

TO ALL KNOWN CREDITORS

16 June 2017

Ref:
CR/SW/KA/AL/JEI/NWM1295-
1298//PCF16.1

Direct line: 0161 234 6475
Direct fax: 0161 333 3008

Please ask for Daniel Miller

Dear Sirs

**HS Realisations Limited
(formerly known as Hewden Stuart Limited) ('HS Realisations')
Hewden Properties Limited ('Hewden Properties')
The Rigging House Limited ('Rigging House')
Woodster Realisations Limited (formerly known as Interlift Limited)
(('Woodster Realisations')
(all in Administration) (together 'the Companies' or 'the Group')**

Registered office addresses:

**HS Realisations and Hewden Properties: c/o Ernst & Young LLP, Ten George Street,
Edinburgh, EH2 2DZ**

**Rigging House and Woodster Realisations: c/o Ernst & Young LLP, 100 Barbirolli
Square, Manchester, M2 3EY**

I write, in accordance with Rule 2.38 of the Insolvency (Scotland) Rules 1986 and Rule 18.3 of the Insolvency Rules (England and Wales) 2016, to provide creditors with a report on the progress of the Administrations. This report covers the period from 22 November 2016 to 21 May 2017 ('the Period'), and should be read in conjunction with 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 appointments, any act required or authorised to be done by the Joint Administrators can be done by either of them.

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

Summary of Progress

Plant and crane assets realisations

Background

As detailed in the Proposals, between 22 November 2016 and 16 December 2016 we sold the following assets for total up-front consideration of £56.3m, with a further £2m deferred.

- Access and Power generation assets owned by the Group (consideration of £17.9m);
- Business and assets of Woodster Realisations and Rigging House (consideration of £2m);
- On-site/industrial plant business (up-front consideration of £7m; rising to £9m if certain conditions attaching to this additional consideration were met);
- Hewden brand name (consideration of £0.5m); and
- Eight depots plus associated plant and equipment (consideration of £28.9m, excluding £1.6m of property).

In total, these transactions saved over 180 jobs.

Sale of 'on-hire' assets

On 20 January 2017 the Joint Administrators completed the sale of all assets which remained on-hire at seven of the Group's remaining depots for consideration of £4.6m. This represented 100% of the 6 month orderly liquidation valuation ('OLV') of the equipment, based on a valuation carried out by European Valuations Limited ('EV') for the Group's lending syndicate prior to the Joint Administrators' appointment.

Disposal of residual plant and crane assets

With all interest for depot sales having been explored, the Joint Administrators engaged Euro Auctions UK Limited ('EA') as their agent to market and sell all the remaining plant and crane assets.

Between January and March 2017, 11 plant auctions and a single crane auction were held at sites across the UK (primarily comprised of the remaining depot network). A small number of remaining assets were sold at auction in April 2017.

Over 5,500 individual lots were sold through this process with total proceeds of £60.8m raised, this represented 88% of the EV OLV.

Overall realisations for plant, cranes and other machinery is therefore £120m.

Assets remaining to be realised

A small number of assets belonging to the Companies are being held by third parties who have exercised liens or have claimed competing title to these assets. We are working with our legal advisors to challenge these claims in order to realise value from these assets. However, at this stage the quantum of realisations (if any) from these sources are uncertain and are subject to ongoing negotiations.

Book Debts

The debtor ledgers totalled £18.5m on appointment, split as follows:

- HS Realisations £17.3m;
- Woodster Realisations £1.1m; and
- Rigging House £0.1m.

As reported in the Proposals c. £4m had been realised to 16 December 2016 (£3.8m HS Realisations) and (£0.2m Woodster Realisations).

HS Realisations

The ledger is made up of over 2,000 customer accounts, including complex accounts governed by bespoke contracts, crane hire contracts where operations were ceased upon the appointment of the Administrators, and smaller debts governed by standard CPA plant hire industry terms and conditions. We have varied our approach to collections according to the individual nature of the accounts.

Since the Proposals, further realisations of £9.5m have been achieved, bringing the total recovered to £13.5m.

Woodster Realisations and Rigging House

As previously reported, we engaged Hilton-Baird Collection Services Limited as debt collection agents shortly after appointment to collect both the Woodster Realisations and Rigging House ledgers. Realisations to date are as follows:

- Woodster Realisations c. £0.7m; and
- Rigging House c. £0.06m.

The Joint Administrators do not envisage further material collections to be achieved from the remaining outstanding balances on these ledgers.

