



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

1 Company details

Company number 1 0 2 5 7 4 0 2

Company name in full Havelock International Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) David Robert

Surname Baxendale

3 Administrator's address

Building name/number 7 More London Riverside

Street

Post town London

County/Region

Postcode S E 1 2 R T

Country

4 Administrator's name ①

Full forename(s) Zelf

Surname Hussain

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 7 More London Riverside

Street

Post town London

County/Region

Postcode S E 1 2 R T

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	<div><div>d</div><div>3</div></div>	<div><div>d</div><div>1</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>7</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>
To date	<div><div>d</div><div>3</div></div>	<div><div>d</div><div>0</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>1</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>1</div></div>

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

<div><div>d</div><div>2</div></div>	<div><div>d</div><div>3</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>2</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>1</div></div>
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**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 **Kate Whitham**

Company name **PWC LLP**

Address **Central Square**

29 Wellington Street

Post town **Leeds**

County/Region

Postcode

L S 1 4 D L

Country

DX

Telephone **0113 289 4162**

**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

Joint administrators' progress report from 31 July 2020 to 30 January 2021

Havelock International Limited - in administration

High Court of Justice
Business and Property Courts in Birmingham
Insolvency & Companies List (ChD)

Case No. CR-2019-BHM-000618

23 February 2021

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The following table shows the abbreviations and insolvency terms that may be used in this report:

Administrators We/us/our	David Robert Baxendale and Zelf Hussain both of 7 More London Riverside, London, SE1 2RT
Company	Havelock International Limited - in administration
Deasil	Deasil Limited as secured creditor under fixed and floating charges
HMRC	HM Revenue & Customs
IGF	Independent Group Finance Limited as secured creditor under fixed and floating charges
IR16	Insolvency (England and Wales) Rules 2016
Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A Insolvency Act 1986 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Secured creditors	Creditors with security in respect of their debt, in accordance with section 248 Insolvency Act 1986, in this case being Deasil and IGF
Stage	Stage Systems Limited
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by David Robert Baxendale and Zelf Hussain as Joint Administrators of the Company, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 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 purpose, or in any other context.

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

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 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 you should read this report in conjunction with the Joint Administrators' previous reports issued to the Company's creditors, which can be found at <https://www.pwc.co.uk/havelockinternational>. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

David Robert Baxendale and Zelf Hussain have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents and act without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Why we've sent you this report

I'm writing to update you on the progress of the administration of the Company in the six months since our last report dated 14 August 2020.

You can still view our earlier reports on our website at <https://www.pwc.co.uk/havelockinternational>. Please get in touch with Kate Whitham on 0113 289 4162 if you need any of the passwords to access the reports.

How much creditors may receive

The following table summarises the possible outcome for creditors, based on what we currently know.

Secured creditors		
- IGF	100	100
- Deasil	Nil	Nil
<hr/>		
Preferential creditors	Nil	Nil
<hr/>		
Unsecured creditors	Nil	Nil

Secured Creditors

As per my previous report, IGF's debt as of the date of appointment was c.£1m. It is secured under an agreement dated 7 May 2019 in relation to invoice discounting facilities provided to the Company in respect of a debtor ledger with a combined book value of £3.6m and comprising of trade debtors of £925k, accrued income of £1.1m and retentions of £1.6m.

Under the invoice discounting facility, all book debts, both pre and post administration, were assigned to IGF. IGF has recovered its debt in full from book debt collections. In addition, under the terms of the lending agreement, it has charged an early termination fee of £159,913. As detailed previously, £10,000 of this amount remained outstanding which we have paid in the period covered by this report.

Deasil's lending as at the date of the appointment was c.£5m and is secured by a debenture dated 3 July 2018. This security gives Deasil fixed charges over some of the Company's assets and a floating charge over all other assets.

Deasil is not expected to make any recoveries under its security.

Preferential Creditors

There will be insufficient funds to enable a dividend for preferential creditors of the Company.

