

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company AL Realisations Limited formerly Advance Lighting Limited	Company number 03576867
In the High Court of Justice, Chancery Division, Birmingham District Registry (full name of court)	Court case number 8132 of 2012

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

We (a)
David Bennett
Grant Thornton UK LLP
Enterprise House
115 Edmund Street
Birmingham
B3 2HJ

Paul Addison
Grant Thornton UK LLP
Enterprise House
115 Edmund Street
Birmingham
B3 2HJ

*Delete as
applicable

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

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

(b) 30 April 2012

Signed


Joint Administrator(s)

Dated

30 April 2012

Contact Details:

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

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

David Bennett
Grant Thornton UK LLP
Enterprise House
115 Edmund Street
Birmingham
B3 2HJ

DX Number

0161 953 6900

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

WEDNESDAY



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02/05/2012

#171

COMPANIES HOUSE



Our Ref DJB/ZLC/KLM/TXA/A00609/

To The Creditors

30 April 2012

Dear Sirs

Recovery and Reorganisation

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

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www.grant-thornton.co.uk

**AL Realisations Limited (formerly Advance Lighting Limited) -
In Administration (the Company)
High Court of Justice, Chancery Division, Birmingham District
Registry
No 8132 of 2012**

1 Introduction

- 1.1 Following our appointment as Joint Administrators of the above company by a qualifying floating charge holder on 6 March 2012, Paul Addison and I are submitting our proposals pursuant to paragraph 49(1) of Schedule B1 to the Insolvency Act 1986 for achieving the objectives of the administration
- 1.2 This report contains the information required by Rule 2.33 of the Insolvency Rules 1986
- 1.3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Administrators are to be exercised by any or all of them

2 Statutory Information

- 2.1 The Company's statutory details are as follows:

Registered number	03576867
Date of incorporation	5 June 1998
Registered office	c/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB
Authorised share capital	£1,000
Issued share capital	£1,000
Directors	Shareholding
Simon Deacon	50%
Michael Stonebridge	50%
Secretary	Shareholding
Simon Deacon	50%

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, 11 Abchurch Lane, London EC4N 3DF
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.

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

3 Background to Administrators' appointment

- 3.1 Grant Thornton UK LLP (the Firm) (GT) was first consulted by Royal Bank of Scotland plc (RBS), who hold a qualifying floating charge over the assets of the company (in the name National Westminster Bank plc), in November 2011. Prior to November 2011, neither we nor the Firm had any dealings or involvement with the Company, its directors or secretary.

- 3.2 In November 2011, the Firm was engaged by RBS and the Company to review the cash flow position of the Company.

- 3.3 Following the cash flow review, RBS provided some additional temporary borrowing facilities to the Company. However, due to creditor pressure (including pressure from HM Revenue and Customs) and a deterioration in trading, it became apparent that the Company could no longer operate within its existing banking facilities.

- 3.4 In February 2012, GT was asked by the directors to run an accelerated disposal process of the Company by way of a sale to either a trade competitor or a private equity fund. GT was also engaged by the Company and RBS to monitor the cash position of the Company during this process.

- 3.5 The process of finding a buyer took place over a period of approximately four weeks during which 48 parties were contacted, comprising 21 trade buyers and 27 private equity funds identified by either GT or by the Company's accountants, Ashgates Corporate Services Limited.

- 3.6 Following this process, three formal offers were received (two trade buyers and a private equity fund). These offers were on the basis of a pre-packaged sale through an administration process. One of these offers, from Ash 117 Limited (the Purchaser), was considered to be acceptable by the Directors, RBS and GT (as proposed Administrator).

- 3.7 On 5 March 2012, the directors of the Company invited RBS to appoint Administrators over the Company. RBS applied to Court for the appointment of Administrators and, having considered the application, the Court granted the application for the appointment of Administrators on 6 March 2012. David Bennett and Paul Addison were appointed Joint Administrators.

- 3.8 The objective of an administration is to rescue the company as a going concern or to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, or, if neither of these is reasonably practicable, to realise property in order to make a distribution to one or more secured or preferential creditors.

4 Conduct of the administration

- 4.1 Against the background set out above, as Administrator, I concluded that an immediate sale of the business and assets of the Company to the Purchaser would provide the best result for

creditors given the options available

- 4.2 Prior to the completion of the sale of the business, GVA Grimley Limited (GVA) were instructed to provide valuations of the key tangible assets, comprising two freehold properties, chattel assets and the trading stock. The valuations from GVA indicated that the consideration achieved from the sale of the business was in excess of the values that would be achieved for the assets on a break up of the business and their piecemeal disposal.
- 4.3 As such, we completed the sale of the business and assets (the Sale) on 6 March 2012 to Ash 117 Limited. Since the Sale Ash 117 Limited has changed its name to Advance (International) Limited.
- 4.4 Details of the amounts received from the sale of the business and assets are set out in our receipts and payments account covering the period 6 March 2012 to 26 April 2012 (Appendix B). The consideration set out in the asset sale agreement was received in full on the date of completion of the sale.

