in favour of HSBC.

At this stage there is no prospect of a return to Lombard Odier.

Downing LLP

Downing LLP was granted a fixed and floating charge debenture over the Company's assets on 24 January 2019.

Downing LLP has not confirmed the balance due secured by this debenture as at the date of writing. As HSBC is to face a shortfall, and there is no prospect of a return to unsecured creditors (other than the prescribed part in which Downing LLP cannot partake), the level of debt has no impact on this report, or the insolvency waterfall of funds available to creditors.

Squire Patton Boggs was engaged in order to advise us on the validity of the security. Squire Patton Boggs has subsequently written to us stating that no issues were identified.

Whilst the registered charges post-date those of HSBC, Squire Patton Boggs has advised that there is a valid deed of priority in favour of HSBC.

At this stage there is no prospect of a return to Downing LLP.

3.2 Preferential creditors

Preferential creditor claims consist of employee claims for wages and holiday pay, up to certain statutory limits. A significant element of these claims have been subrogated to the Secretary of State, following payment of claims by the Redundancy Payments Service.

There were 22 employees at the date of appointment all of whom have now been made redundant.

The preferential claim figure is £36,700.

There are insufficient funds available to make a distribution to the preferential creditors.

3.3 Unsecured creditors

Prescribed part

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £600,000.

There are insufficient assets to enable a distribution to the prescribed part.

The statement of affairs prepared by the directors details 75 unsecured creditors totaling £457,200.

Dividend prospects

It is unlikely that there will be a dividend payable to this class of creditor.

4 Investigations into the affairs of the Company

4.1 Statutory investigations

We undertook an investigation into the Company's affairs to establish whether there were any potential ~~asset recoveries, or conduct matters that required further investigation, taking into account the public~~ interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.

Based on the outcome of our investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors. However, we would be pleased to receive from any creditor any useful information concerning the Company, its dealing or conduct which may assist us.

5 Fees and costs

5.1 Overview

Our remuneration is being charged on a time cost basis as agreed by the secured creditors.

We have incurred remuneration and expenses in the period amounting to £59,238 and £180,095 respectively, bringing the cumulative totals at year end to £203,210 and £369,493 of which £100,000 and £337,547 has been paid.

In addition to remuneration and expenses incurred, we estimate an additional £30,000 in remuneration and £0 in expenses to deal with the remaining matters identified in the assets and investigations sections above and to close the administration.

This brings our total estimated fees to £233,210 in comparison to our fees estimate totalling £195,386 which was supplied to creditors in our previous progress report. At this time, we do not seek to revise our fees estimate in order to be able to draw more remuneration.

Further details about remuneration and expenses are provided in Appendix B to this report.

6 Future strategy

6.1 Future conduct of the administration

We will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- pursual of the intra Group debtors owed from subsidiaries to the extent that realisations are achieved in the liquidations of those subsidiaries
- payment of administration expenses, including our remuneration
- paying a final distribution to HSBC
- finalisation of the Company's tax affairs, including completion of corporation tax and VAT returns and settlement of any liabilities
- complying with statutory and compliance obligations

It is estimated that the administration will be concluded within 12 months. To the extent that there remain assets to be realised from the liquidations of the subsidiaries then the administrators may opt to issue a winding up petition against the Company and seek appointment as liquidators, as set out in our statement of proposals.

6.2 Extension of the administration

The duration of an administration is restricted to 12 months from the date of commencement unless it is extended with the permission of the creditors or the court.

Creditors were notified on 12 May 2020 that the secured creditors had approved an extension of the joint administrators' term of office in accordance with paragraphs 76(2)(b) and 78 of Schedule B1 to the Insolvency Act 1986 for a period of twelve months giving a revised date for the automatic termination of the administration of 9 June 2021.

6.3 Exit from administration

It is expected that the Administration will end by the administrators filing a notice to dissolve the Company. However, as stated above and pursuant to our statement of proposals, the administrators may opt to move to liquidation as a more efficient means of keeping the Company active and therefore able to realise assets for the benefit of creditors.

6.4 Discharge from liability

At the conclusion of the administration we will require discharge from liability.

As there are insufficient funds to make a distribution to preferential or unsecured creditors, we will seek a resolution from the secured creditors in order to obtain our discharge from liability.

6.5 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. Our privacy notice on our website (www.granthornton.co.uk/en/privacy) contains further details as to how we may use, process and store personal data.

6.6 Contact from third parties

Please be aware that fraudsters have been known to masquerade as legitimate administrators. Fraudsters will contact creditors asking for an upfront fee or tax to release an investment or pay a dividend / to enable 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.

