

The Insolvency Act 1986

**Administrator's progress report**

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

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

I  
David Bennett  
Grant Thornton UK LLP  
Colmore Plaza  
Colmore Circus  
Birmingham  
B4 6AT

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

(b) Insert date

From

(b) 15 October 2013

To

(b) 14 April 2014

Signed

  
Administrator

Dated

12 May 2014

**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  
Grant Thornton UK LLP  
Colmore Plaza  
Colmore Circus  
Birmingham  
B4 6AT

DX Number

0121 212 4000  
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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14/05/2014

#78

COMPANIES HOUSE

Our Ref DJB/ZLC/KLM/TXA/A00609/7

To the creditors

12 May 2014

Dear Sirs

Recovery and Reorganisation

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

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

**1 Introduction**

1.1 Following my appointment as administrator of the above company 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 my receipts and payments for the period from 15 October 2013 to 14 April 2014 and also for the whole administration to date
- Appendix B, a statement of the remuneration charged by the administrator in the period 15 October 2013 to 14 April 2014 and a statement of expenses incurred in the period
- Appendix C, an analysis of my 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 I am authorised by the Insolvency Practitioners Association to act as an insolvency practitioner

**2 Statutory information**

2.1 The company's statutory details are as follows

Registered number 03576867

Registered office 4 Hardman Square, Spinningfields,  
Manchester, M3 3EB

**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

**Chartered Accountants**

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- 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 and the licence fee received is sufficient to discharge the accruing interest on the mortgage over the property  
License fee payments of £18,400 have been received in the period
- 3 5 The Company's interest in the freehold property at Commerce Street is subject to a mortgage held by Loughborough Building Society (LBS)
- 3 6 In my previous report, I advised that an offer had been received for the property and was under consideration. This offer has since been withdrawn and I have appointed GVA Grimley Limited (GVA), upon approval from LBS, to act as agents to market the property for sale
- 3 7 GVA have recently invited offers for the property and I expect to shortly receive notification of the offers received. Following assessment of these offers, I will liaise with LBS to discuss the next step

#### **Rental income**

- 3 8 There is also a telecommunications mast situated on the Commerce Street property. The rental income for the mast is £8,000 per annum
- 3 9 It would appear that the 2012/2013 mast receipt of £4,350 was previously shown within 'miscellaneous receipts' in the receipts and payments account. This has now been reclassified as 'mast rental'
- 3 10 During the period of this report £8,000 has been received for the 2013/2014 year, of which £4,100 has been paid over to LBS as a distribution

#### **Liabilities**

##### **Secured Creditors**

- 3 11 As previously reported, there are three secured creditors, summarised as follows
- Natwest Bank plc (RBS), 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.
  - RBS Invoice Finance Limited (RBSIF) provided a Confidential Invoice Discounting facility and was assigned the Company's book debts. At the date of appointment, the balance outstanding was £312,737 which has been repaid in full.
  - 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 distributions totalling £59,996 have been made in respect of the accruing interest on the property and the mast rental income.

#### **Preferential Creditors**

- 3 12 There are no preferential creditors in this matter

#### **Unsecured Creditors**

- 3 13 The directors' statement of affairs estimated unsecured claims to total £457,160
- 3 14 There will be insufficient funds to enable a distribution to this class of creditor

#### **4 Administrator's remuneration and expenses**

- 4 1 The secured creditors resolved that I draw my remuneration by reference to my time costs. You will note from the SIP 9 table attached at Appendix C that my time costs to date are £120,636 and from the receipts and payments account attached at Appendix A that I have drawn £55,194 in relation to administration fees and £9,306 in relation to pre-appointment fees. Time costs of £12,103 incurred in the period but not drawn as remuneration are disclosed in Appendix B.
- 4 2 Administrators expenses of £92 have also been incurred in the period but not yet drawn. These relate to travel, Land Registry searches and postage costs.
- 4 3 Background information regarding the fees of administrators can be found at [www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk) (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, I will supply this information by post on request. Time is charged in 6 minute units.

#### **5 Other expenses incurred by the administrator**

- 5 1 JLT Specialty Limited has been paid £6,421 in relation to the insurance of the property at Commerce Street.
- 5 2 Costs of £1,329 have also been incurred in the period relating to the marketing of Commerce Street.

#### **6 Contact**

- 6 1 Should you have any questions as regards to this report please contact Matthew Drinkwater, on telephone number 0161 953 6386

Yours faithfully

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



David Bennett  
Administrator

The affairs, business and property of AL Realisations Limited (formerly Advance Lighting Limited) are being managed by David Bennett, appointed as administrator on 6 March 2012

Enc

AL Realisations Limited formerly Advance Lighting  
 Limited - in administration  
 Summary of receipts and payments  
 from 6 March 2012 to 14 April 2014

