

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Harvard Technology Limited	Company number 04442616
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 368 of 2012

(a) Insert full name(s) and address(es) of administrator(s)

We (a)
David M Riley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

David R Thurgood
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU


*Delete as applicable

attach a copy of *my/our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 8 March 2012

Signed


Joint Administrator(s)

Dated

8.3.2012

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to researchers of the public record

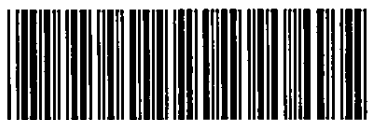
David M Riley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

DX Number

020 7184 4300
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

FRIDAY



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09/03/2012

#242

COMPANIES HOUSE

Our Ref DMR/PAM/CJL/EZF/H01153/PF7

TO THE CREDITORS

6 March 2012

Dear Sirs

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

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Harvard Technology Limited - In Administration (the Company)
High Court of Justice, Chancery Division, Companies Court
No 368 of 2012

1 Introduction

- 1 1 Following our appointment as joint administrators of the Company by a qualifying floating charge holder on 13 January 2012, David Thurgood and I are submitting our proposals pursuant to paragraph 49(1) of Schedule B1 to the Insolvency Act 1986 for achieving the objectives of the administration.
- 1 2 This report contains the information required by Rule 2.33 of the Insolvency Rules 1986
- 1 3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the joint administrators are to be exercised by any or all of them.

2 Statutory information

- 2 1 The Company's statutory details are as follows:

Registered number	4442616
Date of incorporation	20 May 2002
Registered office	c/o Grant Thornton UK LLP 4 Hardman Square Spinningfields Manchester M3 3EB
Authorised share capital	1,000
Issued share capital	1,000

Chartered Accountants
Member firm within Grant Thornton International Ltd
Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No. OC307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP
A list of members is available from our registered office.

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business.

Directors

A J Kara

Shareholding

100%

- 2.2 The administration constitutes 'main proceedings' under the EC Regulation on Insolvency Proceedings

3 Background to the joint administrators' appointment

- 3.1 Grant Thornton UK LLP (the firm) was first consulted by Barclays Bank Plc (the Bank), who hold a qualifying floating charge over the assets of the Company, in November 2010 to undertake a business review for the Bank
- 3.2 Prior to that consultation, neither we nor the firm had any dealings or involvement with the Company, its directors or secretary
- 3.3 During the latter part of 2010 and early 2011 the firm carried out an investigation into the Company's financial position and produced a report for the Bank dated 1 March 2011
- 3.4 During 2011, in line with the wider retail environment, the trading of the Company continued to slow. The declining trade also coincided with the closure of the Company's concessions within Harrods and Selfridges during 2011, leaving the Company with only one concession in Alders, Croydon
- 3.5 The general decline in the Company's trading consequently impacted its cash flow and the Company fell into arrears with its Banking obligations. The Bank requested that we carry out a further review of the Company's financial position in January 2012
- 3.6 The review identified that due to the subdued trading and consequent negative impact on the Company's cash position, the Company was not in a position to settle its debts as and when they fell due. Accordingly, it was recommended, that in the absence of management taking steps to place the Company into administration, the Bank should take steps to enforce its security over the Company and appoint Administrators
- 3.7 Subsequently, myself and David Thurgood were appointed joint administrators of the Company on 13 January 2012 by the Bank as qualifying floating charge holder
- 3.8 The firm's review of the Company's position also touched upon an analysis of an entity, associated by common directorship to the Company, Revolver Media Limited (RML). RML owns a freehold property located in Spitfire Business Park, Croydon (the Property). The primary purpose of the Property was to act as the warehouse and main office function for the Company.
- 3.9 The Bank holds a fixed charge over the Property. It is the joint administrators understanding that rent was recharged to the Company as tenant of RML and the rent was in line with covering the mortgage payments which RML made to the Bank

- 3 10 The deterioration in position impacted the ability of RML to maintain payments due to the Bank, and subsequently impacted on the position of RML. A consequence of RML being in arrears with its loan facility with the Bank indicated RML was also insolvent on a cash flow basis
- 3 11 Accordingly, it was recommended the Bank take steps to enforce its security over the Property. Subsequently myself and David Thurgood were appointed LPA Receivers of the Property on 13 January 2012 by the Bank

