



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

1 Company details

Company number 0 3 6 7 4 3 7 2

Company name in full HW Architectural Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Adrian Peter

Surname Berry

3 Administrator's address

Building name/number 1 City Square

Street Leeds

Post town West Yorkshire

County/Region

Postcode L S 1 2 A L

Country

4 Administrator's name ①

Full forename(s) Clare

Surname Boardman

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 1 City Square

Street Leeds

Post town West Yorkshire

County/Region

Postcode L S 1 2 A L

Country

② Other administrator

Use this section to tell us about
another administrator.

Notice of administrator's progress report

Notice of administrator's progress report













6 Period of progress report

From date	^d 0	^d 8	^m 0	^m 5	^y 2	^y 0	^y 1	^y 9	
To date	^d 0	^d 7	^m 1	^m 1	^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	<div>Signature</div> <div>             </div>							
Signature date	^d 2	^d 6	^m 1	^m 1	^y 2	^y 0	^y 2	^y 0

**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 **Narinder Aheer**

Company name **Deloitte LLP**

Address **Four Brindleyplace**
Birmingham

Post town **B1 2HZ**

County/Region

Postcode

Country

DX

Telephone **+44 121 632 6000**

**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



HW Architectural Limited (In Administration)("the Company")

Progress report to creditors for the period 8 May 2020 to 7 November 2020 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules")

Court Case No. 003075 of 2019
High Court of Justice
Company Number: 03674372

Registered Office:
c/o Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Adrian Peter Berry and Clare Boardman ("the Joint Administrators") were appointed Joint Administrators of HW Architectural Limited on 8 May 2019 by the directors of the Company. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

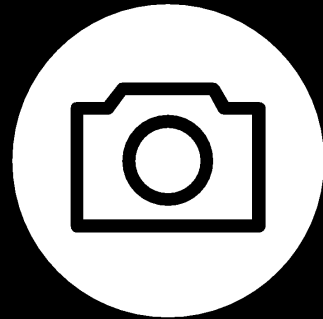
For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended) ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

26 November 2020



Key messages



Key messages

Joint Administrators
of the Company

Adrian Peter Berry
Clare Boardman

Deloitte LLP
1 City Square
Leeds
LS1 2AL

Contact Details

Email: naheer@deloitte.co.uk
Website: www.ips-docs.com
Tel: 0121 695 5250



	Commentary
	<ul style="list-style-type: none">• The purpose of the administration is to achieve a better result for the Company’s creditors as a whole than a liquidation.• Trading ceased on our appointment on 8 May 2019. Subsequently, a sale of the business and assets to an unconnected party, Heywood Williams Architectural Limited ("Newco"), was completed on 31 May 2019. Further detail has been provided in our previous reports.• During the period, asset realisations in respect of book debts totalled £122.5k, please refer to page 5 for further detail.• We have agreed preferential creditor claims of £73.3k. Whilst we are not in a position to pay a dividend at this time, we anticipate being able to do so once further asset realisations permit.
	<ul style="list-style-type: none">• Our time costs for the period of the report are £83k. Please see pages 11 and 12 for further details.• We have incurred disbursements of £54 in the report period. Please see page 13 for further details.• Third party costs and expenses of £45k have been incurred in the report period (of which £31k has been paid). Please see page 6 for further details.
	<ul style="list-style-type: none">• Conclude book debt collections with the assistance of Newco. Given the contractual nature of the debts, some of which include retentions, this process is time intensive. In addition, the COVID-19 pandemic has impeded collections during the period.• Make a distribution to preferential creditors.• Prepare for case closure and conversion to creditors’ voluntary liquidation or, if deemed more cost effective, seek permission to distribute to creditors from the administration, should a distribution be available.
	<ul style="list-style-type: none">• At the date of our appointment there was no outstanding balance to the secured creditors.• We anticipate that there will be further realisations to enable a dividend to be paid to preferential creditors, although the timing is uncertain, as further detailed on page 9.• It is currently uncertain whether there will be sufficient funds to enable a distribution to unsecured creditors. This will be dependent on the level of book debt realisations.
	<ul style="list-style-type: none">• The period of the administration has been extended to 7 May 2021. A further extension may be required, this will be dependent on the timing of conclusion of book debt collections. Please see page 9 for further details.

Progress of the administration

Summary

Sundry refunds

Sundry refunds of £256 have been realised during the report period in respect of overpayments made by the Company prior to our appointment.

Book debts

As at the date of our appointment, the Company's sales ledger showed pre-appointment book debts/retentions of £1.1m. The directors estimated £370k to be realisable.

In this report period, £122.5k has been recovered bringing the total to £256.1k.

Under the sale of business agreement, Newco will attend to certain defects that may arise on pre-existing contracts, which the Joint Administrators believe will reduce the risk of debtor disputes and enhance realisations.

During the period we have been liaising with Newco in relation to the book debt/retentions collections, and reviewing collection progress. The COVID-19 pandemic has impeded collections during the period of this report.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions, including updating the creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of this progress report;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.



