



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

1 Company details

Company number 03084650

Company name in full LRA Realisations Limited (formerly Azzurri Central Limited)

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) William James

Surname Wright

3 Administrator's address

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode EC4M7RB

Country

4 Administrator's name ①

Full forename(s) Christopher Robert

Surname Pole

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 2nd Floor

Street 45 Church Street

Post town Birmingham

County/Region

Postcode B32HB

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 7	^m 0	^m 7	^y 2	^y 0	^y 2	^y 3
To date	^d 1	^d 6	^m 0	^m 1	^y 2	^y 0	^y 2	^y 4

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 1	^d 3	^m 0	^m 2	^y 2	^y 0	^y 2	^y 4
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Marie Hayden

Company name Interpath Ltd

Address 5th Floor, 130 St Vincent Street
Glasgow

Post town G2 5HF

County/Region

Postcode

Country

DX

Telephone Tel +44 (0) 203 989 2800

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Joint Administrators' progress report for the period 17 July 2023 to 16 January 2024

LRA Realisations Limited (formerly Azzurri
Central Limited) - in Administration

14 February 2024

Deemed delivered: 14 February 2024

Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 5).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, www.ia-insolv.com/case+INTERPATH+BK713E1001.html. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 6).

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1 Executive summary

On 17 July 2020, the Directors resolved to place the Company into administration, and Will Wright, Chris Pole and Steve Absolom were duly appointed the Joint Administrators. On 23 May 2022, Steve Absolom resigned as Joint Administrator of the Company. Throughout this report 'we', 'us' and the 'Joint Administrators' means the Joint Administrators at the time referred to.

This progress report covers the period from 17 July 2023 to 16 January 2024 (the 'Period').

As set out in our Proposals and previous progress reports, we completed a Pre-Pack sale of the majority of business and assets to the Purchasers immediately following appointment. We have continued to progress all post appointment related matters and to realise assets excluded from the sale (Section 2 - Progress to date).

Based on the current estimates, we do not anticipate the Secured Creditors will be repaid in full (Section 3 - Dividend prospects).

We are not aware of any preferential creditors of the Company (Section 3- Dividend prospects).

There are not expected to be sufficient funds to enable a distribution to unsecured creditors other than by way of the Prescribed Part. Due to the large quantum of liabilities and sum available under the Prescribed Part, any dividend will be less than 1p in the £ (Section 3 - Dividend prospects).

The administration is currently due to end on 16 July 2024

Please note: you should read this progress report in conjunction with our previous progress reports and proposals issued to the Company's creditors which can be found at www.ia-insolv.com/case+INTERPATH+BK713E1001.html. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Will Wright
Joint Administrator

2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Strategy

As set out in our previous progress reports, in the circumstances, we consider that the Pre-Pack sale of the majority of the business and assets has enabled the objective of achieving a better result for the Company's creditors as a whole. It is unlikely the Company's IP would have generated the realisations attributable to the Company on a standalone basis.

Given that the Company was a non-trading entity, trading in administration was not an option available to the Joint Administrators.

During the Period, we have continued to progress all post-appointment related matters and agree unsecured claims. With all other realisations now finalised, the administration remains open whilst it awaits a distribution from the administration of ARL.

We set out below an overview of the work we have undertaken, including our strategy in relation to ongoing matters.

2.2 Asset realisations

Realisations during the Period are set out in the attached receipts and payments account (Appendix 2).

There were no significant realisations during the Period.

Investigations

We have now concluded our review into the affairs of the Company to determine if there are any actions which can be taken against third parties to increase recoveries for creditors. As previously reported, no matters came to light and our investigations are now complete.

2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

No significant payments made during the Period.

2.4 Schedule of expenses

We have detailed the costs incurred during the Period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

Summaries of the most significant expenses which have been incurred in the Period but have not yet been paid are provided below.

Administrator's fees

During the Period, we have incurred time costs of £24,536 which have not yet been paid.

3 Dividend prospects

3.1 Secured creditors

The Lenders hold fixed and floating charges over the assets of the Group with cross guarantees provided by the following group entities:

- ACL;
- ARL;
- ATL;
- MDCT;
- Azzurri Midco 2 Limited;
- CDM Group Limited;
- CDM Holdco Limited; and
- LCA Realisations Limited

The Security Agent for the Lenders holds a debenture containing fixed and floating charges over the Company. The charge was created on 21 January 2015, with a supplemental debenture created on 2 February 2017 and registered with Companies House on 27 January 2015 and 7 February 2017 respectively.

