

The Insolvency Act 1986

2.24B**Administrator's progress report**

Name of Company
LMB Realisations Limited (Formerly Bon Marche Limited)

Company number
00270937

In the High Court of Justice, Chancery Division, Companies Court

Court case number
400 of 2012

We

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IP number 9121

IP number 8370

IP number 9077

IP number 9284

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

from

to

20 July 2012

19 January 2013

Ea Boyle

Signed

Joint Administrator

Dated

15 February 2013

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.

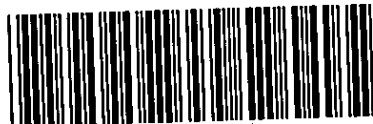
James Stronach KPMG LLP 1 The Embankment Neville Street Leeds LS1 4DW DX Number DX 724440 Leeds		Tel +44 113 254 2902 DX Exchange
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When you have completed and signed this form, please send it to the Registrar of Companies at -

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

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COMPANIES HOUSE



LMB Realisations Limited (in Administration)
(formerly Bon Marche Limited)

Progress Report to creditors
for period from 20 July 2012 to 19
January 2013 pursuant to Rule 2.47
of the Insolvency Rules 1986 (as
amended)

KPMG LLP
15 February 2013
This report contains 23 Pages



LMB Realisations Limited (in Administration) (formerly Bon Marche Limited)
for period from 20 July 2012 to 19 January 2013 pursuant to Rule 2.47 of the Insolvency
Rules 1986 (as amended)
KPMG LLP
15 February 2013

Notice: About this Report

This Report has been prepared by Christine Mary Laverty, Richard Dixon Fleming, Edward George Boyle and Mark Granville Firmin, the Joint Administrators of LMB Realisations Limited, solely to comply with their statutory duty under the Insolvency Act 1986 and Insolvency Rules 1986 to provide creditors with an update on the progress of the Administration of the estate, 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 LMB Realisations Limited.

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 the Insolvency Act and Insolvency Rules 1986 (as amended) does so at their 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.

Christine Mary Laverty and Richard Dixon Fleming are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

Edward George Boyle and Mark Granville Firmin are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

The Joint Administrators act as agents for LMB Realisations Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP 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.

All figures contained within the Report, unless otherwise stated, are net of VAT.



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Glossary

Act	The Insolvency Act 1986
Administration	The Administration Order granted by the High Court of Justice, Chancery Division, Companies Court over LMB Realisations Limited (in Administration) (formerly Bon Marche Limited) on 20 January 2012 Court case number 400 of 2012
Company	LMB Realisations Limited (in Administration) (formerly Bon Marche Limited)
Court	High Court of Justice, Chancery Division
Excluded Stores	The Company stores in Balham, Perth and St Albans
Peacocks Group/ Peacocks	The Peacock group of companies (including the Company)
Hogan Lovells	Hogan Lovells International LLP
Joint Administrators	Christine Mary Lavery, Richard Dixon Fleming, Edward George Boyle and Mark Granville Firmin of KPMG LLP
Lenders	Consortium of banks with senior facilities secured across the Company upon appointment Cross guarantees were also in place with the wider Peacocks group of companies
Purchaser	Bonmarche Limited (formerly Bluebird UK Bidco Limited, a purchasing vehicle for Sun European Partners LLP)
RoT	Retention of title
Rules	The Insolvency Rules 1986
SIP	Statement of Insolvency Practice
SPA	Sale and Purchase Agreement relating to the sale of the business and assets of LMB Realisations Limited, dated 20 January 2012
Subsidiaries	Hilton Fashions Limited, Inhoco 336 Limited, Wiltex by Wilson Limited – subsidiaries of the Company that went into administration on the same day as the Company



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TSA or Transitional
Services Agreement

An agreement between The Peacock Group plc, Peacocks
Stores Limited, Dorsman Estates Co Limited, Peacocks
(Nantgarw) Limited (all in Administration) and the
Purchaser, dated 20 January 2012

