

TO ALL KNOWN CREDITORS

19 June 2018

Ref: CR/SW/CW/DA/NWM1295
&1296/PCF19.1

Direct line: 0161 333 2835
Direct fax: 0161 333 3001

Please ask for David Ashcroft

Dear Sirs

**HS Realisations Limited (formerly known as Hewden Stuart Limited)
(‘HS Realisations’)
Hewden Properties Limited (‘Hewden Properties’)
(both in Administration) (together ‘the Companies’)**

**Registered office: c/o Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh,
EH3 8EZ**

I write, in accordance with Rule 2.38 of the Insolvency (Scotland) Rules 1986, to provide creditors with a report on the progress of the Administrations. This report covers the period from 22 November 2017 to 21 May 2018 (‘the Period’), and should be read in conjunction with the Joint Administrators’ previous reports dated 16 June 2017 and 18 December 2017, and the Joint Administrators’ Statement of Proposals dated 9 January 2017 (‘the Proposals’).

The Companies entered Administration on 22 November 2016 (‘the Date of Appointment’) and S J Woodward and C P Dempster of Ernst & Young LLP were appointed to act as Joint Administrators. The appointments were made by the Companies’ Directors under the provisions of paragraph 22 of Schedule B1 to the Insolvency Act 1986 (‘the Act’). Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of them.

The wider Hewden group in Administration consists of the Companies together with Woodster Realisations Limited (formerly known as Interlift Limited) (in Administration) and The Rigging House Limited (in Administration) (collectively ‘the Group’).

A summary of statutory information relating to the Companies is provided at Appendix 1.

Summary of progress

Assets remaining to be realised

There is an ongoing legal dispute relating to the ownership of a number of compressors we understand to have been purchased by HS Realisations prior to the appointment of the Joint Administrators. The compressors are believed to be held by a third party (who also asserts ownership), and the Joint Administrators have engaged Addleshaw Goddard LLP in an effort to recover the compressors.

Should initial efforts to recover the compressors prove unsuccessful then HS Realisations, acting by the Joint Administrators, will evaluate options to instigate legal proceedings against the third party. Given the relative uncertainty of timelines of any litigation action it may be necessary for the Joint Administrators to apply to Court to extend the Administration of HS Realisations.

The Joint Administrators believe the compressors to have a value in the region of c.£0.5m.

Book debts

The HS Realisations debtor ledger totalled £17.3m on appointment, comprising over 2,000 customer accounts, which included complex accounts, crane hire contracts and smaller debts.

As previously reported, historical book debt collections in the Administration were received and retained by Bank of America Merrill Lynch ('BAML') in satisfaction of the secured debt due to the asset based lender syndicate.

As discussed in my previous report, Hilton Baird Collection Services Limited ('Hilton Baird') were engaged by the Joint Administrators to pursue remaining outstanding balances. During the Period, a further £71k was collected, of which £37k was collected through legal action taken against a number of non-responsive debtors.

HS Realisations has since finalised the engagement with Hilton Baird, and total book debt realisations to date are £14.7m. No further realisations are anticipated.

Properties

Overview

At the Date of Appointment, the Companies operated nationally from 29 sites split as follows:

- 7 sites relating to the on-site business; and
- 22 plant depots

These properties were a mixture of short leasehold, long leasehold and freehold. In addition to these operational premises, the Group occupied a head office at Trafford House, Manchester and held leases to several premises which were sub-let.

Freehold / long-leasehold properties

During the period covered by my previous report, we accepted an offer for the remaining (long-leasehold) property at Swansea. Due to unforeseen circumstances, the potential buyer withdrew their offer, and the Swansea property was remarketed by our property agents during the Period. A new offer has been accepted for the sale of the Swansea property and we hope to complete this sale shortly.

Short leasehold properties

As previously reported, we granted certain purchasers of the Group's trading assets licences to occupy a total of 9 leasehold properties until the leases could be assigned to the purchasers or new leases could be agreed. All of these leases have now been either assigned to purchasers, have expired, or the properties have been vacated.

An amount of £17k in respect of licence fees received was refunded to one of the purchasers in the Period as property costs were lower than expected in respect of the property they occupied.

In the next reporting period a final amount is likely to be refunded to a second purchaser once liabilities are finalised in respect of one property.

