

The Insolvency Act 1986

Administrator's progress report

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
Colmore Plaza
Colmore Circus
Birmingham
B4 6ATPaul J Addison
Grant Thornton UK LLP
Colmore Plaza
Colmore Circus
Birmingham
B4 6AT

Joint administrators of the above company attach a progress report for the period

From

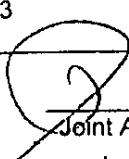
To

(b) Insert date

(b) 26 February 2013

(b) 17 July 2013

Signed


Joint Administrator

Dated

14/8/13

Contact Details:

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

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

David Bennett
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Colmore Plaza
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DX Number

0121 212 4000
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FRIDAY



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COMPANIES HOUSE

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

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

To the creditors

19 July 2013

Dear Sirs

Recovery and Reorganisation

Grant Thornton UK LLP
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Spinningfields
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**AL Realisations Limited formerly Advance Lighting Limited
In Administration (the Company)
High Court of Justice, Chancery Division, Birmingham District
Registry
Case Number 8132 of 2012**

1 Introduction

1.1 Following my appointment as joint administrator of the above Company with Paul J Addison by Natwest Bank plc on 6 March 2012, I now report on the progress of the administration to date and attach

- Appendix A, Form 2.24B, together with an account of our receipts and payments for the period from 26 February 2013 to date and also for the administration to date
- Appendix B, a statement of the remuneration charged by the joint administrators in the period 26 February 2013 to date and a statement of expenses incurred in the period
- Appendix C, an analysis of our time costs as required by Statement of Insolvency Practice 9
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2.48A)
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses, if excessive (Rule 2.109)

1.2 Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners

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

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

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

Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority

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

3 Progress report

Assets

- 3 1 As previously reported, the business and assets of the Company were sold upon appointment to Advance (International) Limited (the Purchaser)
- 3 2 A sale of the Bridge Farm property to the Purchaser also completed on 15 August 2012
- 3 3 All funds realised in respect of the sale of the business and assets and the Bridge Farm property are shown in my receipts and payments account at Appendix A

Commerce Street

- 3 4 The Purchaser continues to occupy the property at Commerce Street. The licence fee received is sufficient to discharge the accruing interest on the mortgage over the property. Licence fee payments of £10,400 have been received in the period.
- 3 5 The Company's interest in the freehold property at Commerce Street is subject to a charge held by Loughborough Building Society (LBS).
- 3 6 An offer for the property has been received and is currently under consideration.

Liabilities

Secured Creditors

- 3 7 As previously reported, there are three secured creditors with amounts owing to them by the Company,
- 3 8 Natwest Bank plc (RBS), who provided a mortgage for Bridge Farm, as well as an overdraft facility. At the date of my appointment the balance outstanding was £596,630. Distributions totalling £525,000 have been paid to date.
- 3 9 RBS Invoice Finance Limited (RBSIF) who provided a Confidential Invoice Discounting facility and were assigned the Company's book debts. At the date of appointment the balance outstanding was £312,737 which has been repaid in full.
- 3 10 LBS 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. At the date of my appointment LBS had an outstanding balance of £531,003. To date payments totalling £35,733 have been made in respect of the accruing interest on the property.

Preferential Creditors

- 3 11 There are no preferential creditors in this matter.

Unsecured Creditors

- 3 12 The directors' statement of affairs estimated unsecured claims to total £457,160.
- 3 13 There will be insufficient funds to enable a distribution to this class of creditor.

4 Joint administrators' remuneration and expenses

- 4.1 The secured creditors resolved that we draw our remuneration by reference to our time costs. You will note from the SIP 9 table attached at Appendix C that our time costs to date are £88,481 and from the receipts and payments account attached at Appendix A that we have drawn £55,194 in relation to administration fees and £9,306 in relation to pre-appointment fees. Time costs of £16,267 incurred in the period but not drawn as remuneration to date are disclosed in Appendix B. In addition we have drawn expenses of £61 as indicated in Appendix A and have further expenses to take in due course as set out in Appendix B.
- 4.2 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. Time is charged in 6 minute units.

5 Extension of the administration

- 5.1 As previously advised, as a sale of the property at Commerce Street had not been finalised, I obtained consent from the secured creditors to extend the joint administrators' term of office for a period of six months giving a revised automatic end date of 5 September 2013.
- 5.2 As a sale of the property has still not occurred and in accordance with paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986 I am seeking a further extension for a period of 12 months from the Court, giving a revised automatic end date of 5 September 2014.

6 Other expenses incurred by the joint administrators

- 6.1 Insurance costs of £4,077 have been paid to JLT Specialty Limited in relation to the continued insurance of the Commerce Street property.
- 6.2 Professional fees of £1,000 have been paid in relation to obtaining copies of the Company's pre-appointment management accounts for the purposes of reviewing the corporation tax position.
- 6.3 Agents fees of £4,207 have been paid to GVA Grimley Limited in relation to work done regarding the sale and marketing of the Commerce Street property.

Yours faithfully

for and on behalf of AL Realisations Limited formerly Advance Lighting Limited



David Bennett
Joint Administrator

The affairs business and property of AL Realisations Limited formerly Advance Lighting Limited are being managed by David Bennett and Paul J Addison appointed as joint administrators on 6 March 2012.