Properties

Overview

At the Date of Appointment, the Companies operated nationally from 33 sites split as follows:

- 7 sites relating to the On-site business;
- 22 plant depots; and
- 4 Interlift 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.

Operational properties

Short leasehold properties following part of sale of business process

Following the business and assets sales detailed above, we granted the purchasers licences to occupy 14 leasehold properties until the leases could be assigned to the purchaser or new leases could be agreed.

We summarise the position with each of the depots below:

Property	Current status	Lease premium
Nottingham	Lease assigned	-
Bedford	Lease assigned	£350,000*
Inverness	Lease assigned	-
Stanlow On-site	Lease assigned	-
Glasgow Interlift	Licence extended	
Warrington	Licence extended	-
Hull Interlift	Licence extended	-
Middlesbrough Interlift	Licence extended	-
Grangemouth On-site	Licence extended	-
Newcastle Interlift	Property exited	-
Middlesbrough Rigging House	Property exited	-
Hull On-site	Licence expired	-
Immingham On-site	Licence expired	-
Wilton On-site	Lease expired	-

*Note: The Bedford lease was held by HS Realisations and therefore the lease premium was payable in that company.

Other short-leasehold depots

A valuation of the remaining leases was carried out by D Currie Consultancy Limited, who advised that they had minimal to no value. As a result, we exited the relevant depots shortly following each of the auctions and offered a surrender of the leases to the respective landlords.

Freehold / long-leasehold properties

The table below summarises the position with each of the freehold and long-leasehold properties, all of which were owned by Hewden Properties.

Location	Freehold/long-leasehold	Price (£'000s)	Current status
Bangor	Freehold	240	Completed as a business and assets sale
Dagenham	Freehold	500	Completed March 2017
Willenhall	Freehold	1,130	Completed March 2017
Newton Abbott	Freehold	383	Completed April 2017
Glasgow	Long-leasehold	675*	Completed May 2017
Wokingham	Freehold	Withheld	Contracts exchanged pre-appointment, due to complete August 2017
Dundee	Freehold	Withheld	Offer accepted, progressing the sale
Redruth	Freehold	Withheld	Offer accepted, progressing the sale
Swansea	Long-leasehold	Withheld	Offer accepted, progressing the sale
Whitehaven	Long-leasehold		Option to purchase granted, completion anticipated imminently

*Note: The proceeds from the sale of Glasgow long-leasehold were received after the end of the Period.

Our agents, D Currie Consultancy Limited have undertaken an extensive, national marketing process and as a result, the sales to date and the offers we have accepted are c.60% above a valuation prepared for the Group prior to the Joint Administrators appointment.

As stated in the Proposals, we completed a business and assets sale of the Whitehaven depot to Morris Leslie in December 2016. Included within the sale agreement was a three month option to purchase the long-leasehold, with the opportunity to extend this option for a further three months. In March 2017, Morris Leslie exercised their right to extend the option for a further three months to assist them with the purchase of the property. We anticipate that this will complete shortly.

Trafford House

As reported in the Proposals, the Companies' head office is situated in Trafford House, Manchester in which the Companies occupied three suites. This was reduced to one suite in February 2017, resulting in a significant cost saving. The Companies' remaining employees continue to occupy the final suite for debt collection purposes.

Sub-let properties

At the Date of Appointment the Companies held leases to a number of former Hewden depots, now 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. A sales process was commenced in respect of these sites and we are currently progressing interest in them. Both leases are held by Hewden Properties. For the remaining four sites we are working with the head landlords to arrange an assignment or surrender of the leases.

Cash at appointment

Cash at the Date of the Appointment of the Joint Administrators is split as follows:

- HS Realisations c.£151k;
- Hewden Properties c.£33k;
- Woodster Realisations c.£352k; and
- Rigging House c.£25k.

Other debtors and prepayments

During the Period, HS Realisations received £297k of tax refunds from the DVLA in respect of prepaid road tax. Rates refunds of £50k were also received from a number of local authorities.

A number of other prepayments and other asset realisations totalling £130k were received in the Period and are included within other assets in the receipts and payments account at Appendix 2.

Trading sales

Following the appointment of the Joint Administrators, live hire contracts were allowed to continue as normal (excluding crane and cross-hire assets). This continued until 28 February 2017, when, in line with the Joint Administrators' strategy to realise HS Realisations' remaining assets via a series of auctions, the relatively small number of assets which remained on hire were compulsorily off-hired at that date. Sales of £2.9m (net of VAT and credit notes raised during the trading period) were generated during the Period, of which £2.2m (net of VAT) has been paid to date (directly to the Syndicate's blocked bank account) and therefore is not currently visible in the receipts and payments account.