Sub-let properties

At the Date of Appointment, the Companies held leases to six former Hewden depots which were sub-let to third parties. Valuations of these were carried out by D. Currie Consultancy Limited and two of the six premises were identified as having potential sale value; these being located in Eastleigh and Bedford.

The sale of the Eastleigh property completed in the previous reporting period, and remaining sale of the Bedford property is progressing and expected to complete shortly.

Trading sales

Live hire contracts were allowed to continue as normal (excluding crane and cross-hire assets) until 28 February 2017. £2.9m of sales invoices were raised during the trading period.

As advised in our earlier report, £2.2m of post appointment trading sales receipts were received directly, and retained, by the Group's pre appointment lenders BAML to satisfy the secured debt owed by the Group. A further c.£350k of trading sales receipts were retained in the Company's bank account.

A further £46k of trading sales receipts were received during the Period, bringing total realisations to £2.6m. We do not anticipate any further trading sales receipts, and will claim VAT bad debt relief of c.£34k for the c.£300k of unpaid sales invoices which have now been written off. VAT was not charged on all trading sales, as not all customers were VAT registered.

Other income

During the Period, HS Realisations received income of £28k from a successful insurance claim relating to the theft of one of the Companies' assets prior to the appointment of the Joint Administrators.

A further £4k was received in relation to the sale of other assets, bringing total other assets income to £195k.

Bank Interest

Bank interest of £2k has been received in the Period, bringing total bank interest received by the Companies to £23k.

Administrators' receipts and payments account

Summaries of the Joint Administrators' receipts and payments accounts for the Companies covering the period from 22 November 2017 to 21 May 2018 are attached at Appendix 2. Please note that these do not reflect future estimated realisations or costs, including the Joint Administrators' remuneration and disbursements.

Joint Administrators' remuneration and disbursements

Remuneration

A statement was made in the Proposals under the provision of paragraph 52(1) of Schedule B1 to the Insolvency Act to the effect that there will be no funds available for the non-preferential creditors of the Companies other than by virtue of the Prescribed Part. No creditors' committees were formed. Accordingly the Joint Administrators' remuneration and disbursements were fixed on the basis of time properly spent by them and their staff in dealing with matters arising in the respective Administrations by the secured and preferential creditors by resolution on 27 March 2017.

During the Administrations to date, the Joint Administrators have incurred time costs totalling £6,895,192 across the Companies, of which £400,356 was incurred in the Period. Of the time costs incurred, no amounts were drawn in the Period. A summary of these costs are set out in the table below, and a detailed analysis for each company is attached at Appendix 3 to this report.

Name	Time costs in the Period (£)	Total time costs to date (£)	Drawn in the Period (£)
HS Realisations	357,153	6,511,441	-
Hewden Properties	43,203	383,751	-
Total	400,356	6,895,192	-

The statutory provisions relating to remuneration are set out in Rule 2.39 of the Insolvency (Scotland) Rules 1986. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Insolvency Practitioners Association at <http://www.insolvency-practitioners.org.uk> (follow 'Regulation and Guidance' then 'Creditors' Guides to Fees, then 'Guides for Scotland', then 'Administration'), or is available in hard copy upon written request to the Joint Administrators.

At Appendix 4 there is a statement of the Joint Administrators' policy in relation to charging time and disbursements.

Disbursements

To 21 May 2018, the Joint Administrators have incurred a total of £78,039 of Category 1 and £8,191 of Category 2 disbursements across the Companies, as set out in the table below. No Category 1 or Category 2 disbursements have been drawn in relation to either of the Companies in the Period.

The Joint Administrators received approval to draw Category 2 disbursements from the secured and preferential creditors by resolution on 27 March 2017. In line with Statement of Insolvency Practice 9, it is the Joint Administrators' policy to disclose Category 1 disbursements but not seek approval to draw them.

Name	Category 1 (£)	Category 2 (£)	Drawn in the Period (£)
HS Realisations	76,746	8,191	Nil
Hewden Properties	1,293	Nil	Nil
Total	78,039	8,191	Nil

Payments to other professionals

We have engaged the following other professionals to assist us. They were chosen on the basis of their experience in similar assignments.