Lnc

AL Realisations Limited formerly Advance Lighting
Limited - in administration
Summary of receipts and payments
from 6 March 2012 to 17 July 2013

Statement of Affairs £	From 06/03/2012 to 25/02/2013 £	From 26/02/2013 to 17/07/2013 £	Total £
Receipts			
Freehold Land & Property	421,463 02	0 00	421,463 02
Goodwill	155,000 00	0 00	155,000 00
Book Debts	312,736 64	0 00	312,736 64
Bank Interest	204 08	16 73	220 81
Equipment	25,000 00	0 00	25,000 00
Vehicles	4,998 00	0 00	4,998 00
Stock	45,000 00	0 00	45,000 00
Assigned Loans	10,000 00	0 00	10,000 00
Customer List	1 00	0 00	1 00
Bank/ISA InterestGross	163 73	15 52	179 25
Licence Fee	33,737 90	10,400 00	44,137 90
Benefit of the contracts	1 00	0 00	1 00
Misc Refunds	5,870 40	0 00	5,870 40
Rates	0 00	1,314 81	1,314 81
HMRC - VAT received/paid	5,697 52	13,112 15	18,809 67
HMRC - Fxd VAT received/paid	1,468 95	841 41	2,310 36
	1,021,342 24	25,700 62	1,047,042 86
Payments			
Professional Fees	530 00	0 00	530 00
Agents/Valuers Fees	4,192 75	4,207 04	8,399 79
Insurance	9,009 35	4,077 02	13,086 37
VAT Irrecoverable	944 55	0 00	944 55
Bank Charges	40 00	0 00	40 00
RBS	525,000 00	0 00	525,000 00
RBSIF	312,736 64	0 00	312,736 64
Loughborough Building Society	26,770 86	8,961 72	35,732 58
Administrators Fees	64,500 00	0 00	64,500 00
Administrators Expenses	60 75	0 00	60 75
Agents/Valuers Fees (1)	2,622 00	0 00	2,622 00
Legal Fees (1)	22,058 62	0 00	22,058 62
Professional Fees	0 00	1,000 00	1,000 00
Statutory Advertising	76 50	0 00	76 50
Bank Charges	20 00	0 00	20 00
Vat on Purchases	18,609 67	200 00	18,809 67

AL Realisations Limited formerly Advance Lighting
 Limited - in administration
 Summary of receipts and payments
 from 6 March 2012 to 17 July 2013

	Statement of Affairs £	From 06/03/2012 to 25/02/2013 £	From 26/02/2013 to 17/07/2013 £	Total £
Exc Ch VAT on Purchases		1,468 95	841 41	2,310 36
		<u>988,640 64</u>	<u>19,287 19</u>	<u>1,007,927 83</u>
Net Receipts/(Payments)		<u>32,701 60</u>	<u>6,413.43</u>	<u>39,115 03</u>
Made up as follows				
Fixed Current Account		22,601 90	(18,070 46)	4,531 44
Floating Current Account		10,099 70	24,483 89	34,583 59
		<u>32,701 60</u>	<u>6,413.43</u>	<u>39,115 03</u>

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

	Charged/incurred in period 26/02/2013 to date	Cumulative charged/incurred to date	Of which paid to date
	£	£	£
Joint administrators' fees,			
Pre-appointment fees	Nil	9,306	9,306
Time Costs	16,267	88,481	55,194
Expenses	21	82	61
Trading			
Professional fees			
Horton & Moss	Nil	530	530
Ashgate Corporate Services	1,000	1,000	1,000
Legal fees			
Squire Sanders (UK) LLP	Nil	22,059	22,059
Agents/valuers			
GVA Grimley Limited	4,207	8,340	8,340
Insurance			
JLT	4,077	13,086	13,086

C SIP 9 information

Introduction

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

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

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

	From 01/07/10	From 01/07/11	From 01/07/12	From 01/07/13
	£	£	£	£
Partners up to	535	560	580	600
Managers up to	405	425	440	455
Administrators up to	285	300	310	320
Assistants and support staff up to	195	205	210	220

Disbursements

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

Advance Lighting Limited - in Administration - A30200609 - SIP 9 TIME COST ANALYSIS

Job(s) Administration, CMU code

Transaction period All transactions

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Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrly Rate
Administration and Planning	95	497 25	32 60	12,036 00	61 64	13,613 35	104 49	14,737 70	199 68	40,884 30	204 75
Creditors	50	232 50	34 70	11,988 00	7 20	1,782 00	17 50	2,570 50	59 90	16,573 00	276 68
Hiatus period											
Investigations			5 30	1,637 00	3 35	848 50	3 85	573 75	12 50	3,059 25	244 74
Realisation of Assets			43 10	14,835 00	24 60	6,313 50	22 50	3,320 50	90 20	24,469 00	271 27
Trading											
Unclassified			70	150 50					70	150 50	215 00
Total	1 45	729 75	116 40	40,646 50	96 79	22,557 35	148 34	21,202.45	362 98	85,136 05	234 55

Total fees billed to date (Time) £ 55,194

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

Rule 2 48A

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

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

Rule 2 109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration