

The Insolvency Act 1986

**Administrator's progress report**

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 Riley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YUDavid Thurgood  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

administrator(s) of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 13 July 2012

(b) 18 December 2012

Signed

Joint Administrator(s)

Dated

27/12/12

**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 searchers of the public record

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

DX Number

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

THURSDAY



A09

\*A209K3ZC\*

17/01/2013

#326

COMPANIES HOUSE



# Grant Thornton

To the creditors

27 December 2012

Dear Sirs

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

Recovery and Reorganisation

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

T +44 (0)161 953 6900  
F +44 (0)161 953 6405  
www.grant-thornton.co.uk

## 1 Introduction

- 1.1 Following my appointment as joint administrator of the Company with David Thurgood by the qualifying floating charge holder on 13 January 2012, I now report on the progress of the administration to 18 December 2012 and attach
- Appendix A, Form 2.24B, together with an account of our receipts and payments for the period from 13 July 2012 to 18 December 2012 and also for the whole administration to date
  - Appendix B, a statement of the remuneration charged by the joint administrators in the period 13 January 2012 to 18 December 2012 and a statement of expenses incurred in the period
  - Appendix C, an analysis of our time costs as required by Statement of Insolvency Practice 9
  - Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2.48A)
  - Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses, if excessive (Rule 2.109)
  - Form 2.25B voting form for a resolution that the administration be extended for a further six months until 12 July 2013
- 1.2 Please note that we are both authorised by The Insolvency Practitioners Association to act as insolvency practitioners

In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them

**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

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address

## **2 Statutory information**

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

Registered number	04442616
Registered office	c/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

## **3 Progress report**

### **Assets and liabilities**

#### **Stock**

- 3 1 Following appointment, the joint administrators instructed Edward Symmons and Partners (ES) to prepare an inventory and valuation of the Company's stock
- 3 2 Some of the stock was held at the Company's concession at Alders Department Store, Croydon ("Alders"), as well as at the Company's warehouse premises. Alders had sought to enforce a lien over the stock held at the concession against monies it was seeking to claim against the Company. Following negotiations, Alders agreed to the release of all stock
- 3 3 On advice from ES, an online auction was undertaken to dispose of the remaining stock. Realisations from the auction process totalled £34,272 and all sale proceeds have been collected

#### **Debtors**

- 3 4 The Company's trade debtors comprise monies from its concession partners totalling c£15k, of which c£9,000 was from Alders. To date the sum of £4,600 has been collected from Alders in respect of the outstanding sum owed. The remaining amounts outstanding are disputed and no further realisations are anticipated in this regard
- 3 5 Additionally, the joint administrators are aware of three further historic trade debts totalling c£114,000. However, all three debts relate to historic legal disputes between the Company and the debtors. Following a review of these matters, considering the likelihood of recovery and the ages of the debts, it is considered to be not commercially viable to pursue them further. Accordingly, no further realisations are anticipated from the Company's debtors

#### **Hire Purchase Asset**

- 3 6 Following a review of the Company records it was noted the Company had an interest in a forklift truck held on a hire purchase agreement. Following correspondence with the finance company it was ascertained the truck had positive equity within the agreement. As such, upon advice from ES, the truck was sold which yielded a positive income of £1,258 following settlement of the outstanding finance

### **Payments during the period**

- 3 7 Agents fees of £15,414 were paid during the period These were incurred in respect of the sale of the stock and forklift truck

### **Secured Creditor**

- 3 8 Barclays Bank Plc (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 this security
- 3 9 It is estimated there will be a shortfall to the Bank under its exposure to the Company

### **Preferential Creditors**

- 3 10 The remaining two part time employees were made redundant shortly after my appointment
- 3 11 The employees may have preferential claims against the Company for outstanding holiday and redundancy pay As yet these claims are yet to be received 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

### **Unsecured Creditors**

- 3 12 To date I have received unsecured claims totalling c£156,000 Based on current information there will not be any funds available for the unsecured creditors after professional costs including administrators fees, their solicitors and agents and sundry costs
- 3 13 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
- 3 14 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