Name of firm	Nature of service	How contracted to be paid	Paid during the Period (£) exc VAT
Addleshaw Goddard LLP ('Addleshaw')	Legal services	Time cost basis	81,916.43
Pinsent Masons LLP	Legal services	Time cost basis	-
Euro Auctions UK Limited	Plant/equipment advisors and agents	Phase 1 (advisory): time cost basis Phase 2 (selling agency): percentage of realisations (subject to a cap)	-
Hilton-Baird Collection Services Limited	Debtor collection services	Percentage of realisations	24,870.34
Metis Partners ('Metis')	Valuation advice	Fixed fee	-
HBJ	Legal services	Time cost basis	-
D Currie Consultancy Limited	Real estate and asset consultancy	Percentage of sale value plus marketing costs	45,000.00
In2Corporate Limited	Plant/equipment agents	Percentage of realisations	-
Total			151,786.77

Outcome to creditors

Secured creditors

As detailed in the Proposals, at the Date of Appointment the Group owed £98.9m to a syndicate of asset based lenders, led by BAML (together 'the Syndicate') and a further £56.4m to Czech Asset Management ('CAM'), whose security ranked behind the Syndicate.

A total of £100m has been distributed by the Group to the Syndicate, discharging its debt (after application of post-appointment interest and charges) in full.

Group distributions totalling £35.1m have been paid to CAM in the Administrations, of which £2.2m were made during the Period (of which £1.6m was from HS Realisations). Whilst further distributions will be made to CAM, we continue to estimate that it will suffer a shortfall against its secured lending.

Preferential creditors

Preferential creditors' claims are all against HS Realisations and are in respect of employee claims for arrears of wages, holiday pay, and a subrogated claim from the Redundancy Payments Office in respect of unpaid salaries and pension contributions.

A notice of intended dividend was issued to the preferential creditors on 10 October 2017 inviting creditors to lodge their claims no later than 7 November 2017, being the last date for proving. A dividend of 100 pence in the £ was declared and paid on 7 December 2017 on agreed claims totalling £512,809.59.

Non-preferential creditors

The Joint Administrators continue to receive claims from non-preferential creditors. The current value of non-preferential claims received to date in relation to HS Realisations total £61m.

At this stage, we do not anticipate that there will be funds available for distribution to unsecured creditors of HS Realisations other than by virtue of the Prescribed Part. We do not anticipate any distribution to unsecured creditors in Hewden Properties, either via the Prescribed Part or otherwise.

The Prescribed Part

The Prescribed Part is a proportion of floating charge assets set aside for unsecured non-preferential creditors pursuant to section 176A of the Insolvency Act 1986 ('the Act'). The Prescribed Part applies to floating charges created on or after 15 September 2003.

As outlined in the Proposals, the floating charges held by the Syndicate and CAM were created after 15 September 2003 and accordingly section 176A of the Act does apply to these Administrations and a Prescribed Part will be set aside for unsecured creditors of the Companies, to the extent there is sufficient net property.

We currently estimate the Net Property, the Prescribed Part, and the illustrative return to creditors in each company will be as follows:

£m	HS Realisations	Hewden Properties
Net Property	79.8	-
Estimated Prescribed Part	0.6	-
Non-preferential creditors per Directors' SOA	*150.0	1.8
Illustrative dividend before costs of distribution (p in the £)	0.4	nil

* Figure is based on value of claims per Directors' SOA and not value of claims received to date, which is £61m.

A notice of intended dividend was issued to the unsecured non-preferential creditors of HS Realisations after the Period (on 4 June 2018), inviting non-preferential creditors to lodge their claims no later than 4 July 2018, being the last date for proving. The Joint Administrators intend to pay a first and final Prescribed Part dividend to non-preferential creditors within 2 months of the last date for proving.

Future conduct of the Administrations

We will continue to deal with the Administrations in line with the Proposals. Future tasks will include, but may not be limited to, the following:

- „ Progressing the sale of the remaining long-leasehold property;
- „ Continuing to pursue the remaining assets of the Companies;
- „ Discharging remaining Administration liabilities (including trading liabilities);
- „ Completion of the statutory requirements of the Administrations, including reporting to creditors;
- „ Preparing post-appointment corporation tax and VAT returns;

- „ Adjudication of non-preferential claims and distribution of the Prescribed Part;
- „ Any such actions the Joint Administrators consider, in their reasonable opinion, are necessary and/or expedient to fulfil the purpose of the Administrations; and
- „ Bringing the Administrations to a conclusion.