5 Assets and liabilities

- 5.1 The directors have been requested to prepare a statement of affairs of the Company, but have not yet done so. We have requested an update from the directors on this matter. Once received, we will file a copy of the statement of affairs with the Registrar of Companies.

Freehold properties

- 5.2 There are two freehold properties, including the head office, which are subject to mortgages, one with RBS and the other with the Loughborough Building Society. Licences to occupy the freehold properties for a period of up to 16 weeks was granted to the Purchaser and the licence fees payable are sufficient to discharge the accruing interest on the mortgages over the two properties.
- 5.3 The freehold properties were not included within the Sale, however, fixed period call options to purchase the properties have been granted to the Purchaser.

Book debts

- 5.4 At the date of appointment, the book debt ledger totalled £439,789. These debts were subject to a CID facility with RBS Invoice Finance Limited (RBSIF). At the time of my appointment, RBSIF were owed £312,737 in respect of these debts. As shown at Appendix B, the consideration paid by the Purchaser for the book debts was equivalent to the amount owed to RBSIF. We consider that this level of consideration for the debts (representing 71% of the book debt ledger) is in excess of the value which would be achieved in a break up scenario.

Other assets

- 5.5 As previously mentioned, prior to our appointment as Administrators, we obtained valuations for the chattel assets and stock. The consideration of £29,998 achieved in the Sale in respect of the chattel assets was in excess of the valuation received (£26,000 on a break up basis).
- 5.6 In the Sale, we sold the stock for a consideration of £45,000 which was also in excess of the valuation of £36,000 achievable on a break up basis.

Liabilities

- 5 7 There are three secured lenders with amounts owing to them by the Company. They are
- RBS who provided a mortgage for Bridge Farm, Sinfin Lane, Barrow-on-Trent, Derby as well as an overdraft facility
 - RBSIF who provided a Confidential Invoice Discounting (CID) facility and were assigned the book debts of the Company
 - Loughborough Building Society who provided a mortgage for Units 1, 2 and 3, the boiler house and the land to the north thereof at 73/76 Commerce Street, Melbourne, Derbyshire.
- 5 8 All employees of the Company were transferred to the Purchaser on completion of the Sale. This eliminated any potential preferential claims against the Company for non-payment of wages and holiday pay.
- 5 9 Whilst we have not received the directors statement of affairs, we have received a list of unsecured creditors (attached at Appendix A), which totals £457,160. This list includes the names, addresses and amount of their debts.
- 5 10 Based on the valuations received from GVA for the remaining properties and based on realisations to date, we do not consider that there will be surplus funds available for the payment of a dividend to unsecured creditors.
- 5 11 Furthermore, we do not believe that the Company's net property, under Section 176A of the Insolvency Act 1986, will be sufficient for there to be a prescribed part available for distribution to the unsecured creditors.

6 Proposals for achieving the objective of the administration

- 6 1 The Administrators will pursue the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company was wound up.
- 6 2 This objective will be achieved by the Administrators disposing of the assets (excluding the freehold properties) through the Sale and continuing to manage the affairs of the Company as they deem appropriate. However, the Administrators do not intend, if the proposals are approved, to be restricted in their freedom to deal with the Company's affairs in any such manner as is advantageous to the creditors.
- 6 3 The Administrators propose to remain in office in order to realise the remaining assets, complete their statutory duties and make distributions to the secured creditors.
- 6 4 It is proposed that the administration will end by the Company going into creditors' voluntary liquidation, or if there are no monies available for unsecured creditors, by going into compulsory liquidation. As there is a winding up petition filed at court, we will liaise with the petitioner to apply to court to end the administration and allow the winding up petition to be heard.
- 6 5 If the Company is placed into creditors' voluntary liquidation, it is proposed that the Administrators in office at that date will be appointed liquidators, and for any act in the

liquidation to be done by any one or more of the liquidators. Creditors may nominate a different liquidator or liquidators. However, this will only be effective if nomination to that effect is received before the approval of these proposals.

