

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

Christine Mary Lavery
KPMG LLP
8 Salisbury Square
London
EC4Y 8BBRichard Dixon Fleming
KPMG LLP
8 Salisbury
London
EC4 8BBEdward George Boyle
KPMG LLP
8 Salisbury Square
London
EC4 8BBMark Granville Firmin
KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW
IP number 9284

IP number 9121

IP number 8370

IP number 9077

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

from

20 January 2013

to

19 July 2013

Signed

Joint Administrator

Dated

12 August 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

When you have completed and signed this form, please send it to the Registrar of Companies at -

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DX 33050 Cardiff

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COMPANIES HOUSE



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

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

KPMG LLP

12 August 2013

This report contains 24 Pages



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

Notice: About this Report

This Report has been prepared by Christine Mary Lavery, 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 Lavery 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 January 2013 to 19 July 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
- 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 Prescribed Part distribution to the unsecured creditors of the Company
- Due to the level of realisations and the amounts owed to the secured creditors, a distribution to unsecured creditors was only feasible by virtue of the Prescribed Part. The maximum Prescribed Part of £600,000 was made available to the unsecured creditors, prior to the deduction of costs associated with identifying and agreeing creditor claims and distributing the Prescribed Part
- The Prescribed Part dividend of 0.6534p in the pound was declared on 18 March 2013 and paid on 21 March 2013
- Full details of the Joint Administrators' progress report are attached together with all the relevant statutory information
- The exit route for the Administration will be via dissolution of the Company. There are a number of outstanding matters that need to be finalised before the Administration can be concluded
- This progress report should be read in conjunction with our previous reports sent to the Company's creditors

Ed Boyle

Joint Administrator – Edward Boyle



2 Progress to date

2.1 Communication

The Joint Administrators' second progress report was circulated to all known creditors of the Company on 15 February 2013

2.2 Strategy & trading

2 2 1 Sale of business

As detailed in previous 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 previously reported, 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. This licence to occupy was extended to 17 March 2013, giving the Purchaser time to either assign or vacate the remaining stores

During the period, the Purchaser continued to pay the Company the licence fee required under the licence to occupy and the Company continued to settle the charges due under the leases

At midnight on 17 March 2013, all stores had either been assigned to the Purchaser, been subject to a surrender and regrant of a new lease to the Purchaser or offered for surrender back to the Landlord if the Purchaser vacated the store. In respect of the closed stores 49 landlords are yet to accept surrender to date

Any lease held in the name of the Company on dissolution will transfer to the Crown as "bona vacatia" upon dissolution, should the landlord not accept surrender before this date. Dissolution will occur three months after the date that form 2 35B "Notice of move from Administration to dissolution" is filed at Companies House

During the period the Company has made payments of £26,847 in respect of lease charges, and returned funds totalling £240,715 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,
- paying a first and final dividend to unsecured creditors by virtue of the Prescribed Part,
- 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. This report has been submitted and all investigations have been concluded.

2.3 Assets

2.3.1 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. £61,708 has been received in the period from the Purchaser in respect of recoverable costs.

2.3.2 Inter company debtors

£50,716 has been received in the period from an inter company debtor, PGL Realisations Plc in respect of the dividend payable by this company.

2.3.3 Cash at bank

£30,957 has been received in the period which relates to cash held in the Company's pre-appointment bank accounts held with The Royal Bank of Scotland PLC at the date the Company entered Administration.

2.3.4 Funds received in respect of lease charges

£83,004 has been received from the Purchaser in respect of funds due to landlords for rent payable on the Company's leases.

2.3.5 Sundry Refunds

£4,840 has been received in relation to rates refunds relating to stores not transferred under the SPA, and £34,276 has been received in respect of legal fees refunded.