Unsecured Creditors

The prescribed part is a fund that has to be made available for unsecured creditors. It's paid out of "net property". Net property is floating charge realisations after costs, and after paying - or setting aside enough to pay - preferential creditors in full.

There will not be any dividend for unsecured creditors of the Company, including from the prescribed part, as we do not believe that the Company will have sufficient net floating charge realisations. The value of the net property and prescribed part will therefore be nil.

The Company was a UK based specialist provider of interior fit-out services from design, through to manufacture and installation, having purchased the business of Havelock Europa Plc in July 2018. Its head office and manufacturing facilities were based in Kirkcaldy, Fife, and the business employed over 250 staff. Its customers included major retailers, banks, construction companies and commercial organisations.

The background to our appointment and circumstances surrounding the Company upon entering administration are detailed in our previous reports and are not repeated here.

When we last reported, the main outstanding matters in the administration were as follows:

- Collect in the remaining book debts;
- Settle the final wind down expenses including utilities, rates and other suppliers;
- Draft and issue our remuneration report and obtain approval for the basis of our fees;
- Conclude outstanding tax and VAT matters and receive clearance in respect of such; and
- Obtain clearances from third parties and bring the administration to an end.

Progress on these matters are explained in more detail in the next section.

Book debts

At appointment, the trade debtor ledger, accrued income ledger (comprising part completed works) and retentions ledger, had a combined book value of £3.6m. At the end of the last reporting period, £1.3m had been realised. Book debts and any amounts due under invoices subsequently raised in the administration period were assigned to IGF under the terms of its invoice discounting and funding facility.

Since my last report, we, alongside Leslie Keats (a firm of independent quantity surveyors), have continued to pursue the outstanding trade debts and accrued income balances. This work and the additional time undertaken to pursue these outstanding balances, has led to further realisations of £160,000 being achieved in the period, taking total book debt collections to £1.44m.

Book debt collections are ongoing and we are continuing to work alongside Leslie Keats to realise the remaining unpaid retention balances as well as finalising the applications relating to the part completed contracts.

Realisation of other assets

As shown on the enclosed receipts and payments account, we have received a rates refund totalling £168 during the reporting period. Aside from ongoing book debt collections we don't think there are any further realisable assets.

Tax clearance

On 22 September 2020 we submitted our tax return for the period of the administration, with a payment due of £400.33, together with a request for clearance.

Tax clearance was received from HMRC on 16 December 2020 and no further tax is expected to be due in this respect.

Connected party transactions

There have been no connected party transactions during the period of this report.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administration from 31 July 2020 to 30 January 2021.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case. During the period of this report we published a remuneration report for creditors and sought and obtained approval to bill our fees on a time costs basis. To date, we have drawn fees of £500k in line with that approval.

Pre-administration costs

You can find in Appendix D information about the approval of the unpaid pre-administration costs previously detailed in our proposals. These were approved to be paid as an expense of the administration on 4 September 2020 but have not been paid.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

You can also get a copy free of charge by telephoning Kate Whitham on 0113 289 4162.

What we still need to do

As described above, we still need to take the following actions:

- Collect in the remaining book debts;
- Conclude outstanding VAT matters and deregister for VAT; and
- Obtain clearances from third parties and bring the administration to an end.

Next steps

We are currently considering the best strategy for ending the administration. We'll provide an update on this in our next report.

We expect to send our next report to creditors at the end of the administration or in about six months, whichever is the sooner.

If you've got any questions, please get in touch with Kate Whitham on 0113 289 4162.