Other Matters

Third party assets

Upon appointment, HS Realisations had 399 leased vehicles including cars, vans, HGVs and trailers. The majority of these assets were not required in the Administration and all such vehicles were made available for collection. However, an undertaking was provided to the leasing company which supplied HS Realisation's company car fleet. As trading has now ceased, the undertaking has been withdrawn and the vehicles made available for collection.

Retention of title

To date, the Companies have received retention of title claims from 44 suppliers. 3 ROT claims have been settled via payments totalling £42k, whilst a further 5 claims have been settled through the return of stock/equipment. A further 20 claims have been rejected or have not been pursued further by suppliers. The remaining 16 claims relate to assets located in areas of the business which were sold to A Plant. Under the terms of the Sale and Purchase Agreement, A Plant are required to deal with any assets in their possession which are subject to a valid claim for retention of title. We understand from A Plant that they have liaised directly with suppliers to locate assets or come to mutually agreeable settlements of their claims. The Companies therefore do not anticipate making any further payments in respect of retention of title claims.

Investigations

The Joint Administrators have undertaken an investigation into the Companies' affairs prior to their appointment pursuant to Statement of Insolvency Practice Number 2 (Investigations by Office Holders) and the Company Directors Disqualification Act 1986.

We have submitted our confidential return on the conduct of all persons who have been directors, shadow or de-facto directors of the Companies during the three years prior to our appointments to the Insolvency Service.

VAT

The first VAT returns for all of the Companies were submitted to HMRC on 20 April 2017 for the period ending 31 March 2017. We have requested from HMRC that they register all of the Companies in a single VAT group with effect from 1 April 2017 and received confirmation from HMRC after the end of the period that the VAT group has now been registered.

VAT computations based on the Companies' accounting records for the pre-appointment period ending 21 November 2016 were submitted to HMRC following the end of the Period to assist HMRC in determining its unsecured claim against HS Realisations and Hewden Properties.

Corporation tax

We have instructed EY tax specialists to prepare corporation tax returns for the Companies, as required.

Pre-appointment corporation tax computations have also been submitted in respect of the pre-appointment period to assist HMRC in determining its unsecured claim against HS Realisations and Hewden Properties.

This work is ongoing and all VAT and tax related time costs are included within the Joint Administrators' total time costs, set out in detail later in this report.

Approval of the Proposals

As reported in the Proposals, the Joint Administrators are of the opinion that the Companies have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the Prescribed Part (if any), as discussed later in this report. Consequently, in accordance with the provisions of paragraph 52(1) of Schedule B1 to the Act, the Administrators did not call an initial meeting of creditors.

No formal request to call an initial meeting of creditors was received from the unsecured creditors of the Companies and accordingly, the Proposals were deemed to be approved on 26 January 2017.

Administrators' Receipts and payments account

A summary of the Joint Administrators' receipts and payments account for the Companies covering the period from 22 November 2016 to 21 May 2017 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 was fixed on the basis of time properly spent by them and their staff in dealing with matters arising in the Administration by the secured and preferential creditors by resolution on 27 March 2017.

During the Period, the Joint Administrators have incurred time costs totalling £5,310,188 across the Companies, against which no sums were drawn during 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 (£)
HS Realisations	4,957,137
Hewden Properties	207,285
The Rigging House	36,215
Woodster Realisations	109,551
<u>Total</u>	<u>5,310,188</u>

The statutory provisions relating to remuneration are set out in Rule 2.39 of the Insolvency (Scotland) Rules 1986 (in respect of HS Realisations and Hewden Properties), and Rule 18.16 of the 2016 Rules (in respect of Rigging House and Woodster Realisations). 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 (HS Realisations and Hewden Properties) at <https://www.insolvency-practitioners.org.uk> (follow 'Regulation and Guidance' then 'Creditors' Guides to Fees, then 'Guides for Scotland', then 'Administration') and The Institute of Chartered Accountants in England and Wales (Rigging House and Woodster Realisations) at <https://www.icaew.com/en/technical/insolvency/creditors-guides>, 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 19 May 2017, the Joint Administrators have incurred a total of £65,119 Category 1 and £6,834 Category 2 disbursements across the Companies, as set out in the table below. No disbursements have been drawn in the Period.