## **4 Exit Route**

- 4 1 The administration is due to end on 12 January 2013 It is unlikely the administration will be finalised prior to this date Accordingly, the joint administrators seek the approval of the creditors to extend the administration for a further 6 months
- 4 2 In accordance with paragraph 62 of Schedule B1 to the Insolvency Act 1986 the joint administrators call a meeting of creditors to be conducted by correspondence in accordance with paragraph 58 of Schedule B1 to the Insolvency Act 1986

- 4 3 The purpose of the meeting is for the Company's creditors to consider the joint administrators request for an extension of our term of office as joint administrators in accordance with paragraph 76(2)(b) of Schedule B1 of the Insolvency Act 1986
- 4 4 I attach an appropriate resolution on Form 2 25B and should be grateful if you would return it by 12 00 noon on 10 January 2013 to 4 Hardman Square, Spinningfields, Manchester, M3 3EB for your vote to be valid
- 4 5 The resolution to be considered is as follows

'The joint administrators request to extend the administration for a further six months until 12 July 2013 '

## **5 Joint administrators' remuneration and expenses**

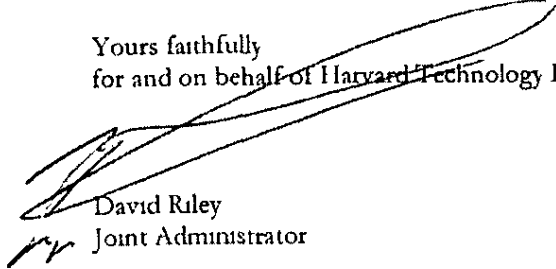
- 5 1 The basis of the joint administrators remuneration will be determined by the secured creditor in this instance
- 5 2 Our fees for acting as joint administrators have been fixed by reference to our time costs You will note from the SIP 9 table attached at Appendix C that our time costs for the period from 13 January 2012 to 18 December 2012 are £79,875 A statement of the time costs incurred in the period but not drawn as remuneration to date is enclosed at Appendix B, together with details of expenses incurred during the period
- 5 3 Background information regarding the fees of administrators can be found at [www.insolvency-practitioners.org.uk](http://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 Time is charged in 6 minute units

## **6 Other expenses incurred by the joint administrators**

- 6 1 To date legal fees of £6,260 have been incurred, but not yet paid In the main these costs relate to overseeing the appointment of the joint administrators and corresponding with Allders regarding the release of stock held
- 6 2 Based upon the limited realisation in the administration professional fees will be capped
- 6 3 During the period sundry expenses of £216 have also been incurred

Should you require any further information in this regard please contact my colleague  
James Ruthven on 020 7728 2875

Yours faithfully  
for and on behalf of Harvard Technology Limited

A large, stylized handwritten signature in black ink, appearing to read 'David Riley', is written over the text 'for and on behalf of Harvard Technology Limited'.

David Riley  
Joint Administrator

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

Enc

Harvard Technology Limited - in administration  
Summary of receipts and payments  
from 13 January 2012 to 18 December 2012

		From 13/01/2012 to 12/07/2012	From 13/07/2012 to 18/12/2012	Total
Statement of Affairs	£	£	£	£
<b>Receipts</b>				
Plant & Machinery		5,300 00	0 00	5,300 00
Stock	20,000 00	34,272 82	0 00	34,272 82
Book Debts		4,600 09	0 00	4,600 09
Bank/ISA InterestGross		1 76	4 57	6 33
Vat Payable		7,914 56	111 00	8,025 56
		<b>52,089 23</b>	<b>115.57</b>	<b>52,204.80</b>
<b>Payments</b>				
Gross Wages		1,640 00	0 00	1,640 00
Heat & Light		174 72	0 00	174 72
Advertising		476 50	0 00	476 50
Postages		10 26	0 00	10 26
Legal Fees		125 00	0 00	125 00
Agents/Valuers Fees (1)		0 00	15,413 80	15,413 80
Bank Charges		2 74	3 16	5 90
HP/Lease company		4,042 36	0 00	4,042 36
Vat Receivable		212 25	3,082 76	3,295 01
Fixed Ch Vat Receivable		25 00	0 00	25 00
Vat Control Account		0 00	4,730 55	4,730 55
		<b>6,708.83</b>	<b>23,230.27</b>	<b>29,939 10</b>
<b>Net Receipts/(Payments)</b>		<b>45,380.40</b>	<b>(23,114.70)</b>	<b>22,265.70</b>
<b>Made up as follows</b>				
Floating Current Account		45,380 40	(23,114 70)	22,265 70
		<b>45,380.40</b>	<b>(23,114.70)</b>	<b>22,265.70</b>