Yours faithfully
For and on behalf of the Company



David Baxendale
Joint Administrator

David Robert Baxendale and Zelf Hussain have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents without personal liability. They are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at:

<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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Statement of Affairs		31 July 2019 to 30 July 2020	31 July 2020 to 30 January 2021	31 July 2019 to 30 January 2021
(£)		(£)	(£)	(£)
	<u>Fixed charge</u>			
	Receipts			
750,000	Assigned book debts	1,282,984.09	160,088.06	1,443,072.15
	Less: assigned book debts paid to IGF	(1,035,753.01)	(10,000.00)	(1,045,753.01)
	Surplus assigned book debts	247,231.08	150,088.06	397,319.14
259,000	Cash at bank	236,344.06	-	236,344.06
	Less: ring fenced funds due back to IGF	(130,485.86)	-	(130,485.86)
	Surplus cash at bank	105,858.20	-	105,858.20
	Trading sales	684,467.82	-	684,467.82
	Less: costs of trading sales	(229,876.21)	-	(229,876.21)
	Surplus trading sales	454,591.61	-	454,591.61
1,009,000	Total	807,680.89	150,088.06	957,768.95
	Payments			
	Wages & tax/pension deductions	(157,987.85)	-	(157,987.85)
	Surplus sent to floating charge account	(639,693.04)	(160,088.06)	(799,781.10)
	Total	(797,680.89)	(160,088.06)	(957,768.95)
	Fixed charge balance	10,000.00	(10,000.00)	-
	<u>Floating Charge</u>			
	Receipts			
	Surplus brought down from fixed charge account	639,693.04	160,088.06	799,781.10
	Bank interest received gross	1,497.08	-	1,497.08
	Funding from third parties/chargeholder	15,145.52	-	15,145.52
150,000	Plant and equipment	290,000.00	-	290,000.00
	Rates refunds	-	167.88	167.88
	Office equipment	1,500.00	-	1,500.00
	Contribution to rent and rates by Surplex	139,419.92	-	139,419.92

250,000	Deferred consideration	42,500.00	-	42,500.00
	Debentures	5,980.00	-	5,980.00
	Intellectual property	31,680.00	-	31,680.00
	Pre appointment refunds	17,014.15	-	17,014.15
	Stock (subject to floating charge)	20,436.49	-	20,436.49
50,000	Stock - raw materials	2,900.00	-	2,900.00
450,000	Total	1,207,766.20	160,255.94	1,368,022.14
Payments				
	Office holders' fees	-	(500,000.00)	(500,000.00)
	Office holders' disbursements	-	(13,618.79)	(13,618.79)
	Agents' Fees - Property & Assets	(97,516.94)	(30,561.88)	(128,078.82)
	Legal fees	(49,465.42)	(24,480.40)	(73,945.82)
	Licenses, trade marks, royalties etc	(45.00)	-	(45.00)
	Funding from third parties/chargeholder	-	441.41	441.41
	Office costs, Stationery & Postage	(19,435.11)	-	(19,435.11)
	Statutory advertising	(77.00)	-	(77.00)
	Security costs	(780.00)	-	(780.00)
	Leasing costs	(7,234.47)	-	(7,234.47)
	Rent	(137,830.38)	-	(137,830.38)
	Insurance	(28,006.54)	-	(28,006.54)
	Utilities	(59,135.92)	(111,603.94)	(170,739.86)
	Wages & tax/pension deductions	(52,360.26)	-	(52,360.26)
	Employee/subcontractor costs & expenses	(1,601.00)	(115.00)	(1,716.00)
	Corporation tax	-	(400.33)	(400.33)
	Storage costs	(362.78)	-	(362.78)
	Bank charges	(14,268.04)	-	(14,268.04)
	VAT payment corrections	(7,490.82)	-	(7,490.82)
	Irrecoverable VAT	(183.92)	-	(183.92)
	Total	(475,793.60)	(680,338.93)	(1,156,132.53)
	Floating charge balance	731,972.60	(520,082.99)	211,889.61
	Vat control account	(28,188.72)	(110,232.67)	(138,421.39)
	Funds in hand (note 1)	713,783.88	(640,315.66)	73,468.22

Notes

1. Funds are held in a non-interest bearing account
2. Costs have not been split between fixed and floating following IGF being repaid in full.