The Joint Administrators received approval to draw Category 2 disbursements from the secured and preferential creditors 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 (£)
HS Realisations	61,266	6,834
Hewden Properties	1,293	-
The Rigging House	1,280	-
Woodster Realisations	1,280	-
<u>Total</u>	<u>65,119</u>	<u>6,834</u>

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	Legal services	Time cost basis	456,276.52
Euro Auctions UK Limited	Plant/equipment advisors and agents	Phase 1 (advisory): time cost basis	5,319.74
		Phase 2 (selling agency): percentage of realisations (subject to a cap)	1,758,274.97
Hilton-Baird Collection Services Limited	Debtor collection services	Percentage of realisations	-
Metis Partners	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	40,596.00
In2Corporate Limited	Plant agents	Percentage of realisations	5,021.70
Total			2,265,488.93

Pre-Administration costs

The payment of unpaid pre-Administration costs as an expense of the Administrations is subject to approval under Rule 2.39C of the Insolvency (Scotland) Rules 1986 (HS Realisations and Hewden Properties) and Rule 3.52 of the 2016 Rules (Woodster Realisations and Rigging House).

As no creditors' committees were formed, the unpaid pre-Administration costs were approved by resolution of the secured and preferential creditors on 27 March 2017.

The amounts approved were £99,930.31 excluding VAT due to Ernst & Young LLP ('EY') in respect of fees and disbursements, £155,820.50 (excluding VAT) due to Addleshaw Goddard ('Addleshaws') and £6,000 excluding VAT due to Metis Partners ('Metis').

The total costs are apportioned across the Companies as follows:

Entity	EY (£)	Addleshaw (£)	Metis (£)
HS Realisations	99,930.31	115,820.50	6,000.00
Woodster Realisations	-	40,000.00	-
Total	99,930.31	155,820.50	6,000.00

No amounts in respect of EY fees and disbursements were paid in the Period, however, all other pre-Administration costs were settled.

Outcome to creditors

Secured creditors

As detailed in the Proposals, the Group owed c. £98.9m to a syndicate of ABLs, led by Bank of America NA (the 'Syndicate') and a further £56.4m to Czech Asset Management ('CAM'), whose security ranked behind the Syndicate.

Since the appointment of the Joint Administrators, £100.2m has been distributed to the Syndicate as first ranking secured lenders, which resulted in their debt being settled in full.

Distributions totalling c. £12m were made to CAM during the Period. Whilst further distributions will be made to them, we continue to estimate that CAM will suffer a shortfall against their secured lending.

Preferential creditors

Preferential creditors' claims are estimated to be in the region of c. £0.6m. They are all against HS Realisations and are in respect of employee claims for arrears of wages, holiday pay, and includes a subrogated claim from the Redundancy Payments Office in respect of unpaid salaries and pension contributions. We currently estimate that these claims will be settled in full in the next six months.

Non-preferential creditors

The Joint Administrators continue to receive claims from non-preferential creditors of the Companies.

At this stage, we do not anticipate that there will be funds available for distribution to unsecured creditors other than by virtue of the Prescribed Part in relation to HS Realisations, Rigging House and Woodster Realisations. Please note that no Prescribed Part funds are expected to be available in Hewden Properties. The current value of non-preferential claims received to date are set out in the table below:

Entity	Non-preferential claims (£)
HS Realisations	41,004,036
Woodster Realisations	386,750
Rigging House	76,389
Hewden Properties	-
Total	<u>41,467,175</u>

The timing of any distribution is contingent upon the assets realised by the above companies.

The Prescribed Part

The Prescribed Part is a proportion of floating charge assets set aside for unsecured 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.

It is too early to confirm the size of the Prescribed Part held in each company, however, we currently estimate the Net Property and Prescribed Part and an illustrative return to creditors will be as follows:

£m	HS Realisations	Hewden Properties	Rigging House	Woodster Realisations
Net Property	79.8	-	0.1	2.3
Estimated Prescribed Part	0.6	-	0.01	0.45
Non-preferential creditors per Directors' SOA	150.0	1.8	0.07	1.5
Illustrative dividend before costs of distribution (p in the £)	0.004	nil	14.2	30.0

Please note that as the above are based on estimates of forecast future costs and future asset realisations in the Administrations, the actual Prescribed Parts may differ from the above.