Worldpay

Worldpay (UK) Limited



1 Executive Summary

- This progress report covers the 6 month period from 20 July 2012 to 19 January 2013
- The Administrators' Statement of Proposals was approved on 26 March 2012 and has not been modified
- As previously reported, a sale of substantially all of the Company's business and assets was concluded on my appointment on 20 January 2012.
- There was no prospect of saving the Company. Therefore, the purpose of the Administration, in accordance with Paragraph 3(1)(b) of the Act 1986 is achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up
- Based on the expected level of realisations and the amounts owed to the secured creditors, there will not be sufficient funds available to facilitate a distribution to unsecured creditors other than under the Prescribed Part rules. The maximum Prescribed Part of £600,000 will be made available to the unsecured creditors
- As communicated in a letter sent to all known creditors on 26 October 2012, the Joint Administrators sought and were granted consent from the Court to extend the Administration until 19 July 2014
- Furthermore, pursuant to paragraph 65(3) of Schedule B1 to the Act, the Court also granted the Joint Administrators the authority to make a distribution to the unsecured creditors of the Company, which will be paid by 23 March 2013
- Full details of the Joint Administrators' progress report are attached together with all the relevant statutory information
- This progress report should be read in conjunction with our previous reports sent to the Company's creditors

E. Boyle

Joint Administrator – Edward Boyle



2 Progress to date

2.1 Communication

The Joint Administrators' first progress report was circulated to all known creditors of the Company on 8 August 2012.

Notice of extension of the Administration of the Company to 19 July 2014 was sent to all known creditors on 26 October 2012.

On 26 November 2012 The Joint Administrators placed an advert in the London Gazette confirming their intention to pay a dividend to unsecured creditors within 2 months of the last date for proving, being 23 January 2013. Written notice was given to all known unsecured creditors, including landlords in this respect in accordance with Rule 2.95 of the Rules.

2.2 Strategy & trading

2.2.1 Sale of business

As detailed in previously reports, the Joint Administrators concluded a pre-packaged sale of the business and certain assets of the Company to the Purchaser, Bonmarche Limited for total consideration of £12 million.

2.2.2 Leasehold property

As part of the sale agreement, a licence to occupy was entered into with the Purchaser for 390 retail stores, being 372 stores in the name of the Company and 18 stores shared with Peacocks.

The licence to occupy was due to expire on 8 January 2013. Following discussions with the Purchaser the Joint Administrators agreed to extend the period of the licence to occupy until 17 March 2013, to enable the remaining 35 lease assignments to be completed.

Under the terms of the extension to the licence to occupy, the Joint Administrators are entitled to recover a rent payment process fee from the Purchaser in relation to properties they occupy. These payments will cover the cost of the Joint Administrators in making these rent payments.

The Purchaser has continued to pay the Company the licence fee required under the licence to occupy and the Company has continued to settle the charges due under the leases.

To date, 230 leases have either been assigned to the Purchaser, or surrendered and a new lease granted. A surrender of the leases on an additional 2 stores have been offered but have yet to be accepted. A further 130 stores have been closed and surrender of the leases offered to the landlords, of whom 55 have accepted surrender.

The remaining 28 stores continue to be occupied by the Purchaser under the licence to occupy granted by the Company. The process of assignment or surrender of the leases of these stores will continue until the licence period expires.

During the period the Company has made payments of £2,487,813 in respect of lease charges, and returned funds totalling £1,269,420 to the Purchaser in respect of overpaid lease charges.

2.2.3 Joint Administrators' actions

Since my previous report, the Joint Administrators have been engaged primarily in the following activities:

- collection of rent from the Purchaser and payment of landlords,
- correspondence with landlords and the Purchaser in respect of leasehold property matters,
- dealing with the assignment of trademarks under the terms of the SPA,
- transferring rates recoveries to the Purchaser,
- dealing with creditor queries and correspondence,
- agreement of unsecured creditor claims to allow the Prescribed Part dividend to be paid, following permission granted by the Court,
- reporting to Lenders,
- making distributions to Lenders, and
- statutory and compliance matters including completion of VAT returns

2.2.4 Investigations

The Joint Administrators have a duty to submit a report to the Department for Business, Innovation and Skills regarding the affairs of the Company. The report to the Department for Business, Innovation and Skills has been submitted and all investigations have been concluded.

2.3 Assets

2.3.1 Rates refunds

The Joint Administrators have received £47,639 in the period covered by this report, which relates to rates refunds received from various local authorities. These have been returned to the council or paid over to the Purchaser in accordance with the terms agreed under the SPA.