7 Administrators' remuneration and disbursements

Pre-appointment and costs

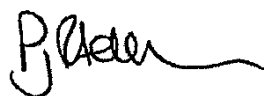
- 7.1 As prospective Administrators, we incurred time costs of £9,306 prior to our appointment. These time costs were incurred in relation to
- marketing the business for sale
 - meetings, providing information and discussing matters with interested parties
 - negotiating with the interested parties who had made offers for the business and assets of the Company
 - liaising with RBS and RBSIF
 - negotiating the contract with the Purchaser
 - undertaking the necessary steps for the Company to enter administration
- 7.2 In addition, legal fees of £17,000 (plus disbursements and VAT) was incurred pre appointment in relation to my legal advisors Squires, Sanders and Dempsey LLP
- 7.3 These time costs and legal fees remain outstanding at the date of my appointment
- 7.4 The payment of pre-administration costs unpaid at the date of appointment of the Administrators may be approved by the creditors' committee or creditors (in this case the secured creditors) under Rule 2.67A and shall rank as an expense of the administration. Please note, approval of the statement of proposals does not constitute approval either of the Administrators' remuneration or of unpaid pre-administration costs
- ### *Post appointment*
- 7.5 Payment of the Administrators' remuneration and disbursements is to be met from funds held in the administration in priority to the claims of creditors, and, after approval of the basis, the Administrators may draw sums on account
- 7.6 Time costs to 20 April 2012 amount to £14,520. I intend to approach the secured creditors to obtain approval of the basis of my remuneration
- 7.7 A resolution is to be proposed to the secured lenders to fix the Administrators' remuneration as follows
- according to the time spent by the Administrators and their staff
 - subject to a cap of a maximum of £60,000, in the administration only, to include pre-appointment time-costs relating to the sale of the business and the preparation for the administration appointment
 - without any carry forward of time in excess of the cap from the administration into the liquidation

- 7.8 Background information regarding the fees of Administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees') Alternatively, we will supply this information by post on request
- 7.9 The Administrators will request that their remuneration be calculated according to the time properly given by the Administrators and their staff in attending to matters arising in the administration Time is charged in 6 minute units
- 7.10 The Administrators will charge out of pocket expenses at cost Mileage is charged at standard rates which comply with HMRC limits or AA recommended rates VAT is added to disbursement charges, as necessary

8 Meeting of creditors

- 8.1 A meeting of creditors has not been convened because, in accordance with paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, we are of the opinion that the Company has insufficient property to enable a distribution to be made to unsecured creditors, other than by virtue of Section 176A of the Insolvency Act 1986 (although we draw your attention to paragraph 5.11)
- 8.2 The proposals contained in this statement will be deemed to have been approved by the creditors unless, within eight business days of this statement being sent out, a meeting is requisitioned by creditors whose debts amount to at least 10% by value of the total debts of the Company.
- 8.3 If you have any queries, please contact my colleague Nicola Jackson on 0161 953 6921 or by email to nicola.jackson@uk.gt.com

Yours faithfully
for and on behalf of
AL Realisations Limited



PP David Bennett
Joint Administrator

The affairs, business and property of AL Realisations Limited are being managed by David Bennett and Paul Addison, appointed as Joint Administrators on 6 March 2012