## B Remuneration charged and expenses incurred by the administrators in the period

	Paid in period 13 January 2012 to 18 December 2012	Cumulative accrued in period 13 January 2012 to 18 December 2012 but not yet paid	Total
	£	£	£
Joint administrators' fees			
Time costs	-	79,875 00	79,875 00
Expenses	-	216 00	216 00
Legal Fees	-	6,260 00	6,260 00
Agents Fees	15,413 80	-	15,413,80
	<b>15,413 80</b>	<b>86,351.00</b>	<b>101,764 80</b>



## C SIP 9 information

### Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

### Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

	From 01/07/11	From 01/07/12
	£	£
Partners up to	560	580
Managers up to	425	440
Administrators up to	300	310
Assistants and support staff up to	205	210

### Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

# Harvard Technology Limited - In Administration - H30201153 - SIP 9 TIME COST ANALYSIS

Job(s) Administration, CMU code

Transaction period All transactions

Export version

Detailed Version

Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg. Hrry Rate
Administration and Planning	35 60	16,452 00	5 20	2,235 00	41 39	10,117 80	66 59	12,390 65	148 78	41,195 45	276 89
Creditors	9 60	4,430 00			29 10	7,283 00	39 65	7,688 25	78 35	19,401 25	247 62
Hiatus period											
Investigations	4 05	1,983 00			1 40	350 00	6 25	1,264 50	11 70	3,597 50	307 48
Realisation of Assets	3 85	1,771 00	5 50	2,337 50	20 90	5,381 00	29 70	6,083 00	59 95	15,572 50	259 76
Trading											
Unclassified					40	108 00			40	108 00	270 00
Total	53.10	24,636 00	10.70	4,572.50	93.19	23,239.80	142.19	27,426.40	299.18	79,874.70	266.98

Total fees billed to date (Time) £

## D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

### Rule 2 48A

- (1) If
  - (a) within 21 days of receipt of a progress report under Rule 2 47 -
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
  - (a) providing all of the information asked for, or
  - (b) so far as the administrator considers that
    - (i) the time or cost of preparation of the information would be excessive, or
    - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
    - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
  - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
  - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

## E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

### Rule 2.109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
  - (a) the remuneration charged by the administrator,
  - (b) the basis fixed for the administrator's remuneration under Rule 2.106, or
  - (c) expenses incurred by the administrator,is or are, in all the circumstances, excessive or, in the case of an application under subparagraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
  - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
  - (b) an order fixing the basis of remuneration at a reduced rate or amount
  - (c) an order changing the basis of remuneration
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
  - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify

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.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address.

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

## Rule 2.48

## Notice of conduct of business by correspondence

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)

Notice is hereby given by (a)  
David Riley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

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

(b) Insert full name and  
address of registered  
office of the company

to the creditors of (b) Harvard Technology Limited  
c/o Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

(c) Insert number of  
resolutions enclosed

that, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed is one  
resolution for your consideration Please indicate below whether you are in favour or  
against the resolution

(d) Insert address to  
which form is to be  
delivered

This form must be received at (d)  
Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

(e) Insert closing date

by 12 00 hours on Thursday 10 January 2013 in order to be  
counted It must be accompanied by details in writing of your claim unless those details have  
already been submitted for the purpose of a meeting of creditors Failure to do so  
will lead to your vote(s) being disregarded

Repeat as necessary for  
the number of

The joint administrators' request to extend  
the administration for a further six months  
until 12 July 2012

I am \*in Favour / Against

resolutions attached  
\*Delete as appropriate

### TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor

Signature of creditor  
(If signing on behalf of creditor, state  
capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your votes, please  
contact me/us at the address above

Signed

Joint Administrator(s)

Dated

The Insolvency Act 1986

**Administrator's progress report**

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

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

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From
(b) 13 July 2012

To
(b) 18 December 2012

Signed

Joint Administrator(s)

Dated

27/12/12