2.3.2 Bank interest

During the period of this report, the Joint Administrators have received £7,566 in respect of bank interest.



2.3.3 Recovered costs

Under the terms of the licence to occupy, the Purchaser has agreed to reimburse a proportion of the Joint Administrators costs and certain legal costs associated with time spent in dealing with the licence to occupy, and payment of rents due to landlords for occupied stores. £194,123 has been recovered from the Purchaser, and £21,632 paid in relation to recoverable costs in the period covered by this report.

2.3.4 Sundry refunds

£7,213 has been received in the period in relation to rates refunds for the Balham Store which was excluded from the SPA.

2.3.5 Worldpay monies

Under the terms of the SPA, the Company was entitled to receive all debts due from the Company's merchant services providers (excluding the first £250,000 received from Worldpay which was payable to the Purchaser). In accordance with that agreement, the Joint Administrators have received £30,167 as a final payment, after the deduction of Worldpay fees and the amounts due to the Purchaser.

2.3.6 Cash at bank

£124,266 has been received in the period which relates to cash held in the Company's pre-appointment bank accounts at the date the Company entered Administration.

2.3.7 Funds received on behalf of third parties

£60,000 was received in the period in relation to a rent refund from a landlord in respect of an assigned store. This money has been subsequently returned to the Purchaser.

2.3.8 Funds received in respect of lease charges

£2,601,059 has been received from the Purchaser in respect of funds due to landlords for rent payable on the Company's leases.

2.4 Liabilities

2.4.1 Secured creditors

The Lenders have the benefit of a debenture dated 23 January 2006, providing a floating charge over the Company's assets securing borrowings that are subject to cross-guarantees from all Peacocks companies.

Based upon current information, the Joint Administrators anticipate that the Lenders will not recover their debt in full.

2.4.2 Preferential creditors

There are preferential claims totalling £2,440 in respect of accrued holiday pay for those staff that did not transfer as part of the sale of business and assets. These claims will be paid in full.



2.4.3 Unsecured creditors

There will not be sufficient funds available to make a distribution to the Company's unsecured creditors other than under the Prescribed Part rules. The maximum Prescribed Part of £600,000 (less costs) will be made available to the unsecured creditors.

Due to the nature of the Company's business and the large number of creditors, we have received a large number of queries from the creditors of the Company.

The Joint Administrators sought permission of the Court to make a distribution to unsecured creditors of the Company in respect of the Prescribed Part pursuant to Paragraph 65 of Schedule B1 to the Act. The Court granted permission on 30 October 2012 and all known creditors were notified by the Joint Administrators.

The Joint Administrators subsequently wrote to all known unsecured creditors inviting them to submit details of their claim by 23 January 2013, being the final date for proving. In accordance with Rule 2.95, Notice of Intention to declare a dividend was also advertised in the London Gazette on 26 November 2012.

The Joint Administrators are currently in the process of reviewing unsecured claims and will make a distribution on or before 23 March 2013.

To date 324 claims have been received, totalling £69,682,019.

2.4.4 Shareholders

100% of the called issued share capital is owned by Bon Marche Group Holdings Limited.

There will be insufficient funds to enable a distribution to be made to the shareholders of the Company.

2.5 Expenses for the period

The receipts and payments for the period are set out in the attached Receipts and Payments Account (see Appendix 2).

The office holders' time costs for the period of this report are also attached (see Appendix 3).

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Rules. A creditors' guide to fees can be found at

http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Nov20111.pdf

However, if you are unable to access this guide and would like a copy, please contact James Stronach on 0113 254 2902.

In the 6 month period from 20 July 2012 to 19 January 2013, the Joint Administrators have incurred time costs of £503,766, representing 1,643 hours at an average rate of £307



per hour Time costs for the whole period since appointment are £1,542,181, representing £4,585 at an average rate of £336 per hour

This includes any Tax, VAT, Employee, Health and Safety, Pensions and Real Estate Advisory team advice from KPMG LLP in-house specialists

A detailed breakdown of the charge out rates for the duration of the Administration is included at Appendix 3 to this Report

Please note that 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 this assignment but is reflected in the general level of charge out rates

The Joint Administrators have drawn remuneration of £707,749 during the period covered by this report for which approval was obtained from both the secured and preferential creditors

The Joint Administrators have incurred disbursements of £535 but to date no disbursements have been drawn in relation to the Company (see Appendix 3 for further details)