The end of the Administrations

The Administrations will end automatically on 21 November 2018, although they can be extended by way of court order should the Joint Administrators feel it necessary.

It is currently anticipated that, upon completion of the Administrations, the Companies will be dissolved. In this case, the Companies will be deemed to be dissolved three months after registration of the corresponding notices with Companies House.

I will report to you again at the conclusion of the Administrations or in six months' time, whichever is the sooner. Should you have any queries in respect of this report or the Administrations in general, please do not hesitate to contact my colleague David Ashcroft, on 0161 333 2835.

Yours faithfully
for the Companies



S J Woodward
Joint Administrator

Enc: Appendix 1 - Statutory information
Appendix 2 - Joint Administrators Receipts and Payments Accounts
Appendix 3 - Summary of the Joint Administrators' time costs and disbursements
Appendix 4 - Joint Administrators' policy on remuneration and disbursements

S J Woodward is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales. C P Dempster is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland.

The affairs, business and property of the Companies are being managed by the Joint Administrators, S J Woodward and C P Dempster, who act as agents of the Companies only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Companies may act as a data 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 can be found at www.ey.com/uk/officeholderprivacy.

Statutory information

Company Information

Company Name:	HS Realisations Limited (formerly Hewden Stuart Limited)
Registered Office Address:	c/o Ernst & Young LLP Atria One, 144 Morrison Street, Edinburgh, EH3 8EX
Registered Number:	SC045681
Trading Name:	Hewden Stuart Limited
Trading Address:	9 th Floor, Trafford House, Chester Road, Stretford, Manchester, M32 0RL

Details of the Joint Administrators and of their appointment

Administrators:	S J Woodward and C P Dempster
Date of Appointment:	22 November 2016
By Whom Appointed:	The appointment was made by the Directors pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986
Court Reference:	P1124 of 2016 (Court of Session, Parliament House, Edinburgh)

Any of the functions to be performed or powers exercisable by the Joint Administrators may be carried out/exercised by either of them acting alone or by both of them acting jointly.

Statement concerning the EC Regulation

The EC Council Regulation on Insolvency Proceedings does apply to this Administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

Share capital

Shareholder	Authorised		Issued and fully paid	
	Number	£	Number	£
Zeus Topco Limited	896,021,005 Ordinary shares	0.10	896,021,005	89,602,100

Directors and secretary and their shareholdings

Name	Director or Secretary	Date appointed	Date resigned	Current shareholding
Susan Shardlow	Director and Company Secretary	5 May 2010	n/a	None
Christopher John Hull	Director	11 May 2015	n/a	None
Mark Hierons	Director	1 May 2013	n/a	None
Adrian Michael Murphy	Director	31 January 2015	14 February 2017	None

Statutory information

Company Information

Company Name: Hewden Properties Limited
 Registered Office Address: c/o Ernst & Young LLP
 Atria One, 144 Morrison Street, Edinburgh, EH3 8EX
 Registered Number: SC043085
 Trading Name: Hewden Properties Limited
 Trading Address: 9th Floor, Trafford House, Chester Road, Stretford,
 Manchester, M32 0RL

Details of the Joint Administrators and of their appointment

Administrators: S J Woodward and C P Dempster
 Date of Appointment: 22 November 2016
 By Whom Appointed: The appointment was made by the Directors pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986
 Court Reference: P1125 of 2016 (Court of Session, Parliament House, Edinburgh)

Any of the functions to be performed or powers exercisable by the Joint Administrators may be carried out/exercised by either of them acting alone or by both of them acting jointly.

Statement concerning the EC Regulation

The EC Council Regulation on Insolvency Proceedings does apply to this Administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

Share capital

Shareholder	Authorised		Issued and fully paid	
	Number	£	Number	£
HS Realisations Limited	100 Ordinary shares	1	100	100

Directors and secretary and their shareholdings

Name	Director or Secretary	Date appointed	Date resigned	Current shareholding
Susan Shardlow	Director and Company Secretary	5 May 2010	n/a	None
Christopher John Hull	Director	11 May 2015	n/a	None
Mark Hierons	Director	1 May 2013	n/a	None
Adrian Michael Murphy	Director	31 January 2015	14 February 2017	None