6.7 Covid-19

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

6.8 Future reporting

The date of our next report to creditors is anticipated to be by 9 January 2021.

A Abstract of the administrators' receipts and payments

Redhall Group Plc - in administration
Summary of receipts and payments
from 10 June 2019 to 9 June 2020

Statement of Affairs	From 10-Jun-19 to 09-Dec-19	From 10-Dec-19 to 09-Jun-20	Total
	£	£	£
Receipts			
Income re provision of central service	232,500.00	0.00	232,500.00
Other Payroll Deductions	11,352.44	0.00	11,352.44
Freehold Land & Property	1,250,000.00	0.00	1,250,000.00
Misc Fixed Receipts	200.00	0.00	200.00
Furniture & Equipment	0.00	1,231.00	1,231.00
VAT on Sales	48,516.96	0.00	48,516.96
	1,542,569.40	1,231.00	1,543,800.40
Payments			
Service charge	565.71	0.00	565.71
Rents	2,750.00	0.00	2,750.00
Rates, incl water rates	269.18	0.00	269.18
Heat & Light	590.41	0.00	590.41
Insurance	1,578.65	0.00	1,578.65
Lease/HP Payments	2,196.06	0.00	2,196.06
Postages	231.52	0.00	231.52
PAYE/NI	25,860.02	21,376.18	47,236.20
Net Wages	86,092.47	0.00	86,092.47
Employee Expenses/Redundancy	206.04	0.00	206.04
Administrators Fees	0.00	64,000.00	64,000.00
Pre-Administration Legal Fees	0.00	2,800.00	2,800.00
Pre-Administration Agents/Valuers Fees	0.00	10,042.65	10,042.65
Bank Charges	22.00	45.00	67.00
HSBC Bank plc	0.00	1,125,000.00	1,125,000.00
Pre-Administration Disbursements	0.00	374.00	374.00
Pre-Administration Remuneration	0.00	12,330.00	12,330.00
Administrators Fees	0.00	36,000.00	36,000.00
Administrators Expenses	0.00	306.66	306.66
Misc Float Payments	260.50	0.00	260.50
Agents/Valuers Fees (1)	0.00	2,695.00	2,695.00
Legal Fees (1)	4,920.88	6,880.30	11,801.18
Professional Fees	900.00	0.00	900.00
Stationery & Postage	0.00	249.18	249.18
Storage Costs	778.99	0.00	778.99
Re-Direction of Mail	313.00	0.00	313.00
Statutory Advertising	147.10	0.00	147.10
IT Costs	7,971.00	1,602.56	9,573.56
Bank Charges	335.80	119.20	455.00

VAT on Purchases	4,234.45	11,841.34	16,075.79
Fixed Charge VAT on Purchases	0.00	15,368.53	15,368.53
HMRC - VAT received/paid	27,400.69	15,244.81	42,735.50
	167,714.47	1,326,275.41	1,493,989.88
Net Receipts/(Payments)	1,374,854.93	(1,325,044.41)	49,810.52

Made up as follows

Fixed Current Account NIB	1,250,178.00	(1,217,256.18)	32,921.82
Floating Current Account NIB	124,676.93	(107,788.23)	16,888.70
	1,374,854.93	(1,325,044.41)	49,810.52

B Payments, remuneration and expenses to the joint administrators or their associates

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (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-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.

On 23 April 2020 (HSBC) and 5 May 2020 (Downing LLP & Lombard Odier), the secured creditors, approved payment of £12,330 in respect of the pre-administration fees and £374 of the pre-administration expenses (both plus VAT) of Grant Thornton UK LLP, the pre-administration costs of: Avison Young £5,043 (plus post-appointment VAT), Sanderson Young £5,000 (plus post-appointment VAT) and Squire Patton Boggs £2,800 (plus VAT) (as disclosed in the joint administrators' statement of proposal) from the estate. These have been paid.

Post-appointment costs

Fee basis of the joint administrators

On 23 April 2020 (HSBC Bank Plc) and 5 May 2020 (Downing LLP and Lombard Odier) the secured creditors resolved that:

- the remuneration of the joint administrators be fixed according to the time properly spent by the joint administrators and their staff and that remuneration be drawn from:
 - fixed and floating charge realisations, to be capped at £118,785 plus VAT
- the joint administrators and their staff may charge out of pocket expenses at cost, with mileage charged at 45p per mile

With a fees estimate of £195,385 and an expenses estimate of £168,713.