Expenses for this period total £4,328,190 including amounts not yet paid (see Appendix 4 for details)

Additional information about the expenses charged for the period is available from the office holder upon request by any secured creditor, and any other creditor or creditors owed 5% or more in value of the unsecured liabilities listed Full details of the process to obtain more information under Rule 2 48A IR86 and to challenge the Joint Administrator's remuneration and expenses under Rule 2 109 IR6 are included in Appendix 6 should creditors wish to do so

2.6 Future conduct of the Administration

2.6 1 Outstanding matters

It is proposed that the Joint Administrators will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the Administration This will include, but is not limited to

- agreeing and paying preferential creditor claims in full
- agreeing unsecured claims and making a distribution, and
- finalising the Administration including payment of all Administration liabilities and completion of statutory formalities



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KPMG LLP
15 February 2013

The Court granted an extension to the Administration until 19 July 2014. The Joint Administrators intend to request dissolution of the Company from the Registrar of Companies prior to this date.



3 Comments on the Appendices

3.1 Appendix 1: Statutory information

A summary of key statutory information for the Company, including previous names and addresses, is included in Appendix 1

3.2 Appendix 2: Restated receipts & payments account for the prior period 20 January 2012 to 19 July 2012

The receipts and payments account for the period 20 January 2012 to 19 July 2012 which was enclosed within the previous Administrators' progress report has been restated, owing to a number of cash movements being identified since the report was filed. These were in relation to cheques raised and issued to landlords, which were subsequently not banked.

3.3 Appendix 3: Receipts & payments account for the period

Receipts

Please see Section 2.3 for comments on the receipts during the period.

Payments

In addition to the information below please see section 2 for further details regarding payments made during the period.

3.3.1 Funds paid to third parties

The Joint Administrators have paid funds totalling £102,136 to third parties in the period covered by this report.

Of this £57,503 relates to monies banked into the pre-appointment account that were due to the Purchaser. The balance relates to rates refunds that should have been payable to the Purchaser and which have been subsequently returned to the relevant local authority for reissuing, or paid over to the Purchaser with the permission of the relevant council.

3.3.2 Legal fees

Legal fees of £146,232 were paid in the period, in relation to legal advice provided to the Joint Administrators on various matters including leasehold property, trademark assignments, and obtaining consent from the Court to extend the Administration and distribute the Prescribed Part monies to unsecured creditors.

3.3.3 Costs in respect of subsidiaries

Following approval from the Lenders, certain costs incurred in relation to the Company's Subsidiaries totalling £11,815 have been met from the realisations of the Company. These



represent funds which would have otherwise been distributed to the Lenders under their floating charge

3.3.4 Storage costs

£1,164 of storage costs have been paid during the period. This is in relation to the collection, organisation and ongoing storage of Company books and records.

3.4 Appendix 4: Analysis of office holders' time costs

3.4.1 Tax

3.4.1.1 *Post Appointment VAT*

During the period covered by this report, various tasks have been carried out by KPMG VAT specialists. This work was in relation to the completion of post-appointment VAT returns including liaising with HMRC on their queries on returns submitted. Work was also undertaken on the validation of HMRC's claim and estimating the timing and quantum of dividend from the Prescribed Part.

Given the large number of lease payments required to landlords, submitting VAT returns has been a time consuming process.

Time costs of £39,336 (99 hours) have been spent in relation to these, and other VAT matters.

3.4.2 Creditors and claims

3.4.2.1 *Agreement of unsecured claims*

Following approval from the Court to distribute the Prescribed Part in the Administration, time costs of £52,702 (182 hours) have been incurred in the period covered by this report in relation to the identification and reviewing of creditor claims including landlord claims.

3.4.2.2 *General correspondence*

Due to the nature of the Company's business and the large number of creditors, we have received a large number of queries from the creditors of the Company.

Time costs of £26,660 (105 hours) have been spent in the period in relation to general correspondence with creditors.

3.4.2.3 *Statutory Reports*

Time costs of £21,848 (76 hours) were incurred in relation to the preparation and circulation of statutory reports.