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:

- Continuing to effect the orderly wind-down of the Group;
- Continuing to deal with landlords regarding leasehold premises;
- Working with legal advisors to realise value from assets currently held by third parties;
- Collecting remaining book debts, including non-trade balances;
- Assisting redundant employees with making claims via the Redundancy Payments Service or the Companies;
- Discharging Administration liabilities (including trading liabilities);
- Completion of the statutory requirements of the Administrations, including reporting to creditors and investigations into the conduct of the directors (as necessary);
- Preparing post appointment corporation tax and VAT returns;
- Making Distributions to secured and preferential creditors;
- 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 2017 although they can be extended with the consent of the creditors or by the Court.

I trust this report has been informative and I will write 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 Daniel Miller on 0161 234 6475.

Yours faithfully
for the Companies



S J Woodward
Joint Administrator

Enc: Appendix 1 - Statutory information
Appendix 2 - Joint Administrators Receipts and Payments Account
Appendix 3 - Summary of the Joint Administrators' time costs and disbursements
Appendix 4 - Joint Administrators' policy on remuneration and disbursements
Appendix 5 - Creditors request for further information

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.

We may collect, use, transfer, store or otherwise process (collectively, 'Process') information that can be linked to specific individuals ('Personal Data'). We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998.

Statutory information

Company Information

Company Name: HS Realisations Limited (formerly Hewden Stuart Limited)
 Registered Office Address: Ten George Street, Edinburgh, EH2 2DZ
 Registered Number: SC045681
 Trading Name: Hewden Stuart 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: 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	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: Ten George Street, Edinburgh, EH2 2DZ
 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	£
Hewden Stuart 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

Statutory information

Company Information

Company Name: The Rigging House Limited
 Registered Office Address: 100 Barbirolli Square, Manchester, M2 3EY
 Registered Number: 07786032
 Trading Name: The Rigging House Limited
 Trading Address: Trident Business Centre, Startforth Road, Middlesbrough, TS2 1PY

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: 3099 of 2016 (High Court of Justice, Chancery Division, Manchester District Registry)

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	£
Interlift Limited	100 Ordinary	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	12 January 2016	n/a	None
Christopher John Hull	Director	12 January 2016	n/a	None
Mark Hierons	Director	12 January 2016	n/a	None
Adrian Michael Murphy	Director	12 January 2016	14 February 2017	None

Statutory information

Company Information

Company Name: Woodster Realisations Limited (formerly Interlift Limited)
 Registered Office Address: 100 Barbirolli Square, Manchester, M2 3EY
 Registered Number: 05724045
 Trading Name: Interlift Limited
 Trading Address: Trident Business Centre, Startforth Road, Middlesbrough, TS2 1PY

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: 3100 of 2016 (High Court of Justice, Chancery Division, Manchester District Registry)

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

Class	Authorised		Issued and fully paid	
	Number	£	Number	£
Hewden Stuart Limited	5 Ordinary B	1	5	5
Hewden Stuart Limited	95 Ordinary A	1	95	95

Directors and secretary and their shareholdings

Name	Director or Secretary	Date appointed	Date resigned	Current shareholding
Susan Shardlow	Director and Company Secretary	12 January 2016	n/a	None
Christopher John Hull	Director	12 January 2016	n/a	None
Mark Hierons	Director	12 January 2016	n/a	None
Adrian Michael Murphy	Director	12 January 2016	14 February 2017	None