During the period from 10 December 2019 to 9 June 2020 (the Period) time costs were incurred totalling £59,238 represented by 157 hours at an average of £377/hr (as shown in the 'Work done' section below). This brings cumulative time costs at the Period end to £203,210 of which £100,000 has been paid. A description of the work done in the Period is provided in the respective section below.

As at Period end, as shown in the 'Work done' section below, cumulative recorded time costs have exceeded the time costs in the fees estimate and expenses have exceeded the expense estimate, both of which were provided to the creditors prior to the determination of our fee basis.

The reasons for the excess are as follows:

- Time costs:
 - Redhall Group PLC and its subsidiaries' (Booth Industries Limited, R J Realisations Limited, Jordan Manufacturing Limited and Redhall Networks Limited) tax affairs have been considered on a consolidated basis, given the various intra-group tax positions. As such, time incurred has been recognised in Redhall Group PLC and relates to all entities, as opposed to our fees estimate which included an estimate of the time attributable to the tax affairs of Redhall Group PLC only
- Expenses:
 - Pre-administration remuneration (£12,330) and disbursements (£374) for Grant Thornton UK LLP, and other pre-administration costs (£12,843) have been paid during the period, following approval of the secured creditors
 - Joint administrators' remuneration of £100,000 has been paid during the period, following the secured creditors' resolution on 23 April 2020 (HSBC) and 5 May 2020 (Downing LLP and Lombard Odier)
 - Cumulative VAT incurred and paid of £74,181. VAT was not included in the statement of expenses and disbursements in our previous progress report, however was shown on the abstract of the administrators' receipts and payments

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £195,385, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 19 December 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fees estimate variance analysis. Reasons for any excess of the fees estimate are included in the 'Fee basis' section above. Details of expenses incurred in connection with work done are provided in the 'Disbursements and expenses' section below.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred	
Assets				0.1 hrs	£25 £245/hr
Insurance	<ul style="list-style-type: none"> Assisting insurance provider with information requests relating to pre-appointment claims 	<ul style="list-style-type: none"> To comply with regulation and law 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 		
Creditors				20 hrs	£5,350 £269/hr
Secured	<ul style="list-style-type: none"> Completing and providing periodic reports and updates to secured creditors Obtaining fee and extension approval from secured creditors 	<ul style="list-style-type: none"> To keep secured creditors updated in the administration in respect of their charges over the Company's assets To allow the administrators to draw a fee for the administration 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate 		
Employees & pensions	<ul style="list-style-type: none"> Responding to correspondence regarding employment tribunals Reconciling employee claims to the information provided by the Redundancy Payments Service Dealing with queries from employees regarding their claims 	<ul style="list-style-type: none"> To ensure employee claims are recorded accurately 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate 		
Unsecured	<ul style="list-style-type: none"> General creditor correspondence and dealing with creditor queries Updating creditor records and claims 	<ul style="list-style-type: none"> To ensure all unsecured creditors are kept up to date with the administration and creditor claims are dealt with appropriately 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate 		
Administration				137 hrs	£53,864 £393/hr
Case management	<ul style="list-style-type: none"> Internal case reviews and progression discussions 	<ul style="list-style-type: none"> To ensure statutory compliance and case progression 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory 		

requirements and had no direct financial benefit to the estate

Reports, circulars notices & decisions	<ul style="list-style-type: none"> Drafting administrators' progress reports Circulating the progress report to creditors Issuing correspondence to creditors regarding extension of the administration 	<ul style="list-style-type: none"> To comply with insolvency law and regulation To ensure all creditors are kept up to date with the administration 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Shareholders/ debtor/ director communications	<ul style="list-style-type: none"> Circulating progress report to shareholders Dealing with shareholder queries 	<ul style="list-style-type: none"> To comply with insolvency law and regulation 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Treasury, billing & funding	<ul style="list-style-type: none"> Processing receipts and payments Reconciling bank statements to cash book 	<ul style="list-style-type: none"> To ensure all receipts and payments are properly accounted for 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process
Tax	<ul style="list-style-type: none"> Completion of post-appointment VAT returns Post-appointment tax computations 	<ul style="list-style-type: none"> To comply with tax legislation 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Pensions	<ul style="list-style-type: none"> Internal case reviews relating to outstanding pension matters 	<ul style="list-style-type: none"> To comply with pension legislation 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Closure	<ul style="list-style-type: none"> Preparation of exit strategy 	<ul style="list-style-type: none"> To ensure proper closure of the case following completion of the administration 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Total fees incurred in the Period			157 hrs £59,238 £377/hr