3.4.3 Asset Realisation

3.4.3.1 Leasehold Property

On completion of the sale of business, the Purchaser, with the consent of the Joint Administrators, began a process of negotiating with the various landlords of the consent stores with a view to completing assignments or surrenders of existing leases

During this process the Joint Administrators acting for the Company have charged the Purchaser a licence fee for the lease charges it becomes liable for under the Company's leases, as well as making payments to the various landlords for these charges

The Joint Administrators have assisted the Purchaser in this process by providing the necessary authority to discharge their rights under the leases

Time costs of £253,950 (868 hours) have been spent in the period in relation to this matter

3.5 Appendix 5: Expenses for the period

Expenses for the period are summarised in Appendix 5 which include the time costs as analysed in Appendix 4

3.5.1 Funds paid in respect of lease charges

The Joint Administrators have requested that all landlords submit a valid demand for lease charges in order to receive payment. To date there are outstanding invoices in the period with an estimated value of £34,500

3.5.2 Recoverable costs

Certain costs have been met by the Joint Administrators which the Purchaser subsequently pays for. Costs of £6,000 due to Hogan Lovells have been incurred, which will subsequently be paid and recharged

3.5.3 Administrators' fees

Administrators' time costs of £503,766 have been accrued in the period. These reflect time costs incurred in the period of this report less Administrators' fees which have already been paid

3.5.4 Legal fees

To date the Joint Administrators are aware of legal costs of £2,790 which have not been paid in the period covered by this report

3.5.5 Payments due to the Purchaser regarding overpaid lease charges

Under the SPA the Purchaser is required to put the Company in funds for any expected lease charges five working days prior to the charges becoming due. The Company holds these funds until a valid demand for lease charges is received. When a lease relating to a



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charge is assigned or surrendered before payment is made to the landlords, the past, present and future liabilities in relation to that lease are extinguished. A refund of £21,365 is due to the Purchaser from the Company.

3.5.6 Costs in respect of subsidiaries

Further to paragraph 4.3.9 the Joint Administrators have authority to settle further costs in respect of the Subsidiaries, which have not yet been paid. These costs amount to £25,451.

3.5.7 Storage costs

Storage costs of £100 have been accrued in the period and not paid. As mentioned in section 3.3.4, these relate to the ongoing storage of Company books and records, acquired by the Joint Administrators on their appointment.



Appendix 1 - Statutory information

Appointment	
Company name & Trading style	LMB Realisations Limited (formerly Bon Marche Limited)
Administration	The Administration Order was made on 20 January 2012 in High Court of Justice, Chancery Division, Companies Court number 400 of 2012 application by Directors
Date of appointment	20 January 2012
Extension obtained	18 months to 19 July 2014
Office holders details	<p>Christine Mary Lavery and Richard Dixon Fleming were appointed on 20 January 2012 and are authorised to act as insolvency practitioners by the Insolvency Practitioners Association</p> <p>Edward George Boyle and Mark Granville Firmin were appointed on 20 January 2012 and are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales</p>
Application of EC regulations	EC regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations
Company Information	
Company registration number	00270937
Previous registered office	Capital Link Windsor Road Cardiff South Glamorgan CF24 5NG
Present registered office	KPMG LLP, 1 The Embankment Neville Street Leeds LS1 4DW



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**Appendix 2 - Office holders' restated receipts and
payments account for the period 20 January 2012 to 19
July 2012**

LMB Realisations Limited (formerly Bon Marche Limited)
(In Administration)
Administrators' Trading Account

Statement of Affairs	From 20/01/2012 To 19/07/2012	From 20/01/2012 To 19/07/2012
POST-APPOINTMENT SALES		
Sales	24,861 00	24,861 00
	<u>24,861 00</u>	<u>24,861 00</u>
OTHER DIRECT COSTS		
Direct labour	10,173 87	10,173 87
	<u>(10,173 87)</u>	<u>(10,173 87)</u>
 TRADING SURPLUS/(DEFICIT)	 <u>14,687.13</u>	 <u>14,687.13</u>