**Joint Administrators' receipts and payments account for the period
from 22 November 2016 to 21 May 2017**

HS Realisations

Statement of affairs estimated to realise (£)	Note		22 November 2016 to 21 May 2017 (£)
		Fixed charge receipts	
		Property	350,000.00
		Sub-tenant income	9,835.62
12,502,937.00	4	Book debts	226,601.30
500,000.00		Intellectual property	500,002.00
2,000,002.00		Goodwill	5.00
		Bank interest	73.78
			<u>1,086,517.70</u>
		Floating charge receipts	
96,354,690.00		P&M, F&F, IT Equipment	121,075,628.10
		Property licence fee proceeds	253,303.35
141,944.00		Stock	4.00
170,133.00		Motor vehicles and DVLA refunds	297,288.42
-	5	Post appointment debtors	1,292.29
		Pension, health care and life assurance refunds	41,575.27
		Rates refunds	50,158.09
1.00		Transferred records	7.00
115,365.00		Cash at bank and in hand	150,616.65
220,498.00		Intercompany debtors	-
		Other assets	129,940.91
-		Bank interest	16,551.43
1.00		Hire contracts	6.00
			<u>122,016,371.51</u>
<u>112,005,571.00</u>	1,2	Total receipts	<u>123,102,889.21</u>
	8	Trading payments	
		Trading costs	101,722.35
			<u>101,722.35</u>
		Fixed charge payments	
		Bank charges	5.90
			<u>5.90</u>
		Floating charge payments	
		Ransom payments	29,400.00
		Gross wages	1,676,575.65
		Employers' NIC and Pension contributions	233,915.66
		Sundry expenses	3,463.86
		Pre appointment employee expenses	26,201.18
		Post appointment employee expenses	23,093.56
		ROT settlements	41,611.87
		Telephone	173,950.95
		Utilities	118,375.08
		Rates	53,923.99
		Rent and service charge	212,646.30
		Insurance	160,546.76
		Motor expenses	4,861.26
		Stationery and printing	16,488.17
		Security	213,300.23
		Cleaning	4,363.20
		Legal fees	485,160.47
		Agents' fees	1,768,866.41
		Pre appointment legal fees	115,820.50
		Statement of Affairs preparation	12,000.00
		Public notices	95.90
		Other professional fees	9,285.08
		Waste disposal costs	70,934.01
		Storage costs	3,521.50
		Transport costs	795,675.36
		Irrecoverable VAT	480.00
		Bank charges	540.90
			<u>6,255,097.85</u>
	1,2	Total payments	<u>6,356,826.10</u>
		Distributions	
	6	Secured creditors - fixed charge (BAML)	678,105.48
	6	Secured creditors - floating charge (BAML)	86,509,612.92
		Secured creditors - floating charge (CAM)	14,558,376.24
		Total distributions	<u>101,746,094.64</u>
	3	Balances in hand	<u>14,999,968.47</u>
		Represented by:	
		Cash at bank	15,188,222.29
	7	VAT receivable / payable	(346,516.81)
		PAYE / NIC control and pension control	(10,074.58)
		Intercompany loan accounts	184,517.43
		Licence fee control account	(16,179.86)
			<u>14,999,968.47</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.	
		4,5 The above does not include debtor receipts referred to in this progress report. These funds were paid directly into the fixed charge holder's bank account. Debtor receipts in excess of the fixed charge holder's claim will be remitted to the company's administration bank account and reflected accordingly. In the period post 21 May 2017, £3,719,914.43 of pre-appointment debtor monies have been received into the Administration bank accounts, which will be reflected in the next reporting period.	
		6 Funds of £87,187,718.40 have been paid to Bank of America NL (BAML). The balance of BAML's outstanding debt has been remitted to them directly from the fixed charge holder's bank account.	
		7 VAT liabilities have been prepared on the basis of VAT invoices raised during the Period. Collections from trading sales are paid directly into the Syndicate's blocked bank account and any surpluses after BAML's indebtedness was settled in full were swept back to the Administration estate following the end of the Period.	
		8 Trading account is shown separately overleaf.	

**Joint Administrators' receipts and payments account for the period
from 22 November 2016 to 21 May 2017**

HS Realisations**Trading account**

Note	22 November 2016 to 21 May 2017 (£)
Trading payments	
Repairs & renewals	18,827.24
Stationery and printing	3,230.78
Trading suppliers	41,938.84
Depot cleaning	6,084.15
Telephone	263.84
Insurance for motor vehicles	31,377.50
	<u>101,722.35</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 payments account for the period
from 22 November 2016 to 21 May 2017**

Hewden Properties

Statement of affairs estimated to realise (£)	Note	22 November 2016 to 21 May 2017 (£)
5,908,256.00	Fixed charge receipts	
	Property	2,252,600.00
	Bank interest	116.98
		<hr/> 2,252,716.98
104,400.00	Floating charge receipts	
32,864.00	Interco debtors	-
	Cash at bank and in hand	32,863.77
	Bank interest	10.04
		<hr/> 32,873.81
<u>6,045,520.00</u>	1,2 Total receipts	<hr/> 2,285,590.79
	Fixed charge payments	
	Bank charges	30.50
	Agent's fees	31,630.00
	Agent's disbursements	8,966.00
		<hr/> 40,626.50
	Floating charge payments	
	Statement of Affairs preparation	2,000.00
	Public notices	95.90
	Bank charges	0.30
		<hr/> 2,096.20
	1,2 Total payments	<hr/> 42,722.70
	Distributions	
	Secured creditors - fixed charge (BAML)	240,000.00
	Secured creditors - fixed charge (CAM)	1,100,000.00
	Total distributions	<hr/> 1,340,000.00
	3 Balances in hand	<hr/> 902,868.09
	Represented by:	
	Cash at bank	1,117,073.79
	VAT receivable / payable	(72,185.80)
	Intercompany loan accounts	(144,419.90)
	Funds held by solicitors	2,400.00
		<hr/> 902,868.09
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.		