4 Assets and liabilities

Statement of affairs

- 4 1 The director has been requested to prepare a statement of affairs of the Company. Despite pursuing this document, to date I am yet to receive the statement of affairs
- 4 2 An estimate of the financial position of the Company is attached at Appendix A, together with a list of the names and addresses of the creditors, the amount of their debts and details of any security held
- 4 3 My receipts and payments account covering the period 13 January 2012 to 1 March 2012 is attached at Appendix B

Stock

- 4 4 Following appointment, the joint administrators have engaged agents Edward Symmons & Partners (ES) to visit the premises of RML to secure the Company's stock and conduct an initial inventory and valuation.
- 4 5 The majority of the stock, by volume, was primarily held at the Property with the remainder held at the Company's remaining concession at Allders, Croydon. Allders have sought to enforce a lien over the Company's stock which is located at its premises. In conjunction with our solicitors, we are in the process of refuting this stance and continue to work on resolving this dispute.
- 4 6 In conjunction with ES, the joint administrators have been reviewing alternative disposal strategies for the stock. Once all stock has been secured, ES has been instructed to prepare an online auction of the stock, which is estimated to be concluded within two months

Debtors

- 4 7 The Company's debtors primarily comprise monies owing from various of its concession partners totalling c£15,000. Initial correspondence suggests the outstanding amounts are disputed. The joint administrators are currently reviewing the validity and potential recovery of these claims

- 4 8 Additionally, the joint administrators are aware of three further trade debtors recorded in the Company records as owing a total of c£114,000. However, all three debts relate to ongoing legal disputes between the Company and the debtors. The joint administrators are reviewing the current positions to assess the merit of continuing to pursue these actions.

Spitfire Business Park, Croydon (the Property)

- 4 9 The Company's office and storage premises is a warehouse on an industrial estate in Croydon, the freehold of which is owned by RML.
- 4 10 ES are using the Property as a base to store the Company's stock and to facilitate an online auction to dispose of the Company's stock from the premises.

Secured Creditor

- 4 11 The Bank holds debentures over the Company's assets registered on 10 August 2009 and 22 December 2010. At the date of appointment, the Bank was owed approximately £440,000 under these debentures.
- 4 12 In addition, the Company has provided a limited cross guarantee of £50,000 in respect of the Bank's fixed charge, given by RML, over the Property.
- 4 13 It is estimated there will be a shortfall to the Bank under its exposure to the Company.

Preferential and unsecured creditors

- 4 14 As at the date of my appointment, the Company had two part time employees, who were initially retained by the joint administrators to assist ES in dealing with stock.
- 4 15 Following the completion of the valuation of the stock based at Allders, the joint administrators made these employees redundant. The employees may have preferential claims against the Company for outstanding holiday and redundancy pay. As yet these claims are yet to be received or quantified. Notwithstanding this, given the estimated level of realisations it is unlikely there will be sufficient funds to make a distribution to the preferential creditors in the administration.
- 4 16 Unsecured creditors have been estimated at c£85,000. As advised we have not been provided with a statement of affairs by the director of the Company. As such in accordance with Rule 2.33(2)(j) of the Insolvency Act 1986, the joint administrators have not provided an estimated statement of affairs, but have detailed the position as regards to the Company's unsecured creditors at Appendix A. Initial indications suggest there will be no funds available for unsecured creditors after professional costs including the administrators fees, their solicitors, agents and sundry costs.
- 4 17 In accordance with Section 176A of the Insolvency Act 1986, as the first floating charge which is held over the assets of the Company post-dates 15 September 2003, a prescribed part, if available, is to be carved out of the floating charge assets and made available to the

unsecured creditors of the Company. The calculation is applied to the net property, this being the floating charge assets less certain professional costs and sums due to the preferential creditors. The prescribed part is 50% of the first £10,000 of realisations and 20% of all further realisations up to £2,975,000.

- 4.18 The prescribed part carve out will only become payable if there are sufficient realisations. It is unlikely there will be sufficient net floating realisations to generate a distribution via the prescribed part.

5 Proposals for achieving the objective of the administration

- 5.1 The objective of an administration is to rescue the Company as a going concern or to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, or, if neither of these is reasonably practicable, to realise property in order to make a distribution to one or more secured or preferential creditors.
- 5.2 The joint administrators do not believe the rescue of the Company is achievable. A better result for the Company's creditors as a whole than would be likely if the Company were wound up cannot be achieved as the realisable value of the Company's assets is not expected to be sufficient to permit payment in full to the secured creditor.
- 5.3 Accordingly, the joint administrators will pursue the objective of realising property in order to make a distribution to one or more secured creditors, subject to stock realisations. The objective will be achieved by the on-going realisation of the Company's assets, specifically, but not limited to, the residual stock and outstanding book debts.
- 5.4 It is proposed that the administration will end by the joint administrators filing a notice to dissolve the Company, or if more time is needed to complete realisations after any extension of the administration.