2.3.6 Bank interest

£3,173 has been received in the period in relation to interest on funds held in the Company's floating charge account

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 £3,613 in respect of accrued holiday pay for those staff that did not transfer as part of the sale of business and assets. These claims have been paid in full

2.4.3 Unsecured creditors

There were insufficient funds available to make a distribution to the Company's unsecured creditors other than under the Prescribed Part rules. Therefore, the maximum Prescribed Part of £600,000 (less costs) was made available to the unsecured creditors

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

Total Prescribed Part funds of £511,210 (after costs) were made available and paid to all unsecured creditors on 21 March 2013 which represented a Prescribed Part dividend of 0.6534p in the pound

The Joint Administrators have incurred time costs of £86,290 in respect of the Prescribed Part. This included identifying and agreeing over 300 creditor claims with a combined value of £78,241,120. In addition legal costs totalling £2,500 in relation to the Court application in order to distribute the funds have been incurred. These costs have been deducted from the Prescribed Part monies prior to the distribution being made

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 January 2013 to 19 July 2013, the Joint Administrators have incurred time costs of £239,982, representing 776 hours at an average rate of £309 per hour Time costs for the whole period since appointment are £1,782,163 representing 5,360 hours at an average rate of £332 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 £308,035 plus disbursements of £412 during the period covered by this report for which approval was obtained from both the secured and preferential creditors These amounts relate to Joint Administrators fees and disbursements respectively

Expenses for this period total £894,389 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



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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

- finalising the Administration including payment of all Administration liabilities,
- liaison with landlords where surrenders have not yet been completed,
- considering the merits of pursuing a potential claim against a third party which the administrators have recently identified, and
- completion of statutory formalities

The Court granted an extension to the Administration until 19 July 2014. The Joint Administrators intend to bring the Administration to a close and lodge Form 2.35B, notice of move from Administration to dissolution, 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: Receipts & payments account for the period

Receipts

Please see Section 2 3 for comments on the receipts during the period

Payments

Further to narrative provided above on this matter, please see below for additional information relating to payments made in the period

3 2 1 Funds paid to floating charge holder

In the period covered by this report, the Joint Administrators have distributed funds totalling £400,000 to the Lenders in respect of their floating charge held over the Company

3 2 2 Payments re 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 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.

£240,715 has been repaid to the Purchaser in respect of refunds of rent previously paid where the lease has been subsequently assigned or surrendered.

3 2 3 Funds paid in respect of lease charges

£26,846 has been paid to landlords in respect of rent on occupied stores. This has been recharged to the Purchaser.

3 2 4 Recoverable costs

Costs of £11,372 have been paid in the period in relation to the licence to occupy and have subsequently been recharged to the Purchaser.

3 2 5 Legal fees

Legal fees of £22,088 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. Included within this amount is £2,500 which represents legal fees incurred upon making an application to the Court in order to distribute the Prescribed Part monies to unsecured creditors.



3.2.6 Cash refunded to third parties

£352 has been refunded in respect of funds paid into the Administration bank account in error

3.2.7 Costs in respect of subsidiaries

Following approval from the Lenders, certain costs incurred in relation to the Company's Subsidiaries totalling £25,241 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.

3.2.8 Insurance costs

Insurance costs of £12,720 have been paid during the period. This relates to the provision of public liability cover in respect of the leasehold premises held by the Company.

3.2.9 Bank charges

Bank charges of £225 have been incurred in the period.

3.2.10 Storage costs

£6,983 has been paid in the period in respect of storage costs. This relates to the secure storage of Company's books and records, acquired by the Joint Administrators on their appointment.

3.3 Appendix 3: Analysis of office holders' time costs

3.3.1 Tax

3.3.1.1 *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.

Due to complexities surrounding the licence to occupy, submitting VAT returns has been a time consuming process.

Time costs of £15,664 (42 hours) have been spent in relation to this, and other VAT matters.

3.3.2 Creditors and claims

3.3.2.1 *Agreement of unsecured claims*

Following approval from the Court to distribute the Prescribed Part in the Administration, time costs of £54,819 (186 hours) have been incurred in the period covered by this report in relation to the identification and reviewing of creditor claims including landlord claims and the distribution of a first and final dividend to unsecured creditors.