**Joint Administrators' receipts and payment account for the period from 22 November
2016 to 21 May 2018**

HS Realisations**Trading account**

Note	22 November 2016 to 21 November 2017 (£)	22 November 2017 to 21 May 2018	Total
Trading income			
Trading sales	2,505,796.26	46,030.70	2,551,826.96
Trading payments			
Repairs & renewals	(14,274.45)	-	(14,274.45)
Stationery and printing	(4,575.50)	-	(4,575.50)
Trading suppliers	(48,898.15)	-	(48,898.15)
Depot cleaning	(6,084.15)	-	(6,084.15)
Telephone	(263.84)	-	(263.84)
Insurance for motor vehicles	(31,377.50)	-	(31,377.50)
	(105,473.59)	-	(105,473.59)
Trading position			<u>2,446,353.37</u>
Notes			
<p>1 The above analysis does not include employee salaries and wages for those members of staff who were responsible for assisting in trading matters. An amount of employee time will have been spent in assisting with the trading strategy of HS Realisations. However, for reporting purposes all employee costs have been included within floating charge expenses.</p>			

Joint Administrators' receipts and payment account for the period from 22 November 2016 to 21 May 2018

Hewden Properties

Statement of affairs estimated to realise (£)	Note	22 November 2016 to 21 November 2017 (£)	22 November 2017 to 21 May 2018 (£)	Total (£)
5,908,256.00				
		Fixed charge receipts		
		6,869,600.00	-	6,869,600.00
		575.80	436.83	1,012.63
		<u>6,870,175.80</u>	<u>436.83</u>	<u>6,870,612.63</u>
		Floating charge receipts		
104,400.00		-	-	-
32,864.00		-	-	-
		48,564.50	-	48,564.50
		17.68	10.20	27.88
		<u>48,582.18</u>	<u>10.20</u>	<u>48,592.38</u>
<u>6,045,520.00</u>	1,2	<u>6,918,757.98</u>	<u>447.03</u>	<u>6,919,205.01</u>
		Fixed charge payments		
		200,000.00	-	200,000.00
		116.10	1.20	117.30
		90,880.00	45,000.00	135,880.00
		8,966.00	-	8,966.00
		10,090.50	6,453.54	16,544.04
		<u>310,052.60</u>	<u>51,454.74</u>	<u>361,507.34</u>
		Floating charge payments		
		27,018.95	-	27,018.95
		2,000.00	-	2,000.00
		95.90	-	95.90
		377.88	-	377.88
		0.90	0.90	1.80
		<u>29,493.63</u>	<u>0.90</u>	<u>29,494.53</u>
	1,2	<u>339,546.23</u>	<u>51,455.64</u>	<u>391,001.87</u>
		Distributions		
		240,000.00	-	240,000.00
		5,822,201.00	-	5,822,201.00
		<u>6,062,201.00</u>	<u>-</u>	<u>6,062,201.00</u>
	3	Balances in hand		
		Represented by:		
				448,618.89
				1,258.80
				13,724.45
				2,400.00
				<u>466,002.14</u>

Notes

1 This receipts and payments account is shown net of VAT.

2 This receipts and payments account has been prepared on a cash basis and does not reflect debts not collected or liabilities not paid.

3 All funds are held in interest bearing accounts.

**Summary of the Joint Administrators; time costs and expenses for the period from
22 November 2017 to 21 May 2018**

HS Realisations Limited

	Staff Grade					Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst / Intern			
Accounting and Administration	8.3	10.0	0.8	132.9	11.0	163.0	54,047	332
Bank & Statutory Reporting	11.2	3.0	2.3	11.5	19.0	47.0	17,576	374
Creditors (Mandatory)	0.8	0.3	-	48.5	29.0	78.6	21,516	274
Prescribed Part Distribution	3.2	5.5	-	228.7	2.0	239.4	65,760	275
Debtors	14.2	4.0	-	31.0	68.0	117.2	37,185	317
Employee Matters	12.4	3.0	-	109.5	1.5	126.4	41,843	331
Legal Issues	1.0	4.5	-	-	-	5.5	3,423	622
Other Assets (Mandatory)	26.1	15.7	-	5.6	3.0	50.4	27,314	542
Other Matters	3.5	74.5	-	12.0	10.5	100.5	54,293	540
Property	0.3	5.7	2.0	6.9	13.5	28.4	9,554	336
Statutory Duties	-	-	-	0.3	-	0.3	89	295
Trading (Mandatory)	2.8	-	-	-	35.0	37.8	10,018	265
VAT & Taxation	2.4	1.0	1.2	2.1	46.1	52.8	14,524	275
Total Hours	86.2	127.2	6.3	589.0	238.6	1,047.3		
Time Costs (£)	53,870	76,556	2,990	167,910	55,813		357,139	
Average Hourly Rate (£)	625	602	475	285	234		341	
Category 1 Disbursements (£)	2,256.00							
Category 2 Disbursements (£)	-							
	<u>2,256.00</u>							