6 Joint Administrators' remuneration and disbursements

- 6.1 The basis of the joint administrators' remuneration will be determined by the secured creditor in this instance.
- 6.2 Pre-administration costs unpaid at the date of appointment of the joint administrators may also be approved by the secured creditor or creditors under Rule 2.67A to rank as an expense of the administration. Approval of the statement of proposals does not constitute approval either of the joint administrators' remuneration or of unpaid pre-administration costs.
- 6.3 To carry out the second review of the Company the firm incurred pre-appointment costs of £5,000 plus disbursements and VAT. This cost has been agreed by the Bank for payment.
- 6.4 Background information regarding the fees of administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, we will supply this information by post on request.

- 6 5 The joint administrators will request that their remuneration be calculated according to the time properly given by the joint administrators and their staff in attending to matters arising in the administration. Time is charged in 6 minute units.
- 6 6 The joint administrators will charge out of pocket expenses at cost. Mileage is charged at standard rates which comply with HMRC limits or AA recommended rates. VAT is added to disbursement charges as necessary.
- 6 7 Payments of the joint administrators' remuneration and disbursements are to be met from funds held in the administration in priority to the claims of creditors, and, after approval of the basis, the joint administrators may draw sums on account.
- 6 8 Time costs to date amount to £31,305. Further details, including a breakdown by category of staff and work done will be given to the secured creditor, or made available to any other creditor upon written request to this office.

7 Meeting of creditors

- 7 1 A meeting of creditors has not been convened because, in accordance with paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, the joint administrators are of the opinion that the Company has insufficient property to enable a distribution to be made to unsecured creditors, other than by virtue of Section 176A of the Insolvency Act 1986.
- 7 2 The approval of the proposals and sanction of specific resolutions in relation to the discharge of the joint administrators' remuneration will be sought from the secured creditor in this instance.
- 7 3 The proposals contained in this statement will be deemed to have been approved by the creditors unless, within eight business days of this statement being sent out, a meeting is requisitioned by creditors whose debts amount to at least 10% by value of the total debts of the Company.

Should you have any queries, please contact Jessica Hughes on the details provided below.

Yours faithfully
for and on behalf of Harvard Technology Limited


David Riley
Joint Administrator
T 0161 953 6946
E jessica.hughes@uk.gt.com

The affairs, business and property of Harvard Technology Limited are being managed by David Riley and David Thurgood, appointed as joint administrators on 13 January 2012.

A Harvard Technology Limited - In Administration

Creditor Claims Summary Report

as at 5 March 2012

Name	Claim £
Aura Air Conditioning & Heating Ltd 131 A Waddon Park Avenue Croydon Surrey CR0 4LX	1,453 00
ADT Fire and Security 11 Tower View Kings Hill West Malling Kent ME19 4DQ	2,200 00
Alphason Designs Ltd Unit 7&8 Stortford Hall Industrial Park Dunmow Road Bishops Stortford CM 23 5GZ	4,031 23
Atlantic Electronics Limited 01HAR04 970 North Circular Road London NW2 7JR	Not known
A C Wholesale Ltd Headquarters , The Vicarage Bury Lane Rickmansworth Hertfordshire WD3 1ED	Not known
BT 81 Newgate Street London EC1A 7AJ	1,543 00
BMB Electronics (UK) Limited PI/690092/36 Suite 4 East Barton Barns East Barton Road	Not known

Great Barton Suffolk IP31 2QY	
Commercial Electronics Ltd Unit 4 Springside Trinity Jersey JE3 5DG	1,650 00
Ciao GmbH 3rd Floor Cardinal Place 100 Victoria Street London SW1E 5JL	765 00
CPC Faraday Drive Fulwood Preston PR2 9PP	2,403 00
CEF Ltd 141 Farmer Ward Road Kenilworth Warwickshire CV8 2SU	256 00
City of Westminster PO Box 187 Enth DA8 9EY	9,000 00
Croydon Council	195 00
Connexion World Cargo Ltd Unit 3 Blackburn Trading Est Northumberland Close Stanwell TW19 7LN	1,543 88
Commercial Credit Services Group BT C/O CCSG, Bellway House 7 Worcester Road Bromsgrove Worcestershire B61 7DL	Not known
CSE Distribution VB/DF/1009732 55 C/O Milners Solicitors Crown House	Not known