Confidential

Detailed SIP9 time cost analysis for the period and fee estimate variance analysis as at period end
Period from 10/12/2019 to 09/06/2020

Area of work	Partner Hrs	£	Manager Hrs	£	Executive Hrs	£	Administrator Hrs	£	Period total Hrs	£	D/hr	Cumulative total as at period end Hrs	£	D/hr	Fees estimate Hrs	£	D/hr	Variance Hrs	£	D/hr
Trading:												41.25	15,996.25	387.79	41.25	15,996.25	387.79			
Trading (general)												41.25	15,996.25	387.79	41.25	15,996.25	387.79			
Realisation of Assets:									0.10	24.50	245.00	41.45	12,791.00	308.59	41.35	12,766.50	308.74	(0.10)	(24.50)	0.15
Insurance					0.10	24.50			0.10	24.50	245.00	7.40	1,767.50	238.85	7.30	1,743.00	238.77	(0.10)	(24.50)	(0.08)
Property												11.15	3,691.75	331.10	11.15	3,691.75	331.10			
Sale of business												14.35	5,237.00	364.95	14.35	5,237.00	364.95			
General												8.55	2,094.75	245.00	8.55	2,094.75	245.00			
Investigations:												18.00	8,003.75	444.65	18.00	8,003.75	444.65			
Debtor / director / senior employees												16.55	7,648.50	462.15	16.55	7,648.50	462.15			
General												1.45	355.25	245.00	1.45	355.25	245.00			
Creditors:									19.86	5,349.70	269.37	80.37	22,833.15	284.10	86.01	27,483.45	319.55	5.64	4,650.30	35.45
Secured	4.00	1,940.00	0.50	222.50	6.75	1,653.75	4.50	585.00	15.75	4,401.25	279.44	20.50	6,645.00	324.15	19.57	9,243.75	472.34	(0.93)	2,598.75	148.20
Employees & pensions					1.71	418.95	0.20	36.00	1.91	454.95	238.19	21.84	5,627.30	257.66	19.93	5,172.35	259.53	(1.91)	(454.95)	1.87
Unsecured					1.50	367.50	0.70	126.00	2.20	493.50	224.32	38.03	10,560.85	277.70	35.83	10,067.35	280.98	(2.20)	(493.50)	3.28
Dividends															10.68	3,000.00	280.98	10.68	3,000.00	280.98
Administration:									137.01	53,863.95	393.14	407.44	143,586.30	352.41	403.99	131,135.10	324.60	(3.45)	(12,451.20)	(27.81)
Case management	2.00	970.00	0.60	204.00	9.71	2,378.95	0.65	117.00	12.96	3,689.95	283.18	13.76	3,856.20	280.25	0.60	147.00	245.00	(13.16)	(3,709.20)	(35.25)
Reports to creditors, notices & decisions	2.50	1,275.00	2.45	885.50	7.64	1,871.80	4.60	783.00	17.19	4,815.30	280.12	53.43	17,294.10	323.68	77.16	25,996.80	336.91	23.73	8,702.70	13.23
Shareholders / debtor / director communications					0.66	161.70			0.66	161.70	245.00	0.66	161.70	245.00				(0.66)	(161.70)	(245.00)
Treasury, billing & funding			0.75	181.25	20.35	4,624.75	1.90	342.00	23.00	5,148.00	223.83	75.14	15,562.30	207.11	51.44	10,288.30	200.01	(23.70)	(5,274.00)	(7.10)
Tax	0.25	176.25	72.50	36,318.00	3.20	784.00	0.10	18.00	76.05	37,296.25	490.42	93.05	41,924.25	472.05	27.26	10,828.00	389.88	(65.79)	(33,296.25)	(82.17)
Pensions			0.40	194.00					0.40	194.00	485.00	32.90	11,667.50	445.82	41.48	16,473.50	445.34	8.58	3,806.00	(0.48)
Closure					3.00	735.00			3.00	735.00	245.00	3.00	735.00	245.00	78.30	22,000.00	280.98	75.30	21,265.00	35.98
General	3.75	1,843.75							3.75	1,843.75	491.67	135.50	47,385.25	349.71	127.75	43,601.50	341.30	(7.75)	(3,783.75)	(8.40)
Total	12.50	6,205.00	156.05	77,236.50	54.62	13,020.90	12.65	2,007.00	156.97	59,238.15	377.39	588.51	201,210.45	345.30	590.60	195,385.05	330.82	2.09	(7,825.40)	(14.47)