**Joint Administrators' receipts and payments account for the period
from 22 November 2016 to 21 May 2017**

The Rigging House Limited

Statement of affairs estimated to realise (£)	Note	22 November 2016 to 21 May 2017 (£)
	Floating charge receipts	
	Licence fee proceeds	7,157.64
7,539.00	Plant and machinery, stock	8,000.00
1,014.00	Fixtures & fittings, office equipment	2,000.00
-	Bank interest	24.09
76,568.00	Book debts	60,771.17
	Sundry income	2,773.80
78,482.00	Cash at bank and in hand	<u>25,452.53</u>
		106,179.23
<u>163,603.00</u>	1,2 Total receipts	<u>106,179.23</u>
	Trading payments	
	Floating charge payments	
	Statement of Affairs preparation	2,000.00
	Public notices	81.65
	Bank charges	<u>9.55</u>
		2,091.20
	1,2 Total payments	<u>2,091.20</u>
	3 Balances in hand	<u>104,088.03</u>
	Represented by:	
	Cash at bank	154,169.68
	VAT receivable	15.88
	Intercompany loan accounts	<u>(50,097.53)</u>
		<u>104,088.03</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 2016 to 21 May 2017**

HS Realisations Limited

	Staff Grade					Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst / Intern			
Accounting & Administration	75.9	177.0	27.0	670.7	33.4	984.0	344,951	351
Bank & Statutory Reporting	190.2	234.0	4.0	96.3	-	524.5	284,238	542
Creditors	7.9	11.2	111.5	79.5	500.5	710.6	151,052	213
Debtors	121.7	510.6	71.6	787.0	13.0	1,503.9	587,441	391
Depot Visits	42.0	115.5	119.3	127.0	15.4	419.2	194,559	464
Employee Matters	139.1	278.3	-	658.7	39.5	1,115.6	420,933	377
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	50.5	-	76.2	26,747	351
Job Acceptance & Strategy	15.5	-	-	15.5	-	31.0	15,128	488
Legal Issues	2.0	1.5	-	4.0	1.5	9.0	3,540	393
Other Assets	143.0	736.0	60.0	74.0	23.5	1,036.5	517,652	499
Other Matters	40.6	244.6	7.0	31.5	47.6	371.3	170,770	460
Property	9.7	118.5	11.0	626.0	21.5	786.7	248,850	316
Public Relations issues	4.0	-	-	4.5	-	8.5	4,100	482
Retention of Title	12.0	112.8	91.0	124.5	4.5	344.8	134,780	391
Statutory Duties	17.0	30.5	32.5	123.5	3.0	206.5	75,071	364
Trading	157.7	917.2	234.5	998.5	904.5	3,212.4	1,122,385	349
VAT & Taxation	8.4	55.6	16.4	16.7	118.9	216.0	79,377	367
Sale of Business	180.5	175.4	369.4	74.5	216.5	1,016.3	429,494	423
Total Hours	1,179.9	3,957.7	1,168.2	4,652.7	1,943.3	12,901.8		
Time Costs (£)	772,147	2,050,401	496,040	1,308,759	329,790		4,957,137	
Average Hourly Rate (£)	654	518	425	281	170			
Category 1 Disbursements (£)	61,266.11							
Category 2 Disbursements (£)	6,834.70							
	68,100.81							

Time is recorded in units of six minutes.

Category 2 disbursements

Category 2 disbursements incurred during the Period are summarised below:

Nature of disbursement	Amount incurred £	Basis of charge
Mileage	6,834	Mileage is charged at 45p per mile
Total	6,834	

**Summary of the Joint Administrators' time costs and expenses for the period
from 22 November 2016 to 21 May 2017**

Hewden Properties Limited

	Staff Grade					Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst / Intern			
Accounting & Administration	1.0	-	-	37.8	1.7	40.5	11,514	284
Bank & Statutory Reporting	18.5	-	-	6.0	-	24.5	12,858	525
Creditors	-	-	2.0	-	-	2.0	780	390
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	6.0	-	-	-	-	6.0	4,260	710
Property	23.0	34.5	15.0	311.5	-	384.0	124,692	325
Statutory Duties	2.5	-	4.0	22.5	0.8	29.8	9,779	328
VAT & Taxation	-	1.4	-	3.7	2.7	7.8	2,967	380
Sale of Business	35.5	-	6.5	-	9.0	51.0	29,764	584
Total Hours	91.0	37.9	27.5	403.7	16.2	576.3		
Time Costs (£)	51,655	28,161	10,725	113,609	3,135		207,285	
Average Hourly Rate (£)	568	743	390	281	193			
Category 1 Disbursements (£)	1,293.00							
Category 2 Disbursements (£)	-							
	1,293.00							

Time is recorded in units of six minutes.