85-89 Great George Street
Leeds
LS1 3BR

City Link Limited
972352
Coventry Airpark
Siskin Parkway West
Baginton
Coventry
CV3 4PA

Not known

Computer 2000 Distribution Limited
40676222
Hampshire House
Wade Road
Basingstoke
Hampshire
RG24 8NE

Not known

Colt Staplers
299607
Unit 10
Bunting Close
Mitcham
Surrey
CR4 4ND

Not known

Creditsafe Business Solutions Limited
404282
Caspian Point 1
Pierhead Street
Cardiff Bay
CF10 4DQ

Not known

Dirck Tek Distribution Limited
HAR002
Unit 5 , Century Point, Halifax Road
XCressex Business Park
High Wycombe
Buckinghamshire
HP12 3SL

Not known

De Lage Landen
Po Box 430
Watford
Herts
WD18 8EZ

Not known

Enterprise Rent-a-Car
5 Phoenix Park
Phoenix Way

980 00

Hounslow TW5 9NB	
E-ON Griffin Court Phoenix Business Park Nottingham NG8 6AT	850 00
ELB Partners c/o Lester Aldridge LLP Russell House Oxford Road Bournemouth BH8 8LX	2,334 22
Fire Risk UK Unit 14 Oakhurst Business Park Horsham West Sussex RH13 9RT	140 00
Geneva Systems UK Limited 46 Archer Road Cardiff CF5 4FS	Not known
HM Revenue & Customs Debt Management , Enforcement & Insolvency Barrington Road WORTHING West Sussex BN12 4SE	Not known
HSS Hire c/o shoosmiths Apex Plaza Forbury Rd Reading Berkshire RG1 1SH	635 00
Harkness Screens Ltd c/o Murphy&co Egale 1 80 St Albans Rd Watford Herts WD17 1RP	1,309 00
Hi-Way Hi-Fi Limited 318-324 Edgware Road London W2 1DY	Not known
Harman International Industries Limited A57850 Harman Consumer UK Division, The Dutch Barn	Not known

The Hyde Woodcock Hill St Albans AL4 9HJ	
Hifi Confidential Limited 85379 32 Buckinghamshire Palace Road London SW1W 0RE	Not known
Howard Cohen and Co Po Box 110 Cleckheaton West Yorkshire BD19 4XT	Not known
Imagination Technologies Ltd Imagination House, Homa Park Estate Kings Langley Herts WD4 8LZ	1,040 00
Investec Asset Finance Plc 211169179 Windrush Court Blacklandsway Abingdon Oxfordshire OX14 1SY	Not known
Janson Computers PLC c/o The Keith Jones 1st Floor Birkenhead House 17 - 21 Price St Birkenhead CH41 6JN	3,413 00
Jaysam Contractors Limited 10A Oxford Road Wealstone Middlesex HA3 7RG	Not known
KB CI Corporate services c/o Jones Lang Lasalle PO Box 76 Kleinwort Benson House Jersey JE4 8PQ	3,500 00
Kingsbury Electronics Limited 421 Kingsbury Road London	Not known

NW9 9DT	
Lutron EA Ltd PO Box 3422 Bournemouth BH17 7QX	12,500.00
Marston 50 Broadway Westminster London SW1H 0BL	840.00
Midwich Home Q2189699 Vinces Road Diss Norfolk IP22 4YT	Not known
Metroplan Limited Accounts Department, Head Office Mint Bridge Road Kendal Cumbria LA9 6NF	Not known
Media 10 Limited 14634 Crown House 151 High Road Loughton Essex IG10 4LF	Not known
Mirror Media Limited H11001 15 Southmill Trading Centre Southmill Road Bishops Stortford Hertfordshire CM23 3DY	Not known
National Insurance Fund Insolvency Service, Finance Redundancy Payments Team Cannon House 18 Priory Queensway Birmingham B4 6BS	Not known
Nissan Forklift Finance	Not known