LMB Realisations Limited (formerly Bon Marche Limited)
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 20/01/2012 To 19/07/2012	From 20/01/2012 To 19/07/2012
ASSET REALISATIONS		
	1 00	1 00
100,000 00	NIL	NIL
	1 00	1 00
6,500,000 00	6,605,302 55	6,605,302 55
	1 00	1 00
5,250,000 00	5,249,989 00	5,249,989 00
	1 00	1 00
	1 00	1 00
	1 00	1 00
	1 00	1 00
	1 00	1 00
	1 00	1 00
NIL	1 00	1 00
	1 00	1 00
	1 00	1 00
3,083,000 00	964,086 88	964,086 88
	123,844 58	123,844 58
	309,985 00	309,985 00
	150,000 00	150,000 00
	<u>13,403,219 01</u>	<u>13,403,219 01</u>
OTHER REALISATIONS		
	16,219 20	16,219 20
	230 14	230 14
	8,559 54	8,559 54
	14,687 13	14,687 13
	27,681 00	27,681 00
	1,382,856 30	1,382,856 30
	2,083 33	2,083 33
	234,793 40	234,793 40
	9,254,764 22	9,254,764 22
	<u>10,941,874 26</u>	<u>10,941,874 26</u>
COST OF REALISATIONS		
	6,830,612 31	6,830,612 31
	4,134 26	4,134 26
	13,990 87	13,990 87
	1,200 00	1,200 00
	1,193 01	1,193 01
	234,548 09	234,548 09
	108,515 11	108,515 11
	11,850 00	11,850 00
	104,811 15	104,811 15
	1,111,053 81	1,111,053 81
	576 35	576 35
	413 05	413 05
	190 44	190 44
	3,054 70	3,054 70
	362 50	362 50
	<u>(8,426,505 65)</u>	<u>(8,426,505 65)</u>
FLOATING CHARGE CREDITORS		
(14,332,000 00)	11,912,386 82	11,912,386 82

LMB Realisations Limited (formerly Bon Marche Limited)
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 20/01/2012 To 19/07/2012	From 20/01/2012 To 19/07/2012
		(11,912,386 82)	(11,912,386 82)
	UNSECURED CREDITORS		
(52,114,491 28)	Trade & expense	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(204,359 00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(51,717,850.28)		4,006,200.80	4,006,200.80
	REPRESENTED BY		
	Floating ch VAT rec'able		28,030 77
	Floating charge current		2,642,816 80
	Floating charge current (Leases)		1,736,311 47
	Floating ch VAT rec'able leases		1,456,434 32
	Floating ch VAT payable leases		(1,850,943 19)
	Floating ch VAT payable		(6,449 37)
			4,006,200.80



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Appendix 3 - Office holders' receipts and payments account for the period 20 July 2012 to 19 January 2013

LMB Realisations Limited (formerly Bon Marche Limited)
(In Administration)
Administrators' Trading Account

Statement of Affairs	From 20/07/2012 To 19/01/2013	From 20/01/2012 To 19/01/2013
POST-APPOINTMENT SALES		
Sales	NIL	24,861 00
	NIL	24,861 00
OTHER DIRECT COSTS		
Direct labour	NIL	10,173 87
	NIL	(10,173 87)
TRADING SURPLUS/(DEFICIT)	NIL	14,687.13

LMB Realisations Limited (formerly Bon Marche Limited)
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 20/07/2012 To 19/01/2013	From 20/01/2012 To 19/01/2013
ASSET REALISATIONS		
	NIL	1 00
100,000 00	NIL	NIL
	NIL	1 00
6,500,000 00	NIL	6,605,302 55
	NIL	1 00
5,250,000 00	NIL	5,249,989 00
	NIL	1 00
	NIL	1 00
	NIL	1 00
	NIL	1 00
	NIL	1 00
NIL	NIL	1 00
	NIL	1 00
	NIL	1 00
3,083,000 00	47,639 12	1,011,726 00
	NIL	123,844 58
	NIL	309,985 00
	NIL	150,000 00
	47,639 12	13,450,858 13
OTHER REALISATIONS		
	7,566 30	23,785 50
	NIL	230 14
	194,123 26	194,123 26
	7,213 43	15,772 97
	NIL	14,687 13
	NIL	27,681 00
	30,167 40	1,413,023 70
	124,265 89	126,349.22
	NIL	234,793 40
	60,000 00	60,000 00
	2,601,059 37	11,855,823 59
	3,024,395 65	13,966,269 91
COST OF REALISATIONS		
	2,487,812 81	9,318,425 12
	60,000 00	60,000 00
	21,631 68	25,765 94
	102,135 68	116,126 55
	180 00	1,380 00
	NIL	1,193 01
	NIL	234,548 09
	707,749 00	707,749 00
	NIL	108,515 11
	NIL	11,850 00
	146,232 04	251,043 19
	1,269,420 12	2,380,473 93
	11,814 53	11,814 53
	1,164 25	1,740 60
	76 50	489 55
	NIL	190 44
	NIL	3,054 70