The following table provides details of our expenses. Expenses are amounts properly payable by us as administrators from the estate and includes our fees, but excludes distributions to creditors. We provide information on our fees in appendix C, but details of our other expenses compared with our initial estimates are set out in the table below.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

	Incurring in the period 31 July 2019 to 30 July 2020	Incurring in the period 31 July 2020 to 30 January 2021	Estimated future	Anticipated total	Initial estimate	Variance
	£	£	£	£	£	£
Agents' fees	97,516.94	30,561.88	6,000.00	134,078.82	122,516.94	11,561.88
Legal fees	63,389.00	24,480.40	-	87,869.40	83,818.00	4,051.40
Costs of trading sales	229,876.21	-	-	229,876.21	229,876.21	-
License fees	45.00	-	-	45.00	45.00	-
Office costs	19,435.11	-	-	19,435.11	19,435.11	-
Security costs	780.00	-	-	780.00	780.00	-
Leasing costs	7,234.47	-	-	7,234.47	7,234.47	-
Rent and recharged expenses	137,830.38	-	-	137,830.38	137,830.38	-
Rates	-	101,216.88	-	101,216.88	156,000.00	(54,783.12)
Insurance	28,006.54	-	-	28,006.54	28,006.54	-
Utilities	59,135.92	10,387.06	-	69,522.98	135,651.52	(66,128.54)
Wages	128,912.31	-	-	128,912.31	128,912.31	-
Wage/tax/pensi on deductions	81,435.80	-	-	81,435.80	81,435.80	-
Employee expenses	1,601.00	115.00	-	1,716.00	1,601.00	115.00
Storage costs	362.78	-	364.00	726.78	1,162.78	(436.00)
Statutory advertising	77.00	-	-	77.00	77.00	-
Bank charges	14,268.04	-	50.00	14,318.04	14,318.04	-
Pre administration costs	61,374.00	-	-	61,374.00	61,374.00	-
Corporation tax	-	400.33	-	400.33	-	400.33
Administrators' expenses	13,239.88	497.50	500.00	14,237.38	14,618.79	(381.41)
Irrecoverable VAT	183.92	-	-	183.92	183.92	-
Total	944,704.30	167,659.05	6,914.00	1,119,277.35	1,224,877.81	(105,600.46)

Our fees were approved on a time costs basis by the Secured creditors on 4 September 2020. To 30 January 2021 we have drawn fees of £500,000 plus expenses of £13,618.79 in line with the approval given, as shown on the enclosed receipts and payments account.

The time cost charges incurred in the period covered by this report are £50,377, meaning total time costs from our appointment to 30 January 2021 are £838,988. This amount does not necessarily reflect how much we will eventually draw as fees.

Our time costs have exceeded our initial estimate of £822.624, however, we do not intend to request a fee increase in this respect.

Our hours and average rates

Work Type	Partner (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Total (Hrs)	Cost £	Cumulative cost £	Avg. Rate £
Assets	-		15.35	1.75	-	17.10	7,974	455,086	466
Creditors	1.50		-	2.95	-	4.45	2,583	19,591	580
Employees & Pensions	-	0.95	1.60	0.10	0.15	2.80	1,677	91,108	599
Investigations	-		-	-	-	-	-	4,177	-
Statutory & Compliance	1.00	1.90	6.30	14.95	3.20	27.35	11,290	116,068	413
Tax & VAT	-	3.55	6.05	7.40	5.85	22.85	14,268	49,455	624
Administration	-	1.95	2.30	22.50	6.40	33.15	12,586	103,504	380
Total for the period	2.50	8.35	31.60	49.65	15.60	107.70	50,377	838,988	

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the administration.

With effect to 30 June 2020 Grade	Maximum rate per hour (£)	Specialist maximum rate per hour (£)
Partner	910	1,385
Director	800	1,275
Senior Manager	605	9750
Manager	525	710
Senior Associate	435	520
Associate	270	285
Support staff	140	230

With effect from 1 July 2020 Grade	Maximum rate per hour (£)	Specialist maximum rate per hour (£)
Partner	955	1,520
Director	840	1,465
Senior Manager	665	1,290
Manager	575	775
Senior Associate	654	575
Associate	297	305
Support staff	155	250