A AL Realisations Limited - in administration
List of unsecured creditors

Grant Thornton UK LLP

AL Realisations Limited formerly Advance Lighting Limited

B - Company Creditors

Key	Name	Address	£
CA00	512(EMA)Limited	104 Bondgate, Castle Donington, Castle Donington, Derby, DE74 2NR	162 00
CA01	ABI Facilities Engineering Limited	Rear of Holly House Farrow Road Industrial, Shady Lane, Great Barr, Birmingham, B44 9ER	394 20
CA02	Air Services (Tamworth)	1 Cale Close, Kettlebrook, Tamworth, Staffs, B77 1DB	174 00
CA03	Aluminium Shapes Limited	Princewood Road, Corby, Northants, NN17 4AP	15,295 45
CA04	Apem Components Ltd	Drakes Drive, Long Crendon, Bucks, HP18 9BA	455 82
CA05	Apollo Group UK Ltd	101a St Peters Street, Derby, DE1 2AB	4,995.00
CA06	Arlen EFA	Unit 1 Highpoint Business Village, Henwood Industrial Estate, Ashford,, Kent, TN24 8DH	932 10
CA07	Allstar Business Solutions Ltd	PO Box 1463, Windmill Hill, Swindon, SN5 6PE	600 98
CA08	Ashgates Corporate Services Ltd	5 Prospect Place, Millennium Way, Pride Park, Derby, DE24 8HG	3,292 80
CA09	RBS Invoice Finance Limited	c/o Assemtch Europe Ltd, Smith House PO Box 50, Elmwood Avenue, Feltham, Middlesex, TW13 7QD	6,995 52
CA0A	Avnet EMG Ltd	1 Rutherford Close, Meadoway, Stevenage, Hertfordshire, SG1 2EF	4,257.64
CA0B	Avon Plating Ltd (Factored)	Masons Road, Stratford- On- Avon, Warwickshire, CV37 9NF	67,296 00
CA0C	Allday Time Systems Ltd	Lynchford House, Lynchford Lane, Farnborough, Hampshire, GU14 6JD	0 00
CA0D	Anuxter Components (formerly Heyco Ltd)	Unit A Nimrod Way, East Dorset Trade Park, Wimborne, Dorset, BH21 7HY	618 58
CB00	British Standards Institution	A/c No.. 41117133, Corporate Finance Cash Office, P O Box 16206, London, W4 4ZL	273 60
CC00	Cabcon (UK) Ltd (Young Electronics Grp)	Crown House Coronation Road, Cressex Business Park, High Wycombe, Bucks, HP12 3TA	273 00
CC01	City Electrical Factors	Ascot Business Park, Longbridge Lane, Derby, DE24 8ST	232 13
CC02	Clynder Cables Limited	3 Lord Street North, Manchester, M40 8AD	5,832 00
CC03	Collingwood	Brooklands House, Sywell Aerodrome, Sywell, Northampton, NN6 0BT	1,008 07
CC04	County Scales Group	Langley Business Park, Station Road , Langley Mill, Nottingham, NG16 4DG	132 00
CC05	Combined Precision Components Plc	Component House, Faraday Drive, Fullwood, Preston, Lancs, PR2 9PP	731 12
CC06	Cromwell Derby	500 City Gate, London Road, Derby, DE24 8WY	911 74
CC07	RBS Invoice Finance Limited	c/o Melbourne Courier Company Limited, Smith House PO Box 50, Elmwood Avenue, Feltham, Middlesex, TW13 7QD	0 00
CD00	Day 2 Day Stationery Ltd	Dalton House, 60 Windsor Avenue, London, SW19 2RR	196 80
CD01	Derbyshire Chamber & Business Link	Commerce Centre, Canal Wharf, Chesterfield, Derbyshire, S41 7NA	274 41
CD02	DHL International (UK) Limited	P O Box 524, 178-188 Great South West Road, Hounslow, Middlesex, TW3 9LP	25,784 16
CD03	Digi-Key Corporation	701 Brooks Ave South, P O Box 677, Thief River Falls, MN 56701-0677 USA	204.23
CD04	Document Network /CIT Vendor Finance	Melbourne Business Court, Millennium Way, Pride Park, Derby, DE24 8LZ	1,201.03

Signature

Grant Thornton UK LLP
AL Realisations Limited formerly Advance Lighting Limited
B - Company Creditors