At the date of appointment, the Lenders were owed £187,048,961.

Based on current estimates, we do not expect the Lenders will be repaid in full.

We obtained an independent security review from Travers which confirms that the fixed and floating charges were validly executed and registered.

3.2 Preferential creditors

We are not aware of any preferential claims against the Company.

3.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors should receive a dividend limited to the Prescribed Part which will result in a distribution of less than 1p in the £.

A Notice of Intended Dividend was circulated to all known creditors on 14 November 2023. A dividend is expected to be declared by 5 March 2024.

4 Joint Administrators' remuneration and expenses

Time costs

From 17 July 2023 to 16 January 2024, we have incurred time costs of £24,536. These represent 52 hours at an average rate of £472 per hour.

Administrators' Expenses

During the Period, we have incurred postage costs of £1,187 which have not yet been paid.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from 17 July 2023 to 16 January 2024. We have also attached our charging and expenses policy.

It has become apparent during the Period that we will exceed our previous fees estimate. Our time costs have increased largely in relation to the following matter:

- The administration remaining open longer than anticipated as it is awaiting an intercompany distribution from the administration of ARL.

At present, we are not seeking approval for our increased costs and therefore do not intend to provide a revised fees estimate. Should the position change, we will report to creditors accordingly.

5 Future strategy

5.1 Future conduct of the administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- Preparing and submitting an unsecured claim into the administration of ARL to ensure a distribution is received in respect of the intercompany debt;
- Making distributions to the Secured and unsecured creditors should funds become available;
- Paying of the costs of the administration, including the Joint Administrators' remuneration and expenses;

- Complying with ongoing tax and VAT requirements for the Company and notifying HMRC once all tax returns are submitted in advance of concluding the administration; and
- Completing all statutory and compliance matters.

5.2 Future reporting

We intend to provide our final progress report by 16 July 2024 or earlier if the administration has been completed prior to that time.

Appendix 1 Statutory information

Company name	LRA Realisations Limited (formerly Azzurri Central Limited)
Date of incorporation	27 July 1995
Company registration number	03084650
Present registered office	10 Fleet Place, London, EC4M 7RB
Administration appointment	The administration appointment granted in High Court of Justice Business and Property Courts of E & W Insolvency and Companies List (ChD), 003101 of 2020
Appointor	Directors
Date of appointment	17 July 2020
Joint Administrators' details	Will Wright and Chris Pole
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £209,003. The Prescribed Part is capped at the statutory maximum of £600,000. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3).
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	16 July 2024

Appendix 2

Joint Administrators' receipts and payments account

LRA Realisations Limited (formerly Azzurri Central Limited) - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 17/07/2023 To 16/01/2024 (£)	From 17/07/2020 To 16/01/2024 (£)
FIXED CHARGE ASSETS			
2,237,838.00	Sale of business - Intellectual Property	NIL	2,237,838.00
138,072.00	Sale of business - Investments	NIL	138,072.00
	Shares	NIL	1.00
		NIL	2,375,911.00
FIXED CHARGE COSTS			
	Legal fees	NIL	(6,399.00)
	Pre-administration legal fees	NIL	(15,000.00)
	Pre-administration Administrators' fees	NIL	(15,000.00)
		NIL	(36,399.00)
FIXED CHARGE CREDITORS			
(190,091,142.00)	Fixed charge creditor	NIL	(2,237,838.00)
		NIL	(2,237,838.00)
OTHER REALISATIONS			
	Bank interest, gross	1,559.73	3,536.70
	Funds held for provisions	NIL	54,346.00
	Sundry refunds	3,535.00	3,535.00
346,758.00	Intercompany debtors	NIL	NIL
		5,094.73	61,417.70
COST OF REALISATIONS			
	Administrators' fees	NIL	(83,163.00)
	Administrators' expenses	NIL	(599.49)
	Legal fees	NIL	(2,000.00)
	Corporation tax	NIL	(100.00)
	Bank charges	NIL	(20.00)
		NIL	(85,882.49)
UNSECURED CREDITORS			
(9,939,259.00)	Landlord creditors	NIL	NIL
(69,934,153.00)	Connected companies	NIL	NIL
(3,500,000.00)	HMRC	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			

LRA Realisations Limited (formerly Azzurri Central Limited) - in Administration**Abstract of receipts & payments**