With effect from 1 September 2020 Grade	Specialist maximum rate per hour (£)
Partner	1,600
Director	1,465
Senior Manager	1,355
Manager	815
Senior Associate	605
Associate	325
Support staff	230

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associates

We have not made any payments to associates in the period covered by this report.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:

Assets	Book debts
	<ul style="list-style-type: none"> Performing a cash and ledger reconciliation using a reporting tool to manage monies received into the Company's bank accounts and ensuring the monies were correctly allocated against the customers accounts Liaising with specialist Quantity Surveyors in this industry, Leslie Keats and with regards to their ongoing recovery works.
Creditors	Creditor enquiries
	<ul style="list-style-type: none"> Maintaining dedicated website for delivery of communications and reports Receiving and following up creditor enquiries via telephone, email and post Receiving and filing proofs of debt
	Secured Creditor
	<ul style="list-style-type: none"> Responding to Secured Creditors' queries Holding virtual meetings and calls with the Secured Creditors where required to provide them with an update on the estimated outcome statement Paying distributions to IGF under their fixed charge
Employees and pensions	Communications with employees
	<ul style="list-style-type: none"> Receiving and following up employee enquiries via telephone, post and email
	Payroll
	<ul style="list-style-type: none"> Deducting and paying over final PAYE/NIC to HMRC and other deductions to relevant agencies and third parties
	Pensions
	<ul style="list-style-type: none"> Dealing with general pension scheme issues
Statutory and compliance	Remuneration
	<ul style="list-style-type: none"> Updating internal budget and revising forecast Drafting and issuing the remuneration report and obtain creditor approval from the relevant body for fees and pre appointment costs
	Case reviews
	<ul style="list-style-type: none"> Conducting periodic case reviews Updating case files and internal systems every six months
	Other statutory and compliance
	<ul style="list-style-type: none"> Filing of documents Updating checklists and diary management system Maintenance of case records Drafting and issuing third progress report to creditors Dealing with ad-hoc enquiries and regulatory matters
Strategy and planning	
	<ul style="list-style-type: none"> Preparing fee budgets & monitoring cost Holding regular team meetings & discussions regarding status of administration Considering the administration strategy to achieve the statutory purpose of administration
Tax and VAT	Tax
	<ul style="list-style-type: none"> Carrying out tax review and subsequent enquiries Liaising with HMRC Preparing tax return and clearance documents
	VAT
	<ul style="list-style-type: none"> Carrying out VAT reviews and subsequent enquiries Preparing VAT returns Liaising with HMRC
Accounting and treasury	
	<ul style="list-style-type: none"> Dealing with receipts, payments and journals Carrying out bank reconciliations and managing investment of funds

Our previous work

As this progress report is the first to be issued following the approval of the basis of our fees, below are details of things done by the administrators in previous periods.

Assets	<p>Book debts</p> <ul style="list-style-type: none"> Performing a cash and ledger reconciliation using a reporting tool to manage monies received into the Company's bank accounts and ensuring the monies were correctly allocated against the customers accounts Liaising with specialist Quantity Surveyors in this industry, Leslie Keats and instructing them to review and pursue the contracts in place against the part completed works and assess the unpaid retention payments to provide the administrators and Lenders an informed view of potential recoveries <p>Release of assets from third parties</p> <ul style="list-style-type: none"> Negotiated with third party warehouse providers to release the stock to customers. employees retained to assist in implementing the administration strategy <p>Sale of Plant</p> <ul style="list-style-type: none"> Liaised with Hilco Capital were appointed as agents and realised the Company's plant and machinery <p>Business wind down</p> <ul style="list-style-type: none"> Attending on site, liaising with management and staff to obtain information and oversee wind down process liaising with landlords to pay rent and recover and obtain lease documents liaising with suppliers, monitoring and authorising purchase orders and other commitments <p>Deferred consideration</p> <ul style="list-style-type: none"> Deferred consideration was due on the sale of a subsidiary (Stage Systems Limited) prior to our appointment We have worked with the purchaser of the subsidiary and our lawyers to reach a settlement agreement for the deferred consideration and a sum of £42,500 has subsequently been received
Creditors	<p>Creditor enquiries</p> <ul style="list-style-type: none"> Maintaining dedicated website for delivery of communications and reports Receiving and following up creditor enquiries via telephone, email and post Receiving and filing proofs of debt <p>Secured Creditor</p> <ul style="list-style-type: none"> Responding to Secured Creditors' queries Holding virtual meetings and calls with the Secured Creditors to discuss their security and determine the priority of security over the Company's assets Planning and preparation of financial and operational information for Secured Creditor Paying distributions to IGF under their fixed charge
Employees and pensions	<p>Communications with employees</p> <ul style="list-style-type: none"> Delivering initial communications and announcements, including letters setting out their entitlements and options available Issuing further communications and announcements Consulting with employees and undertaking a redundancy programme Receiving and following up employee enquiries via telephone, post and email <p>Payroll</p> <ul style="list-style-type: none"> Reviewing employee files, awards and payroll structure and paying wages for the wind down period Deducting and paying over PAYE/NIC to HMRC and other deductions to relevant agencies and third parties <p>Pensions</p> <ul style="list-style-type: none"> Issuing statutory notices and dealing with general pension scheme issues
Investigations	Investigations