Key	Name	Address	£
CL03	Lux Logic Ltd	Ashford Business Centre, 117 Station Road, Ashford, Kent, TN23 1EY	1,744.32
CL04	Lux Magazine		1,620.00
CL05	Lyreco UK Ltd		0.00
CM00	Mackwell Electronics Ltd	Deer Park Court, Donnington Wood, Telford, Shropshire, TF2 7NB	1,095.30
CM01	Meridian Business Support	Vigo Place, Aldridge, West Midlands, WS9 8UG	383.04
CM02	Mertrux Ltd (A0045)	Roberts House, Manchester Road, Altrincham, WA14 4PL	4,275.58
CM03	Metalfeature Limited	10 Chequers Road, Derby, DE21 6EN	21,174.53
CM04	Metway Electrical Industries Ltd	161 Gloucester Crescent, Wigston, Leicester, LE18 4YH	15,733.90
CM05	Mid West Displays & Acrylics	Barrie House, 18 North Street, Portslade, Brighton, BN41 1DG	33.24
CM06	Morvan Trading Limited	The Display Centre, Knights Way, Battlefield Enterprise Park, Shrewsbury, Shropshire, SY1 3AB	1,721.28
CM07	Moulded Cords & Cables Ltd.	10A Westover Farm, Goodworth Clatford, Andover, Hampshire, SP11 7QY	1,777.80
CM08	Miscellaneous (£ sterling)	Unit 15 - The Western Centre, Western Road, Bracknell, Berkshire, RG12 1RW	142.62
CM09	Miscellaneous (Euro A/C)		1,053.98
CN00	National Insurance Fund		0.00
CN01	Norwood Press	Insolvency Service, Finance Redundancy Payments Team, Cannon House, 18 Priory Queensway, Birmingham, B4 6BS	115.44
CN02	Nualight (PF)	Unit 1, South Street, South Leicester Ind., Ellistone, Leicestershire, LE67 1EU	2,294.40
CN03	NVC Manufacturing Ltd (GBP)	Cork Business & Technology Park, Model Farm Road, Cork, Ireland	1,817.84
CO00	Osram Limited	4 Imperial Place, Maxwell Road, Borehamwood, Hertfordshire, WD6 1JN	6,487.97
CP00	Panoramic Imaging Ltd	OSRAM Customer Service Centre, Credit Control Department, Neills Road, Bold Industrial Park, St Helens	120.00
CP01	Printer Cartridge Supplies	12 Westcar Lane, Hersham, Walton-on-Thames, Surrey, KT12 5ER	603.42
CP02	Perspex Distribution Limited	Amra, Redruth, Cornwall, TR16 5BG	82.20
CP03	Philips Lighting Limited	Unit C Vanguard, Tame Park, Ninian Way, Wilnecote, Tamworth, B77 5DY	54,692.15
CP04	PMB Pallet Express Ltd	Philips Centre Gullford Business Park, Guildford, Surrey, GU2 8XII	347.40
CP05	Poole Martin Limited	Hallam Fields Road, Ilkeston, Derbyshire, DE7 4BR	0.00
CP06	PowerPax UK Ltd	8 Elmdale Road, Bristol, BS8 1SL	3,307.50
CP07	Powerlite Lighting Solutions Ltd	Unit 5, Kennet Weir Business Park, Arrowhead Road, Theale, Reading, RG7 4AD	26,678.13
CP08	Prime Light Electrical Limited	Unit H3/H4, Gildersome Spur, Wakefield Road, Morley, Leeds, LS27 7JZ	3,392.90
CP09	PSL Finance Ltd	13 Gateway Trading Estate, Hythe Road, London, NW10 6RJ	500.00
		Edgware House, 389 Burnt Oak Broadway, Edgware, Middlesex, HA8 5TX	

Signature _____

Grant Thornton UK LLP
AL Realisations Limited formerly Advance Lighting Limited
B - Company Creditors

Key	Name	Address	£
CT09	Tridonic Uk Ltd	Aurora House, Hampshire International Bus Pk, Crockford Lane, Chicheam, Basingstoke, Hants RG24	7,539.77
CT0A	TUV SUD Product Service Ltd/BABT	Octagon House, Concorde Way, Segensworth North, Fareham, Hampshire, PO15 5RL	1,752.00
CT0B	TY1 Ltd	Unit 7, Saturn Court, Tyne Tunnel Industrial Estate,, North Shields,Tyne and Wear, NE29 7BY	957.60
CU00	4U Media Ltd T/A A1 Media	24 Parsonage Street, Halstead, Essex, CO9 2JZ	24.00
CU01	UK Mail Ltd (Prev Business Post Limited)	Unit F2 Kingsway Industrial Estate, Kingsway Park Close, Derby, DE22 3FT	1,275.91
CU02	UPS SCS (UK) Ltd	UPS SCS (UK) Ltd, Newcastle International Airport, Newcastle Upon Tyne, NE13 8BH	4,288.51
CV00	Viking Transport Ltd	Unit 2 Chartwell Drive, West Meadows Industrial Estate, Derby, DE21 6BZ	0.00
CW00	WeeCare Plc	Richmond House, Garforth, Leeds, LS25 1NB	445.00
CW01	WF Electrical	PO Box 464, Potters Bar, Essex, EN6 9EB	2,959.15
CW02	Wieland Electrical Limited	Accounts Payable, 80 Clerkwell Road, London, EC1M 5RJ	1,011.89
122 Entries Totalling			457,159.69

Signature _____

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26 April 2012 17:26

Appendix B

AL Realisations Limited formerly Advance Lighting Limited

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

From 06/03/2012

To 26/04/2012

£

RECEIPTS

Goodwill	155,000 00
Book Debts	312,736 64
Equipment	25,000 00
Vehicles	4,998 00
Stock	45,000 00
Assigned Loans	10,000 00
Customer List	1 00
Licence Fee	3,107 58
Benefit of the contracts	1 00
	<u>555,844 22</u>

PAYMENTS

Agents/Valuers Fees	4,192 75
Bank Charges	20 00
RBS	120,000 00
RBSIF	312,736 64
	<u>436,949 39</u>
Net Receipts/(Payments)	<u>118,894 83</u>

MADE UP AS FOLLOWS

Vat on Purchases	2,000 00
Fixed Current Account	29,948 70
Floating Current Account	86,107 58
Fxc Ch VAT on Purchases	838 55
	<u>118,894 83</u>