LMB Realisations Limited (formerly Bon Marche Limited)
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 20/07/2012 To 19/01/2013	From 20/01/2012 To 19/01/2013
Bank charges	450 00 (4,808,666 61)	812 50 (13,235,172 26)
(14,332,000 00) FLOATING CHARGE CREDITORS		
Floating charge	550,675 00 (550,675 00)	12,463,061 82 (12,463,061 82)
(52,114,491 28) UNSECURED CREDITORS		
Trade & expense	NIL NIL	NIL NIL
(204,359 00) DISTRIBUTIONS		
Ordinary shareholders	NIL NIL	NIL NIL
(51,717,850.28)	(2,287,306.84)	1,718,893.96
REPRESENTED BY		
Floating ch VAT rec'able		205,592 17
Floating charge current		1,514,755 67
Floating charge current (Leases)		21,260.27
Floating ch VAT rec'able leases		840,186 29
Floating ch VAT payable leases		(639,070 92)
Floating ch VAT payable		(45,218 97)
Floating ch VAT control		(144,367 95)
Leases VAT control		(34,242 60)
		1,718,893.96



LMB Realisations Limited (in Administration) (formerly Bon Marche Limited)
for period from 20 July 2012 to 19 January 2013 pursuant to Rule 2 47 of the Insolvency
Rules 1986 (as amended)
KPMG LLP
15 February 2013

Appendix 4 - Analysis of office holders' time costs for the period 20 July 2012 to 19 January 2013

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost (£)	Average hourly rate (£)
Administration & planning							
Cashiering							
General (Cashiering)	9 40	0 00	32 10	0 30	41 80	14 606 50	349 44
Reconciliations (& IPS accounting review)	0 00	5 10	6 40	0 00	11 50	4 109 00	357 30
General							
Books and records	0 00	0 30	2 05	0 20	2 55	667 00	261 57
Fees and WIP	1 90	8 40	13 90	1 00	25 20	8 535 50	338 71
Other office holders			0 10		0 10	24 00	240 00
Statutory and compliance							
Appointment and related formalities	0 00	2 60	0 20	0 50	3 30	1 214 50	368 03
Checklist & reviews	0 00	20 00	18 00	0 00	38 00	12 840 00	337 89
Pre-appointment checks	0 00	0 00	0 00	1 00	1 00	125 00	125 00
Reports to debenture holders	0 50	10 50	28 90	0 00	39 90	12 457 50	312 22
Statutory receipts and payments account	0 00	0 10	13 25	0 00	13 35	3 091 50	231 57
Strategy documents	1 60	26 00	16 65	1 00	45 25	16 808 50	371 46
Tax							
Post appointment corporation tax	0 00	3 60	4 70	0 00	8 30	3 244 50	390 90
Post appointment VAT	8 50	55 20	35 75	0 00	99 45	39 335 50	395 53
	21 90	131 80	172 00	4 00	329 70	117,059 00	355 05
Creditors							
Creditors and claims							
Agreement of preferential claims	0 00	0 30	0 00	0 00	0 30	126 00	420 00
Agreement of unsecured claims	0 40	35 30	146 50	0 00	182 20	52 702 00	289 25
General correspondence	0 80	4 10	99 85	0 00	104 75	26 659 50	254 51
Legal claims	0 00	0 00	2 90	0 00	2 90	691 00	238 28
Payment of dividends	0 00	1 20	1 00	0 00	2 20	768 00	349 09
ROT Claims	0 00	0 00	1 20	0 00	1 20	288 00	240 00
Secured creditors	1 00	8 90	0 00	0 00	9 90	4 722 50	477 02
Statutory reports	1 50	10 50	64 45	0 00	76 45	21 848 00	285 78
Employees							
Correspondence	0 70	0 00	0 00	0 00	0 70	444 50	635 00
Pension funds	0 00	0 90	0 25	0 00	1 15	453 50	394 35
Pensions reviews	0 00	0 90	9 50	0 00	10 40	2 689 00	258 56
	4 40	62 10	325 65	0 00	392 15	111 392 00	284 05
Realisation of assets							
Asset Realisation							
Cash and investments	0 00	7 50	2 95	0 00	10 45	3 978 00	380 67
Debtors	0 00	0 30	1 60	0 00	1 90	510 00	268 42
Freehold property	0 00	0 00	2 60	0 00	2 60	793 00	305 00
Goodwill	0 00	2 90	0 00	0 00	2 90	1 595 00	550 00
Leasehold property	0 40	150 45	709 80	7 00	867 65	253 949 50	292 69
Open cover insurance	0 00	0 20	0 00	0 00	0 20	88 00	440 00
Other assets	8 00	1 00	2 50	0 00	11 50	6 225 00	541 30
Sale of business	1 20	3 50	17 60	0 00	22 30	7 804 50	349 98
Purchases and trading costs	0 00	0 00	1 55	0 00	1 55	372 00	240 00
	9 60	165 85	738 60	7 00	921 05	275 315 00	298 91
Total in period					1 642 90	503 766 00	306 63
Brought forward time (appointment date to SIP9 period start date)					2 941 63	1 038 414 50	353 01
SIP9 period time (SIP9 period start date to SIP9 period end date)					1 642 90	503 766 00	306 63
Carry forward time (appointment date to SIP9 period end date)					4 584 53	1 542 180 50	336 39