	<ul style="list-style-type: none"> Corresponding with the director and senior management to obtain information and the books and records identifying potential asset recoveries preparing investigation file and lodging findings with the Insolvency Service
Statutory and compliance	<p>Initial letters and notifications</p> <ul style="list-style-type: none"> Preparing and issuing all necessary initial letters and notices regarding the administrations and our appointment requesting and filing a statement of affairs from the director setting up internal case files and systems <p>Remuneration</p> <ul style="list-style-type: none"> Updating budget and revising forecast Providing update to the Secured Creditors giving details of the work we expect to carry out during the case and anticipated costs <p>Proposals</p> <ul style="list-style-type: none"> Drafting and delivering our proposals to the Company's creditors and obtaining the creditors' approval Filing the proposals with the Registrar <p>Case reviews</p> <ul style="list-style-type: none"> Conducting periodic case reviews Updating case files and internal systems every six months <p>Other statutory and compliance</p> <ul style="list-style-type: none"> Filing of documents Updating checklists and diary management system Maintenance of case records Drafting and issuing first progress report to creditors
Strategy and planning	<ul style="list-style-type: none"> Completing tasks relating to job acceptance Preparing fee budgets & monitoring cost Holding regular team meetings & discussions regarding status of administration Considering the administration strategy to achieve the statutory purpose of administration and flexing this as events and information demand
Tax and VAT	<p>Tax</p> <ul style="list-style-type: none"> Carrying out tax review and subsequent enquiries Liaising with HMRC <p>VAT</p> <ul style="list-style-type: none"> Carrying out VAT reviews and subsequent enquiries Preparing VAT returns Opting Mitchelston Drive to tax, in order to enhance VAT recoveries Liaising with HMRC
Accounting and treasury	<ul style="list-style-type: none"> Opening and closing bank accounts and arranging facilities Corresponding with the pre-administration bankers to arrange for the transfer of funds received into these bank accounts Dealing with receipts, payments and journals Carrying out bank reconciliations and managing investment of funds

Our future work

We still need to do the following work to achieve the purpose of administration.