Northern Cross Basing View Basingstoke RG21 4HJ	
Net-Serv Solutions Limited Po Box 354 Worsley Manchester M28 3YY	Not known
Natm Audio Limited HARVAR Southampton Road Salisbury Road Salisbury Wiltshire SP1 2LN	Not known
National Car Parks Limited 2223112 Po Box 4926 Walsall Road Cannock WS12 9DD	Not known
Nac Sound Limited 6a Church Lane Abington Cambridge CB21 6BQ	Not known
Nevada 30223 Unit 1 , Fitzherbert Spur Farlington Portsmouth Hants PO6 1TT	Not known
NEC Display Solutions Europe GmbH F0008064/2047166/GRS/VES1 C/O Wragge & Co LLP 55 Colmore Row Birmingham B3 2AS	Not known
Network 477421 165 Bath Road Slough Berkshire	Not known

SL1 4AA	
O2 / Telefonica UK Ltd 260 Bath Road Slough Berks SL1 4DX	562 00
Online Distribution Ltd c/o Pictons Solicitors 28 Dunstable Road Luton Bedfordshire LU1 1DY	13,338 18
Office Depot UK Limited HIY01 Greenwich Way Andover Hampshire SP10 4JZ	Not known
Pulse Marketing of Bishops Stortford Unit 4 M11 Business Link Parsonage Farm, Stanstead Essex CM24 8GF	243 00
Meliconi SPA c/o Pini Franco 22 - 24 Ely Place London EC1 N6 1E	Not known
PF Whitehead Transport Services Limited PF Whitehead Trading Park 4 Coomber Way Croydon Surrey CR0 4TQ	Not known
Pricerunner UK Office COMP009 Oxford House 182 Upper Richmond Road London SW15 2SH	Not known
Playtrade Sarl 4-6 Avenue de la Gare, L-1610 Luxembourg Grand-Duch of Luxembourg	Not known
PSCo Limited 3547	Not known

Unit B 1-3 Acre Road Reading Berkshire RG2 0SU	
PC World Business 2169631 DSG Retail Limited, Finance Operations Waterfold Park Rochdale Road Bury BL9 7BJ	Not known
Photostereo Limited AJ 22-11-10 109 Queensway London W 2 4QS	Not known
Royal Mail Credit Management Centre Stone Hill Road Farnworth Bolton BL4 9XX	106 00
Royal Kingston Kingston upon Thames Surrey KT11 1EU	605 00
Roberts Radio PO Box 130 Mexborough South Yorkshire S64 8YT	2,052 00
Regus Management 33 Clarendon Dock Belfast BT1 3YD	512 00
RBS Invoice Finance Ltd 2 Whitehall Quay Leeds LS1 4HR	1,643 87
Rico Logistics Limited 886 Plymouth Road Slough Berkshire SL1 4LP	Not known

Retra FC/08/2917 Retra House St Johns Terrace 1 Ampthill Street Bedford MK42 9EY	Not known
Standard Life Investments 1 George Street Edinburgh EH2 2LL	6,700 00
Miss L Sokolova c/o shakespeare Bridgeway House Bridgeway Stratford upon Avon CV37 6YY	500 00
Sharp (UK) Limited 4 Furzeground Way Stockley Park Uxbridge Middlesex UB11 1EZ	Not known
Samsung Electronics UK Limited 1000 Hillswood Drive Chertsey Surrey KT16 0PS	Not known
Stile Harold Williams HARVARDTECH One Jubilee Street Brighton BN1 1GE	Not known
Selco Builders Warehouse 980555 2 Queens Drive Kings Norton Business Centre Birmingham B30 3HH	Not known
Transport for London	215 00
TNS Distribution Ltd c/o Murphy & co Egale 1 80 St Albans Rd Watford Herts WD17 1RP	4,961 00

Thames Water Utilities Limited 73834-19357 Po Box 286 Swindon SN38 2RA	Not known
UKD Ltd 23 Richings Way Iver Bucks SL0 9DA	780 00
Virtual Lease Services Limited AVE002 Wigglesworth House First Floor 69 Southwark Bridge Road London SE1 9HH	Not known
Wurth UK Ltd c/o Pritchard Joyce & Hinds St. Bride's House 32 High Street Beckenham BR3 1BR	449 00

85,248.38

B Harvard Technology Limited - In Administration
Receipts and payments account
13 January 2012 to 5 March 2012

From 13/01/2012
To 05/03/2012
£

RECEIPTS

0 00

PAYMENTS

Net Wages

1,640 00

1,640 00

Net Receipts/(Payments)

(1,640 00)

The joint administrators have secured an overdraft from the Bank to settle the outstanding wages