Hewden Properties Limited

	Staff Grade					Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst / Intern			
Accounting and Administration	0.7	-	-	33.8	-	34.5	10,620	308
Bank & Statutory Reporting	-	-	2.3	9.0	-	11.3	2,915	258
Creditors	1.7	-	-	0.1	-	1.8	1,041	578
Other Matters	0.5	-	-	-	-	0.5	373	745
Property	17.3	10.5	2.0	4.1	8.5	42.4	22,126	522
Statutory Duties	-	-	-	0.3	-	0.3	89	295
VAT & Taxation	0.2	-	-	1.5	23.9	25.6	6,041	236
Sale of Business								
Total Hours	20.4	10.5	4.3	48.8	32.4	116.4		
Time Costs (£)	13,656	6,278	1,763	14,031	7,476		43,203	
Average Hourly Rate (£)	669	598	410	288	231		371	
Category 1 Disbursements (£)	-							
Category 2 Disbursements (£)	-							
	<u>-</u>							

Time is recorded in units of six minutes.

Category 2 disbursements

There were no Category 2 disbursements incurred during the Period in either of the Companies.

**Summary of the Joint Administrators; time costs and expenses for the period from
22 November 2017 to 21 May 2018**

Charge out rates	Grade	Previous Rates 1 July 2016 to 30 June 2017 (£)	Previous rates 1 July 2017 to 16 March 2018 (£)	Current Rates from 17 March 2018 (£)
Restructuring	Partner	710	745	780
	Director	565-660	595-695	625-730
	Assistant Director	500-670	525-705	550-740
	Senior Executive	390-510	410-535	430-560
	Executive	280-375	295-395	310-415
	Analyst / intern	150-340	160-355	170-375
Forensic Technology & Discovery Services	Assistant Director	595	n/a	n/a
	Senior Executive	380	n/a	n/a
	Executive	305	n/a	n/a
	Analyst	170	n/a	n/a
People Advisory Services	Assistant Director	760	n/a	n/a
	Senior	450	n/a	n/a
Transaction Tax	Partner	1180-1425	1240-1495	1240-1495
	Director	1000-1175	1050-1235	1050-1235
	Assistant Director	810-1150	850-1210	850-1210
	Senior Executive	685-855	720-900	720-900
	Executive	410-530	430-660	430-660
	Analyst	130-390	135-410	135-410
Indirect Tax	Partner	1175	1235-1495	1235-1495
	Director	1230	1010-1290	1010-1290
	Assistant Director	1095	725-1150	725-1150
	Senior Executive	690	560-800	560-800
	Executive	435	455-555	455-555
	Analyst	180	135-355	135-355

Summary of the Joint Administrators' time costs and expenses for the period from 22 November 2016 to 21 May 2018