Notes 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



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Joint Administrators' charge out rates

Grade	From 1 October 2010 £/hr	From 1 October 2012 £/hr
Partner	725	765
Associate Partner	635	670
Director	635	670
Senior Manager	525	550
Manager	420	440
Senior Administrator	305	320
Administrator	230	240
Support	120	125



Administrators' disbursements for the period

Category 1 Expenses	£
Train travel	454 30
Print Services	45 00
Other transportation costs	11 93
Contractor costs	23 95
Total	535.18

Category 2 Expenses	£
Mileage	0 00
Total	0.00

KPMG Restructuring policy for the recovery of disbursements

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

Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. 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 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Any disbursements paid from the estate are disclosed within the attached summary of disbursements.

The only Category 2 disbursements that KPMG Restructuring currently charges is mileage; this is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 40p per mile

Use of company car – 60p per mile



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Use of partner's car – 60p per mile

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



Appendix 5 - Schedule of expenses for the period 20 July 2012 to 19 January 2013

Section	Account	Accrued £	Paid £	Total £
Direct Costs	Funds paid in respect			
Cost of	of lease charges	34,500 00	1,810,464 80	1,844,964 80
realisations	Funds paid on behalf			
	of third parties	-	60,000	60,000
	Recoverable Costs	6,000 00	21,631 68	27,631 68
	Cash in transit			
	refunded to 3 rd parties	-	102,135 68	102,135 68
	Store clearance costs	-	180 00	180 00
	Administrators Fees	503,766 00	707,749 00	1,211,515 00
	Legal fees	2,790 45	52,396 08	55,186 53
	Payments to BM re			
	overpaid lease charges	21,365 25	966,254 23	987,619 48
	Costs in respect of			
	subsidiaries	25,451 47	11,814 53	37,266 00
	Storage costs	100 00	1,064 25	1,164 25
	Statutory advertising	-	76 50	76 50
	Bank charges	-	450 00	450 00
TOTAL		593,973.17	3,734,216.76	4,328,189.93

Creditors are reminded that the basis on which fees have been reported has been agreed by the secured creditor and has been requested from the preferential creditors

However to determine if the quantum of the fees to be taken is reasonable the analysis included at Appendix 3 should be reviewed and any additional information can be requested by any secured creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with rule 2 48A IR86 This request must be made within 21 days receipt of the progress report The full text of that rule can be provided on request

In addition creditors are reminded that the quantum can be challenged by unsecured creditor(s) with at least 10% in value excluding that creditors claim by making an application to court in accordance with rule 2 109 IR86 The full text of this rule can also be provided on request

Appendix 5 - Extract from the Insolvency Rules 1986

Insolvency Rules 1986

2.48A Creditors' request for further information

- (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, 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

2.109 Creditors' claim that remuneration is or other expenses are excessive

- (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) An 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,
 - (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 sufficient 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