

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)

I (a)
David M Riley
Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

administrator of the above company attach a progress report for the period

(b) Insert date	From (b) 15 April 2014	To (b) 18 July 2014
	Signed Administrator	
	Dated 1/9/14	

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

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



COMPANIES HOUSE

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

To the creditors

21 July 2014

Dear Sirs

Recovery and Reorganisation

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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 the appointment of David Bennett as administrator on 6 March 2012, I write to advise you that David will shortly be leaving Grant Thornton UK LLP and therefore has been removed as administrator by order of the Court on 27 June 2014. I was appointed as his replacement as sole administrator on the same date. I now report on the progress of the administration to 18 July 2014 and attach

- Appendix A, Form 2.24B, together with an account of our receipts and payments for the period from 15 April 2014 to 18 July 2014 and also for the whole administration to date
- Appendix B, a statement of the remuneration charged by the administrator in the period 15 April 2014 to 18 July 2014 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 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 Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

Chartered Accountants

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales. No. 0307742. Registered office: Grant Thornton House, Merton 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. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions. 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. Please see www.grantthornton.co.uk for further details.

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 was subsequently 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 company's interest in the freehold property at Units 1, 2 and 3, the boiler house and the land to the north thereof at 73/76 Commerce Street, Melbourne, Derbyshire (the Commerce Street Property) is subject to a mortgage held by Loughborough Building Society (LBS)

Licence and rental income

- 3 5 The Purchaser was granted a licence to occupy the Commerce Street Property. The licence fee received is sufficient to discharge the accruing interest on the mortgage over the property. License fee payments of £9,000 have been received in the period. The Purchaser has recently issued notice that they will be vacating the Commerce Street Property with effect from 16 August 2014.
- 3 6 There is also a telecommunications mast situated on the Commerce Street Property. The rental income for the mast is £8,000 per annum.
- 3 7 Rental receipts of £8,620 have been received during the period. Please note that the sum of £620 relates to rent that was outstanding for the period 20 May 2011 to 19 May 2012. 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'.

Sale of the Commerce Street Property

- 3 8 I have appointed GVA Grimley Limited (GVA), upon approval from LBS, to act as agents to market the Commerce Street Property for sale. It is being marketed together with a connecting property which is owned by a third party (together the Joint Property).
- 3 9 GVA have recently set a deadline for interested parties to make offers to purchase the Joint Property. The details of these offers remain commercially sensitive. I am in the process of seeking agreement with the third party on the split of the potential sale proceeds in advance of accepting any offer received.

Liabilities

Secured Creditors

3 10 As previously reported, there are three secured creditors, summarised as follows

- Natwest Bank plc (RBS), which 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), which 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, which 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 (the Commerce Street Property). At the date of my appointment LBS had an outstanding balance of £531,003. To date payments totalling £62,237 have been made in respect of the accruing interest on the property.

Preferential Creditors

3 11 There are no preferential creditors

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 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 £134,718 and from the receipts and payments account attached at Appendix A that I have drawn £55,194 in relation to the administration and £9,306 in relation to pre-appointment fees. Time costs of £12,056 incurred in the period but not drawn as remuneration to date are disclosed in Appendix B.

4 2 In addition I have drawn expenses of £61 as indicated in Appendix A and have further expenses to draw in due course as set out in Appendix B.

4 3 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 On 8 August 2013 the Court ordered that the administrator's term of office as administrator be extended for a period of one year giving a revised date for the automatic termination of the administration of 5 September 2014.

- 5 2 In accordance with paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986, I am seeking a further extension of 12 months from the Court in order to allow further time to complete the sale of the Commerce Street Property


6 Other expenses incurred by the administrator

- 6 1 Marketing costs of £1,374 and £1,329 has been paid to GVA Grimley Limited and Haselour House Media Limited respectively in relation to the marketing of the Commerce Street property

7 Contact

- 7 1 If you have any queries please contact Matthew Drinkwater on 0161 953 6386

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



David Riley
Administrator

The affairs, business and property of AL Realisations Limited (formerly Advance Lighting Limited) are being managed by David Riley appointed as administrator

Enc

A Abstract of the administrators' receipts and payments

AL Realisations Limited (formerly Advance Lighting Limited) - in administration
Summary of receipts and payments
from 6 March 2012 to 18 July 2014

Statement of Affairs	From 06/03/2012 to 14/04/2014	From 15/04/2014 to 18/07/2014	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	244 95	0 00	244 95
Mast rental	8,000 00	12,969 90	20,969 90
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	193 99	0 00	193 99
Licence Fee	70,337 90	9,000 00	79,337 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
	1,081,281.74	17,619 71	1,098,901.45
Payments			
Professional Fees	530 00	0 00	530 00
Agents/Valuers Fees	8,399 79	1,329 32	9,729 11
Insurance	21,648 13	0 00	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	59,996 45	2,240 43	62,236 88
Administrators Fees	64,500 00	0 00	64,500 00
Administrators Expenses	60 75	0 00	60 75
VAT irrecoverable	0 00	540 62	540 62
Agents/Valuers Fees (1)	2,622 00	1,373 77	3,995 77
Legal Fees (1)	22,058 62	0 00	22,058 62

AL Realisations Limited (formerly Advance Lighting Limited) - in administration
 Summary of receipts and payments
 from 6 March 2012 to 18 July 2014

Statement of Affairs £	From 06/03/2012 to 14/04/2014 £	From 15/04/2014 to 18/07/2014 £	Total £
Professional Fees	1,000 00	0 00	1,000 00
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
	1,042,267 97	5,484.14	1,047,752 11
Net Receipts/(Payments)	39,013 77	12,135.57	51,149.34
Made up as follows			
Fixed Current Account NIB 22/10/2013	28,686 95	13,784 10	42,471 05
Floating Current Account NIB 22/10/2013	10,326 82	(1,648 53)	8,678 29
	39,013.77	12,135.57	51,149.34

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

	Charged/incurred in period 15/04/2014 to 18/07/2014	Cumulative charged/incurred to 18/07/2014	Of which paid to 18/07/2014
	£	£	£
Pre-appointment fees	0	9,306	9,306
Administrator's fees			
Time costs	12,056	134,718	55,194
Expenses	15	163	61
Professional fees			
Horton & Moss	0	530	530
Ashgate Corporate Services	0	1,000	1,000
Legal fees			
Squire Sanders (UK) LLP	0	22,059	22,059
Agents/valuers			
GVA Grimley Limited	1,374	8,340	9,714
Insurance			
JLT	0	21,648	21,648
Marketing costs - Commerce Street Property			
Haselour House Media Limited	1,329	1,329	1,329

C SIP 9 information

Introduction

The following information is provided in connection with the administrator's 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 01/07/11	From 01/07/12	From 01/07/13	From 01/07/14
	£	£	£	£
Partners up to	560	580	600	615
Managers up to	425	440	455	470
Administrators up to	300	310	320	330
Assistants and support staff up to	205	210	220	230

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 06/03/2012 to 18/07/2014

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Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrlly Rate
Administration and Planning	2 80	360 00			120 33	27,229 80	148 02	20,929 90	322 95	67,931 45	210 35
Creditors					11 75	2,874 00	17 35	2,552 25	87 05	25,960 00	298 22
Hiatus period											
Investigations					3 35	848 50	3 85	573 75	12 50	3,059 25	244 74
Realisation of Assets					37 60	9,431 00	23 45	3,467 75	130 25	37,767 25	289 96
Trading											
Total	2 80	360 00	3 45	1,689 75	173 03	40,383 30	192 67	27,523 65	552 75	134,717 95	243 72

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