**Summary of the Joint Administrators' time costs and expenses for the period
from 22 November 2016 to 21 May 2017**

The Rigging House Limited

	Staff Grade					Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst / Intern			
Accounting & Administration	-	-	-	15.5	0.7	16.2	4,419	273
Bank & Statutory Reporting	10.8	-	-	3.5	-	14.3	7,662	536
Debtors	1.4	-	-	-	-	1.4	791	565
Immediate Tasks	1.0	-	-	-	-	1.0	710	710
Investigations	0.5	-	-	9.2	-	9.7	2,931	302
Job Acceptance & Strategy	3.5	-	-	-	-	3.5	2,123	606
Statutory Duties	3.0	-	-	26.0	-	29.0	9,336	322
VAT & Taxation	-	2.5	-	3.7	5.1	11.3	3,873	343
Sale of Business	2.0	2.0	5.0	-	-	9.0	4,370	486
Total Hours	22.2	4.5	5.0	57.9	5.8	95.4		
Time Costs (£)	14,137	2,345	1,950	16,786	997		36,215	
Average Hourly Rate (£)	637	521	390	290	172			
Category 1 Disbursements (£)	1,280.00							
Category 2 Disbursements (£)	-							
	1,280.00							

Time is recorded in units of six minutes.

**Summary of the Joint Administrators' time costs and expenses for the period
from 22 November 2016 to 21 May 2017**

Woodster Realisations Limited

	Staff Grade					Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst / Intern			
Accounting & Administration	0.2	-	6.0	14.5	0.7	21.4	6,592	308
Bank & Statutory Reporting	20.0	-	-	5.0	-	25.0	13,208	528
Creditors	-	-	-	14.7	-	14.7	4,116	280
Debtors	7.8	16.5	4.0	-	-	28.3	14,362	507
Depot visits	-	-	10.0	-	-	10.0	3,900	390
Employee Matters	-	-	-	5.0	-	5.0	1,400	280
Immediate Tasks	9.0	-	-	-	-	9.0	5,085	565
Investigations	0.5	-	1.0	9.2	-	10.7	3,321	310
Job Acceptance & Strategy	3.0	-	-	-	-	3.0	1,840	613
Other Matters	1.0	-	-	-	-	1.0	565	565
Property	1.5	-	2.0	32.5	-	36.0	10,945	304
Public Relations issues	0.5	-	-	-	-	0.5	355	710
Retention of Title	-	-	-	33.5	-	33.5	9,380	280
Statutory Duties	1.5	-	4.5	27.5	-	33.5	10,375	310
VAT & Taxation	-	5.1	1.0	3.7	5.8	15.6	5,613	360
Sale of Business	10.0	2.0	18.0	-	15.0	45.0	18,494	411
Total Hours	55.0	23.6	46.5	145.6	21.5	292.2		
Time Costs (£)	33,758	11,818	18,135	41,342	4,498		109,551	
Average Hourly Rate (£)	614	501	390	284	209			
Category 1 Disbursements (£)	1,280.00							
Category 2 Disbursements (£)	-							
	1,280.00							

Time is recorded in units of six minutes.

**Summary of the Joint Administrators' time costs and expenses for the period
from 22 November 2016 to 21 May 2017**

Charge out Rates

Charge out rates	Grade	Rate from 1 July 2016 (£)
Restructuring	Partner	710
	Director	565-660
	Assistant Director	500-670
	Senior Executive	390-510
	Executive	280-375
	Analyst / intern	150-340
Forensic Technology & Discovery Services	Assistant Director	595
	Senior Executive	380
	Executive	305
People Advisory Service	Analyst	170
	Assistant Director	760
Transaction Tax	Senior	450
	Partner	1180-1425
	Director	1000-1175
	Assistant Director	810-1150
	Senior Executive	685-855
	Executive	410-530
Indirect Tax	Analyst	130-390
	Partner	1175
	Director	1230
	Assistant Director	1095
	Senior Executive	690
	Executive	435
	Analyst	180

Joint Administrators' policy on remuneration and disbursements

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.

Creditors request for further information

Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Creditors request for further information

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").