HS Realisations Limited

	Staff Grade					Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst / Intern			
Accounting & Administration	136.0	296.9	29.2	1,123.2	99.9	1,685.2	589,976	350
Bank & Statutory Reporting	287.5	286.7	8.1	149.1	46.5	777.9	399,579	514
Creditors	19.2	16.4	111.5	145.0	605.5	897.6	198,509	221
Prescribed Part Distribution	6.0	5.6	-	258.6	18.5	288.7	79,269	275
Debtors	227.0	730.6	71.6	1,219.3	186.0	2,434.5	925,212	380
Depot Visits	42.0	115.5	119.3	127.0	15.4	419.2	194,559	464
Employee Matters	187.7	310.5	0.5	954.0	47.0	1,499.7	559,854	373
Health & Safety	4.0	202.0	-	13.3	-	219.3	107,954	492
Immediate Tasks	3.0	30.0	-	76.5	-	109.5	38,115	348
Investigations	5.7	7.0	13.0	53.2	-	78.9	27,611	350
Job Acceptance & Strategy	15.5	-	-	15.5	-	31.0	15,128	488
Legal Issues	11.0	15.7	-	4.0	1.5	32.2	16,647	517
Members	-	2.0	-	-	-	2.0	1,050	525
Other Assets	177.6	776.5	60.0	79.6	27.5	1,121.2	562,857	502
Other Matters	159.6	435.8	7.0	43.5	60.6	706.5	356,672	505
Property	12.8	157.1	13.0	846.1	35.0	1,064.0	339,351	319
Public Relations issues	4.0	-	-	6.0	-	10.0	4,543	454
Retention of Title	12.0	112.8	91.0	126.1	8.0	349.9	135,882	388
Statutory Duties	17.0	52.0	32.5	130.1	3.0	234.6	87,858	374
Trading	166.1	1,059.6	234.5	1,074.0	1,238.0	3,772.2	1,280,876	340
VAT & Taxation	18.2	80.3	26.8	30.0	263.4	418.7	143,183	342
Sale of Business	201.5	177.1	369.4	78.5	216.5	1,043.0	446,759	428
						-	-	-
Total Hours	1,713.4	4,870.1	1,187.4	6,552.6	2,872.3	17,195.8		
Time Costs (£)	1,103,523	2,531,044	507,254	1,859,000	510,621		6,511,441	
Average Hourly Rate (£)	644	520	427	284	178		379	
Category 1 Disbursements (£)	76,746.21							
Category 2 Disbursements (£)	8,191.01							
	84,937.22							

Hewden Properties Limited

	Staff Grade					Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst / Intern			
Accounting and Administration	2.7	0.3	-	123.2	2.7	128.9	38,181	296
Bank & Statutory Reporting	21.5	1.0	4.1	39.3	1.0	66.9	26,256	392
Creditors	1.7	-	2.0	0.1	0.5	4.3	1,901	442
Employee Matters	-	-	-	-	2.0	2.0	260	130
Immediate Tasks	1.0	-	-	-	-	1.0	710	710
Investigations	2.5	-	-	22.2	-	24.7	7,991	324
Job Acceptance & Strategy	1.0	2.0	-	-	-	3.0	1,710	570
Legal Issues	11.0	-	-	-	-	11.0	7,880	716
Other Matters	2.5	-	-	-	-	2.5	1,863	745
Property	123.3	70.6	17.0	525.4	8.5	744.8	274,097	368
Statutory Duties	2.5	1.0	4.0	24.6	0.8	32.9	10,924	332
VAT & Taxation	3.3	2.9	3.8	9.9	38.1	58.0	20,447	353
Sale of Business	42.5	-	6.5	-	9.0	58.0	34,735	599
Total Hours	215.5	77.8	37.4	744.7	62.6	1,138.0		
Time Costs (£)	134,629	49,851	15,829	213,034	13,611		426,955	
Average Hourly Rate (£)	625	641	423	286	217		375	
Category 1 Disbursements (£)	1,293.00							
Category 2 Disbursements (£)	-							
	1,293.00							

Time is recorded in units of 6 minutes.

Creditors request for further information

Office holders' charging policy for fees

As detailed earlier in this report, the basis of the Joint Administrators' remuneration (including the recovery of pre-administration costs) was approved by the secured and preferential creditors by resolution on 27 March 2017.

The Joint Administrators have engaged a manager and other staff to work on the cases. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the Companies' bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Administrators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown in Appendix 3, as are the current hourly rates used. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report. Time is recorded in units of six minutes.

Office holders' charging policy for disbursements

Statement of Insolvency Practice No. 9 ('SIP 9') published by R3 (The Association of Business Recovery Professionals) divides disbursements into two categories.

Category 1 disbursements comprise payments made by the office holders' firm, which comprise specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. These disbursements can be paid from the insolvent's assets without subsequent approval. In line with SIP 9, it is our policy to disclose such disbursements drawn but not to seek approval for their payment.

Category 2 disbursements comprise payments made by the office holders' firm which include elements of shared or overhead costs. Such disbursements are subject to approval from secured and preferential creditors as if they were remuneration. It was proposed by the secured and preferential creditors by way of resolution on 27 March 2017 that all Category 2 disbursements as incurred are permitted to be drawn by the Joint Administrators from time to time.