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant manager and executives
- Adverse variances are presented in brackets
- Total time costs paid to date: £100,000 (excludes VAT)

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

Grade	From 10 December 2019 to current	From 10 December 2019 to current
	Insolvency £/hr	Pensions & tax £/hr
Partner	510	510
Director	485	485
Associate director	445	445
Manager	340	340
Assistant manager	300	300
Executive	245 – 260	260
Administrator	165 – 200	165 - 200
Treasury	180	n/a

The current charge out rates have applied since 1 July 2017. 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.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Travel and subsistence	Nil	48	48
Postage/redirection of mail	249	794	794
Statutory advertising	Nil	147	147
Insolvency practitioners' bond	Nil	20	20
Category 2 disbursements			
Mileage	Nil	238	238
Expenses			
Property costs	Nil	4,175	4,175
Payroll costs	Nil	86,299	86,299
Payroll taxes	Nil	47,236	47,236
Legal fees – Squire Patton Boggs (UK) LLP			
- Pre-administration	2,800	2,800	2,800
- Post-administration	7,382	12,303	11,801
IT Costs	1,603	9,574	9,574
Agents/Valuers fees			
Sanderson Weatherall LLP – pre-administration	5,000	5,000	5,000
GVA Grimley Ltd t/a Avison Young – pre-administration	5,043	5,043	5,043
Walker Singleton (Asset Management) Limited	2,695	2,695	2,695
Lease payments (vehicles and office equipment)	Nil	2,196	2,196
Insurance	Nil	1,579	1,579
Professional fees – ERA Solutions	Nil	900	900
Storage costs	Nil	779	779
Pre-administration remuneration – Grant Thornton UK LLP	12,330	12,330	12,330
Pre-administration disbursements	374	374	374

Administrators' fees	100,000	100,000	100,000
Misc float payments	Nil	261	261
Bank charges	164	522	522
VAT on purchases	11,841	16,076	16,076
Fixed charge VAT on purchases	15,369	15,369	15,369
HMRC – VAT received/paid	15,245	42,736	42,736
Total expenses and disbursements	180,095	369,493	337,547

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

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. Accordingly, the following resolution was made by the secured creditors on 23 April 2020 (HSBC Bank Plc) and 5 May 2020 (Downing LLP & Lombard Odier):

- the joint administrators and their staff may charge out of pocket expenses at cost, with mileage charged at 45p per mile

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

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 and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.granthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.

C Statutory information

Company information

Company name	Redhall Group Plc
Date of incorporation	31 March 1932
Company registration number	00263995
Former trading address	Unit 3 Calder Close Wakefield West Yorkshire WF4 3BA

Former registered office	As above
Present registered office	4 Hardman Square Spinningfields Manchester M3 3EB

Administration information

Administration appointment	The administration appointment granted in the High Court of Justice, Business and Property Court, 000622 of 2019
Appointor	the directors
Date of appointment	10 June 2019
Joint administrators' names	Christopher J Petts Sarah O'Toole
Joint administrators' addresses	Rotterdam House, 116 Quayside, Newcastle-Upon-Tyne, NE1 3DY 4 Hardman Square, Spinningfields, Manchester, M3 3EB
Purpose of the administration	Realising property in order to make a distribution to one or more secured or preferential creditors
Estimated values of the net property and prescribed part	The Company's net property is estimated to be £nil, therefore, the prescribed part is also nil
Prescribed part distribution	The joint administrators do not intend to apply to court to obtain an order that the prescribed part shall not apply
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 all of them.
Current administration expiry date	9 June 2021

D Notice about this report

This report has been prepared by Christopher J Petts, the joint administrator of Redhall Group Plc – in administration, solely to comply with the joint administrators' statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 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 (England and Wales) Rules 2016 do so at their own risk. To the fullest extent permitted by law, the joint administrators do 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 UK LLP 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 progress report in conjunction with the joint administrators' previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton portal (<https://www.grantthornton.co.uk/portal/>). Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

Disclaimer

This Progress Report has been prepared by the joint administrators of Redhall Group Plc, solely to comply with the statutory duty under rule 18.3 of the the Insolvency (England and Wales) Rules 2016 to report to creditors on the joint administrator progress on the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This Progress Report has 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 outcome for creditors included in this Progress Report is illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors. Any person that chooses to rely on this report for any purpose or in any context other than the aforementioned rule does so at their own risk. To the fullest extent permitted by law the joint administrators do not assume any responsibility and will not accept any liability in respect to this report.