Assets	<p>Book debts</p> <ul style="list-style-type: none"> Continuing to liaise with Leslie Keats in order for them to review and pursue the contracts in place against the part completed works and realise further funds for the estate 	2,000	<ul style="list-style-type: none"> To maximise recoveries for the administration
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Creditors	Creditor enquiries	500	<ul style="list-style-type: none"> To provide creditors with the requested information
	<ul style="list-style-type: none"> Maintaining dedicated website for delivery of communications and reports Receiving and following up creditor enquiries via telephone, email and post Receiving and filing proofs of debt 		
Statutory and compliance	Secured Creditor		<ul style="list-style-type: none"> To ensure orderly management and progression of the case in a cost effective manner
	<ul style="list-style-type: none"> Responding to Secured Creditors' queries Holding virtual meetings and calls with the Secured Creditors to discuss their security over the Company's assets 		
Statutory and compliance	Case reviews	8,000	<ul style="list-style-type: none"> To ensure orderly management and progression of the case in a cost effective manner
	<ul style="list-style-type: none"> Conducting periodic case reviews Updating case files and internal systems every six months 		
Strategy and planning	Other statutory and compliance		<ul style="list-style-type: none"> To ensure orderly management and progression of the case in a cost effective manner
	<ul style="list-style-type: none"> Filing of documents Updating checklists & diary management Maintenance of case records Preparing and issuing periodic and final progress reports to creditors and the registrar 		
Tax and VAT	Tax	3,000	<ul style="list-style-type: none"> To ensure compliance with statutory tax obligations to HMRC
	<ul style="list-style-type: none"> Preparing fee budgets & monitoring cost Holding regular team meetings & discussions regarding status of administration Preparing and monitoring a strategy to closure of the administration 		
Tax and VAT	VAT	1,000	<ul style="list-style-type: none"> This work ensures compliance with statutory tax obligations to HMRC
	<ul style="list-style-type: none"> Liaising with HMRC Preparing tax return and clearance documents Preparing VAT returns and deregister for VAT purposes Liaising with HMRC 		
Accounting and treasury		1,000	<ul style="list-style-type: none"> Statutory requirements and ensures good stewardship of estate funds
	<ul style="list-style-type: none"> Dealing with receipts, payments and journals Carrying out bank reconciliations and managing investment of funds Arranging for closure of case bank account 		
Case closure		4,000	<ul style="list-style-type: none"> To meet statutory requirements
	<ul style="list-style-type: none"> Completing checklists and diary management system Closing down internal systems Drafting and circulating final progress report to creditors and the registrar 		

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the administration and has been approved by the Secured Creditors where required.

The following disbursements arose in the period of this report.

1	Accommodation (adjustment relating to prior period)	497.50
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Subtotal	497.50
Brought forward from previous period	13,618.79
Cumulative total	14,116.29

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Details of subcontracted work

We have not subcontracted any work during the period covered by this report.

Legal and other professional firms

We've instructed the following professionals on this case:

Legal advice	Eversheds Sutherland LLP	industry knowledge	Time costs and disbursements
Chattel agents and valuers	Hilco Streambank	Industry knowledge and expertise	Fixed fee plus commission rate based on realisations
Quantity Surveyors and debt collection	Leslie Keats	Industry knowledge and expertise	Commission rate based on realisations
Insurance	Insolvency Risk Services	Industry knowledge / insolvency expertise	Fixed fee

The following costs incurred before our appointment with a view to the Company going into administration were approved for payment as an expense of the administration on 4 September 2020. These have been billed in full but not yet paid in the period of this report.

Fees charged by the Administrators	58,208
Expenses incurred by the Administrators	3,166
Total	61,374

This work entailed:

- Drafting and reviewing communications to employees and gathering employee information in preparation for the wind-down of the Company;
- Reviewing operational needs and value within the Company's contracts and stock;
- Liaising with the Company directors in preparation for the appointment; and
- Liaising with the secured creditors regarding the appointment and securing funding for the administration.

Court details for the administration:	High Court of Justice Business and Property Courts in Birmingham Insolvency & Companies List (ChD) Case No. CR-2019-BHM-000618
Company's registered name:	Havelock International Limited
Trading name:	Havelock
Registered number:	10257402
Registered address:	8th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL (Formerly Ground Floor, Egerton House, 68 Baker Street, Weybridge, KT13 8AL)
Date of the Administrators' appointment:	31 July 2019
Administrators' names, addresses and contact details:	David Robert Baxendale and Zelf Hussain of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT Contact: kate.whitham@pwc.com Tel: 0113 289 4162
Extension to the initial period of appointment:	A 12 month extension to the administration was sought from secured creditors. This was granted on 9 July 2020 and the administration has been extended to 30 July 2021.