Progress of the
administration
Summary

The following third party expenses have been incurred during the report period:

Quantity Surveyor costs

As detailed in our previous progress report, we instructed Leslie Keats Limited ("LK") to assist with the monitoring of ongoing collection of debts/retentions being carried out by Newco.

LK has estimated that future fees could be in the region of £2k (plus VAT) per month, albeit this is contingent on the level of involvement in the collection process. During the report period it has been paid £8.1k bringing its total to £17.9k.

Debt collection commission

As part of the sales agreement Newco was instructed to assist in the recovery of book debts/retentions, for which it would receive a commission. During the report period, £22.9k has been paid to Newco, bringing its total to £35.7k. A further £14k was incurred in the period of this report, which will be paid subsequently.

All professional costs are reviewed by the Joint Administrators and analysed in detail before payment is approved or made.



Progress of the administration

Receipts and payments

Joint Administrators' receipts and payments account 08 May 2020 to 07 November 2020

Receipts				
Book Debts	370,164	122,517	256,247	
Plant & Machinery	80,000	-	80,000	
Cash at Bank	64,888	-	61,006	
WIP & Stock	40,000	-	41,750	
Goodwill	-	-	10,000	
Insurance Refund	-	-	18,093	
Prepayments	-	-	853	
Apprenticeship Grants	-	-	2,000	
Bank Interest Gross	-	A 32	480	
Rent and Rates Received Under Licence	-	B	88,675	
Sundry Refund	-	-	256	506
Total receipts	555,052		288	559,610
Payments				
Wages and Salaries		-	22,676	
Direct Expenses		-	360	
Motor Vehicles		-	507	
Administrators' Pre Appointment Fees		-	12,420	
Administrators' Fees		-	162,580	
Administrators' Expenses		-	1,612	
Agents/Valuers Fees		8,121	24,518	
Legal Fees		-	27,474	
Utilities		-	899	
Storage Costs		40	641	
Postage & Redirection		-	506	
Statutory Advertising		-	87	
Rent and Rates - Under Licence		B	88,675	
Rent		-	2,920	
Rates		-	3,969	
Insurance of Assets		-	2,289	
Bank Charges		2	628	
Debt Collection Commission			22,994	35,652
Total payments			31,157	388,413
Balance				171,197
Made up of:				
VAT Receivable		C	29,589	
Floating Chge Deposit A/c		A	141,588	
Trade Creditors			19	
Balance in hand				171,197

A receipts and payments account is provided opposite detailing the transactions during the report period and also cumulatively for the entire period of our appointment on 08 May 2019 to 07 May 2020.

Notes to receipts and payments account

A - All funds are held in an interest bearing account. The associated corporation tax on interest received has been/will be accounted for to HM Revenue & Customs.

B - Funds totalling £89k were received from Newco in accordance with the licence to occupy. £67k has been paid to the landlord in relation to rent and £22k to the Calderdale Council in relation to rates incurred during Newco's period of occupation.

C - All sums shown opposite are shown net of VAT, which is recoverable and will be accounted for to HM Revenue & Customs in due course.

Rounding note

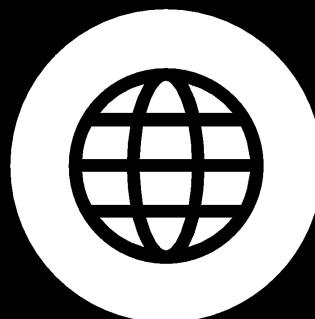
In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



Information for creditors

Outcome

9



Information for
creditors
Outcome

Secured creditors

As at the date of our appointment, the Company's records showed that Lloyds Bank and Lloyds CF held fixed and floating charges over the Company's assets, granted by the Company in February 2001 and May 2017 respectively. However, at the date of our appointment there was no outstanding debt to either Lloyds Bank or Lloyds CF. There are therefore no secured creditors.

Preferential creditors

We have agreed preferential creditor claims of £73.3k. Whilst we are not in a position to pay a dividend at this time, we anticipate being able to do so once further asset realisations permit.

Prescribed Part

As the Company has no secured creditors the Prescribed Part provisions will not apply to this case.

Unsecured creditors

Based on present information, it is uncertain whether sufficient funds will be realised to enable a dividend to be paid to unsecured creditors. This is dependent on the level of book debt/retention collections.

Any distribution to the unsecured creditors will be made either through a creditors' voluntary liquidation or once permission is received from the Court to enable payment, should sufficient funds be realised.

As the prospect of a distribution for unsecured creditors is uncertain, we do not intend to undertake any work to agree any creditor claims received. This work will be performed only once the dividend prospects are certain.

The administration was extended by the unsecured creditors on 24 March 2020 and will now end on or before 7 May 2021.

We may request a further extension to the period of the administration for a period of 12 months from 7 May 2021 to enable the conclusion on book debt collections. Should a extension be required we will make the application to court in due course.