|                               | From<br>06-Mar-12<br>to<br>14-Oct-13<br>£ | From<br>15-Oct-13<br>to<br>14-Apr-14<br>£ | Total<br>£          |
|-------------------------------|---|---|---------------------|
| <b>Receipts</b>               |   |   |                     |
| 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                 | 224 38                                    | 20 57                                     | 244 95              |
| Mast rental                   | 0 00                                      | 12,350 19                                 | 12,350 19           |
| 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        | 192 15                                    | 1 84                                      | 193 99              |
| Licence Fee                   | 51,937 90                                 | 18,400 00                                 | 70,337 90           |
| Benefit of the contracts      | 1 00                                      | 0 00                                      | 1 00                |
| Misc Refunds                  | 5,870 40                                  | (4,350 19)                                | 1,520 21            |
| Rates                         | 1,314 81                                  | 0 00                                      | 1,314 81            |
| HMRC - VAT received/paid      | 18,809 67                                 | 0 00                                      | 18,809 67           |
| HMRC - Fxd VAT received/paid  | 2,310 36                                  | 0 00                                      | 2,310 36            |
|                               | <b>1,054,859 33</b>                       | <b>26,422.41</b>                          | <b>1,081,281.74</b> |
| <b>Payments</b>               |   |   |                     |
| Professional Fees             | 530 00                                    | 0 00                                      | 530 00              |
| Agents/Valuers Fees           | 8,399 79                                  | 0 00                                      | 8,399 79            |
| Insurance                     | 15,226 81                                 | 6,421 32                                  | 21,648 13           |
| 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 | 42,453 87                                 | 17,542 58                                 | 59,996 45           |
| 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             | 1,000 00                                  | 0 00                                      | 1,000 00            |

AL Realisations Limited formerly Advance Lighting  
 Limited - in administration  
 Summary of receipts and payments  
 from 6 March 2012 to 14 April 2014

| Statement<br>of Affairs                 | From<br>06-Mar-12<br>to<br>14-Oct-13 | From<br>15-Oct-13<br>to<br>14-Apr-14 | Total               |
|---|--------------------------------------|--------------------------------------|---------------------|
|   | £                                    | £                                    | £                   |
| Corporation Tax                         | 1,514 51                             | 0 00                                 | 1,514 51            |
| Statutory Advertising                   | 76 50                                | 0 00                                 | 76 50               |
| Bank Charges                            | 20 00                                | 0 00                                 | 20 00               |
| Vat on Purchases                        | 18,809 67                            | 0 00                                 | 18,809 67           |
| Fxc Ch VAT on Purchases                 | 2,310 36                             | 0 00                                 | 2,310 36            |
|   | <u>1,018,304 07</u>                  | <u>23,963.90</u>                     | <u>1,042,267.97</u> |
| <b>Net Receipts/(Payments)</b>          | <u>36,555.26</u>                     | <u>2,458.51</u>                      | <u>39,013 77</u>    |
| <b>Made up as follows</b>               |                                      |                                      |                     |
| Fixed Current Account NIB 22/10/2013    | 36,030 28                            | (7,343 33)                           | 28,686 95           |
| Floating Current Account NIB 22/10/2013 | 524 98                               | 9,801 84                             | 10,326 82           |
|   | <u>36,555 26</u>                     | <u>2,458.51</u>                      | <u>39,013.77</u>    |

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

|   | Charged/incurred<br>in period 15/10/13<br>to 14/04/14 | Cumulative<br>charged/incurred<br>to date | Of which paid<br>to date |
|---|---|---|--------------------------|
|   | £   | £   | £                        |
| Pre-appointment fees                            | 0   | 9,306                                     | 9,306                    |
| <b>Joint administrators' fees</b>               |   |   |                          |
| Time costs                                      | 12,103  | 120,636                                   | 55,194                   |
| Expenses  | 92  | 152                                       | 61                       |
| <b>Professional fees:</b>                       |   |   |                          |
| Horton & Moss                                   | 0   | 530                                       | 530                      |
| Ashgate Corporate Services                      | 0   | 1,000                                     | 1,000                    |
| <b>Legal fees:</b>                              |   |   |                          |
| Squire Sanders (UK) LLP                         | 0   | 22,059                                    | 22,059                   |
| <b>Agents/valuers:</b>                          |   |   |                          |
| GVA Grimley Limited                             | 0   | 8,340                                     | 8,340                    |
| <b>Insurance:</b>                               |   |   |                          |
| JLT   | 6,421   | 21,648                                    | 21,648                   |
| <b>Marketing costs for<br/>Commerce Street:</b> |   |   |                          |
| Haselour House Media<br>Limited                 | 1,329   | 1,329                                     | 0                        |

## 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<br>01/07/11 | From<br>01/07/12 | From<br>01/07/13 |
|------------------------------------|------------------|------------------|------------------|
|                                    | £                | £                | £                |
| Partners up to                     | 560              | 580              | 600              |
| Managers up to                     | 425              | 440              | 455              |
| Administrators up to               | 300              | 310              | 320              |
| Assistants and support staff up to | 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

Transaction period 06/03/2012 to 14/04/2014

|                             | Partner     |                 | Manager       |                  | Executive     |                  | Administrator |                  | Total         |                   | Avg Hrly Rate |
|-----------------------------|-------------|-----------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|-------------------|---------------|
|                             | Hrs         | £               | Hrs           | £                | Hrs           | £                | Hrs           | £                | Hrs           | £                 |               |
| Administration and Planning | 1.45        | 737.25          | 44.70         | 16,647.50        | 107.93        | 24,181.30        | 142.97        | 20,095.15        | 297.05        | 61,661.20         | 207.58        |
| Creditors                   | 2.00        | 952.50          | 44.45         | 15,901.25        | 9.50          | 2,334.00         | 17.35         | 2,552.25         | 73.30         | 21,740.00         | 296.59        |
| 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       |             |                 | 60.70         | 21,996.50        | 34.60         | 8,711.00         | 23.45         | 3,467.75         | 118.75        | 34,175.25         | 287.79        |
| Trading                     |             |                 |               |                  |               |                  |               |                  |               |                   |               |
| <b>Total</b>                | <b>3.45</b> | <b>1,689.75</b> | <b>155.15</b> | <b>56,182.25</b> | <b>155.38</b> | <b>36,074.80</b> | <b>187.62</b> | <b>26,688.90</b> | <b>501.60</b> | <b>120,635.70</b> | <b>240.50</b> |

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