Statement of affairs (£)		From 17/07/2023 To 16/01/2024 (£)	From 17/07/2020 To 16/01/2024 (£)
(5,063,280.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(275,805,166.00)		5,094.73	77,209.21
REPRESENTED BY			
	Floating ch. VAT rec'able		20,152.50
	Floating charge current		77,209.21
	Fixed charge VAT rec'able		4,279.80
	Floating ch. VAT control		(21,432.30)
	Fixed charge VAT control		(3,000.00)
			77,209.21

Appendix 3

Schedule of expenses

Schedule of expenses (17/07/2023 to 16/01/2024)			
Expenses (£)	Incurred and paid in the Period (£)	Incurred in the Period not yet paid (£)	Total (£)
Administrators' fees	0.00	24,536.00	24,536.00
Total	0.00	24,536.00	24,536.00

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Marie Hayden at 5th Floor, 130 St Vincent Street, Glasgow G2 5HF.

Appendix 4 Joint Administrators' charging and expenses policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of in-house Interpath Advisory tax, VAT and employee specialists

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please contact Marie Hayden on 0118 214 5929.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Table of charge-out rates

Managing Director	780
Director	725
Associate Director	635
Manager	530
Senior Administrator	370
Administrator	265
Support	165

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the Period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of expenses

Where funds permit, the officeholders will seek to recover both Category 1 and Category 2 expenses from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Expenses: These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Associates: are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 45p per mile.

Use of company car – 60p per mile.

Use of partner's car – 60p per mile.

For all of the above car types, when carrying Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the below expenses during the Period.

Postage	NIL	1,187.12	NIL	NIL	1,187.12
Total	NIL	1,187.12	NIL	NIL	1,187.12

We have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Narrative of work carried out for the period 17 July 2023 to 16 January 2024

The key areas of work have been:

Statutory and compliance	preparing statutory receipts and payments accounts; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	regular case management and reviewing of progress, including regular team update meetings and calls; reviewing and authorising junior staff correspondence and other work; dealing with queries arising during the appointment; reviewing matters affecting the outcome of the administration; allocating and managing staff/case resourcing and budgeting exercises and reviews; complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	working initially on tax returns relating to the periods affected by the administration; analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; dealing with post appointment tax compliance.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9;
Creditors and claims	creating and updating the list of unsecured creditors; responding to enquiries from creditors regarding the administration and submission of their claims; reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; drafting our progress report.

Time costs

General (Cashiering)	1.40	373.00	266.43
Reconciliations (& IPS accounting reviews)	0.60	270.00	450.00
Budgets & Estimated outcome statements	6.90	4,302.00	623.48
Checklist & reviews	1.00	349.00	349.00
Statutory advertising	0.10	53.00	530.00
Statutory receipts and payments accounts	0.30	111.00	370.00
Strategy documents	2.50	1,377.50	551.00

SIP 9 –Time costs analysis (17/07/2023 to 16/01/2024)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Post appointment VAT	0.50	185.00	370.00
Creditors			
Creditors and claims			
Agreement of unsecured claims	13.60	6,365.00	468.01
General correspondence	9.40	3,189.75	339.34
Secured creditors	1.50	952.50	635.00
Statutory reports	13.60	6,627.25	487.30
Realisation of assets			
Asset Realisation			
Debtors	0.60	381.00	635.00
Total in period	52.00	24,536.00	471.85

Brought forward time (appointment date to SIP 9 period start date)	262.50	104,477.85
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	52.00	24,536.00
Carry forward time (appointment date to SIP 9 period end date)	314.50	129,013.85

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 5 Glossary

ACL	LRA Realisations Limited (formerly Azzurri Central Limited) - in Administration
ARL	Azzurri Restaurants Limited – in Administration
ATL	Azzurri Trading Limited – in Administration
Company	LRA Realisations Limited (formerly Azzurri Central Limited) - in Administration
Group	Azzurri Group Limited and its subsidiaries
IP	Intellectual Property
Joint Administrators/we/our/us	Will Wright and Chris Pole
Interpath/Interpath Advisory	Interpath Ltd
MDCT	MDCT Realisations Limited (formerly CDM Trading Limited) - in Administration
Prescribed Part	The portion of realisations set aside for unsecured creditors, as set out in the Insolvency Act 1986.
Pre-Pack	Pre-packaged transaction

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

This report has been prepared by Will Wright and Chris Pole, the Joint Administrators of LRA Realisations Limited (formerly Azzurri Central Limited) – in Administration (the ‘Company’), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the Group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

William James Wright and Christopher Robert Pole are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders may be Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

www.interpathadvisory.com

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