As detailed in our Proposals, we consider a creditors' voluntary liquidation to be the most appropriate exit route from administration, to enable a distribution to unsecured creditors, should sufficient funds be available for distribution. Or if the distribution is made from the administration, or it becomes apparent that there are insufficient funds to enable a distribution, we will exit via dissolution.



Remuneration and expenses

Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.ips-docs.com.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed on 11 July 2019 by the creditors by reference to the time properly given by the Joint Administrators and their staff plus VAT thereon.

Fees drawn to date

We have drawn fees of £162,580 as shown in the receipts and payments account on page 7.

Time costs - analysis of actual against budget

Please refer to page 12 where we have updated the Fees Estimate to provide details of our actual time costs for the period of the report and for the entire period of our appointment and also summarised here:

Our total time costs to date are £601k made up of 1022 hours at a blended charge out rate of £588 per hour across all grades of staff.

Time costs have exceeded budget - excess fee request will not be made

Our actual time costs are thus higher than we anticipated, and for the reasons set out below:

- Additional time spent in relation to the licence to occupy / landlord issues.
- Extra support has been provided to employees who were made redundant. This work was carried out by specialists from our Employment Rights Act Team.
- Higher than anticipated volume of creditor queries.
- Liaising with HMRC regarding tax and VAT matters.
- Extension of the administration.

Although our actual time costs to date are higher than we anticipated, we do not intend to draw fees in excess of the £300k as reported in our Proposals.



Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Administrative activities	Cashiering	27.0	590	15,930	31.1	374	11,636	89.2	409	36,469
	Case supervision	42.1	637	26,800	7.2	428	3,100	77.7	747	58,072
	Case reviews	5.2	511	2,656	8.5	775	6,588	12.5	796	9,953
	Case closure matters	7.0	454	3,180	-	-	-	-	-	-
Statutory & compliance	Compliance & IPS diary	23.0	567	13,040	0.2	480	96	12.1	595	7,201
	Insurance	1.5	430	645	-	-	-	1.5	603	905
	General reporting	45.0	507	22,830	19.7	597	11,733	77.7	615	47,779
	Regulatory & other legislation	5.0	510	2,550	-	-	-	-	-	-
Initial actions	Appointment matters	4.0	796	3,185	-	-	-	3.0	1,010	3,030
	Securing assets	21.9	678	14,848	-	-	-	16.7	851	14,215
	Notifications	10.5	505	5,303	-	-	-	6.0	628	3,765
Investigations	CDDA reporting	7.0	530	3,710	-	-	-	27.5	520	14,287
	Investigations	8.5	564	4,795	-	-	-	-	-	-
Total of above categories		207.7	575	119,471	66.7	497	33,152	323.8	604	195,675
Taxation	Tax	11.7	480	5,590	37.8	413	15,595	45.9	409	18,776
	VAT	13.8	519	7,158	15.8	673	10,618	25.2	647	16,273
Asset realisations	Third party assets	6.7	668	4,475	-	-	-	10.8	630	6,778
	Book debts	104.9	705	73,962	26.1	780	20,360	108.1	782	84,450
	Chattel assets	35.0	687	24,007	-	-	-	35.9	628	22,545
	Other assets	4.0	650	2,600	0.5	480	240	2.3	552	1,269
	Property	6.6	657	4,339	-	-	-	18.0	696	12,493
	Retention of title	14.9	686	10,229	-	-	-	14.3	694	9,925
	Sale of business	83.7	747	62,512	-	-	-	81.0	685	55,470
Trading	Day 1 control of trading	14.5	654	9,480	-	-	-	14.5	618	8,955
	Ongoing trading	17.0	679	11,543	2.0	610	1,220	18.5	640	11,835
Employees	Consultation	5.5	560	3,080	-	-	-	2.5	590	1,475
	Correspondence	136.5	465	63,473	1.0	480	480	163.3	474	77,473
	Pensions	1.8	465	837	-	-	-	1.8	480	864
Correspondence	Creditors	60.6	397	24,069	3.4	459	1,536	150.6	484	72,857
	Shareholders	0.1	465	47	-	-	-	-	-	-
	Press & media queries	3.0	995	2,985	-	-	-	2.0	1,010	2,020
Distributions	Preferential creditors	23.3	376	8,755	0.5	480	240	3.3	480	1,584
	Unsecured creditors	37.7	306	11,555	-	-	-	-	-	-
Total fees estimate		788.9	571	450,164	153.7	543	83,440	1,021.6	588	600,714



Remuneration and expenses

Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Details of all disbursements are given below and from which it can be seen that we have not yet recovered our disbursements in full.

Category 2 Disbursements

Specific approval is required before these costs and expenses can be drawn from the administration estate and was given by creditors on 11 July 2020.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Category 1 disbursements

Accommodation	1,000	-	816	89
Travel	750	-	720	41
Telephone	50	-	20	-
Subsistence	100	-	69	5
Bond	230	-	230	230
Postage	-	54	76	76
Total disbursements	2,130	54	1,932	440

Category 2 disbursements

Mileage	100	-	210	89
Total disbursements	100	-	210	89

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.



Deloitte

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