3 3 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 £13,844 (56 hours) have been spent in the period in relation to general correspondence with creditors, separate to queries in relation to the Prescribed Part

3 3 2 3 Statutory Reports

Time costs of £8,958 (29 hours) were incurred in relation to the preparation and circulation of statutory reports

3 3.3 Asset Realisation

3 3 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 £94,481 (295 hours) have been spent in the period in relation to this matter

3 4 Appendix 4: Expenses for the period

Expenses for the period are summarised in Appendix 4 which include the time costs as analysed in Appendix 3

3 4 1 Administrators fees

Administrators' time costs of £239,982 have been accrued which reflect time costs incurred in the period of this report as detailed in Appendix 3

3 4 2 Administrators' expenses

Administrators' disbursements of £243, as approved by the Lenders, have been accrued in the period but not yet paid

3 4 3 Legal fees

To date the Joint Administrators are aware of legal costs of £1,755 which have not been paid in the period covered by this report



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	Christine Mary Laverty and Richard Dixon Fleming were appointed on 20 January 2012 and are authorised to act as insolvency practitioners by the Insolvency Practitioners Association
	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
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' receipts and payments account for the period 20 January 2013 to 19 July 2013



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

Statement of Affairs	From 20/01/2013 To 19/07/2013	From 20/01/2012 To 19/07/2013
POST-APPOINTMENT SALES		
Sales	NIL	21,861.00
	NIL	21,861.00
OTHER DIRECT COSTS		
Direct labour	NIL	10,173.87
	NIL	(10,173.87)
TRADING SURPLUS(DEFICIT)	NIL	11,687.13



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

Statement of Affairs	From 20/01/2013 To 19/07/2013	From 20/01/2012 To 19/07/2013
ASSET REALISATIONS		
100,000.00	NIL	1.00
	NIL	NIL
	NIL	1.00
	50,715.53	50,715.53
6,300,000.00	NIL	6,605,362.55
	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	1.00
NIL	NIL	1.00
	NIL	1.00
	NIL	1.00
3,083,000.00	NIL	1,011,726.00
	NIL	123,844.58
	NIL	309,983.00
	NIL	150,000.00
	50,715.53	13,501,573.66
OTHER REALISATIONS		
	3,172.92	26,926.42
	34,275.57	34,275.57
	NIL	230.14
	61,708.68	255,931.94
	4,839.65	20,612.62
	NIL	14,687.13
	NIL	27,681.00
	NIL	1,413,023.70
	30,957.49	147,306.71
	NIL	234,793.40
	NIL	60,000.00
	83,004.47	11,978,828.06
	117,958.76	16,184,328.69
COST OF REALISATIONS		
	26,846.79	9,345,271.91
	NIL	60,000.00
	11,372.00	37,137.94
	2,500.00	2,500.00
	353.00	116,478.55
	NIL	1,380.00
	NIL	1,193.01
	NIL	234,541.09
	308,033.00	1,015,784.00
	411.94	411.94
	NIL	108,513.11
	NIL	11,950.00
	19,387.50	270,630.69
	240,714.97	2,621,184.90
	25,451.00	37,263.53



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

Statement of Affairs	From 20/01/2013 To 19/07/2013	From 20/01/2012 To 19/07/2013
Storage costs	6,982.90	8,723.58
Statutory advertising	NIL	489.55
Other property expenses	NIL	190.44
Insurance (Leeds)	12,720.00	15,774.70
Bank charges	225.00	1,037.50
	(603,199.10)	(11,890,371.36)
PREFERENTIAL CREDITORS		
Subrogated FPCIA claim	2,784.64	2,784.64
Employees' wages/salary pay	827.66	827.66
	(3,612.30)	(3,612.30)
FLOATING CHARGE CREDITORS		
(14,312,000.00) Floating charge	400,000.00	12,863,061.82
	(400,000.00)	(12,863,061.82)
UNSECURED CREDITORS		
(52,114,491.38) Trade & expense	511,197.04	511,197.04
	(511,197.04)	(511,197.04)
DISTRIBUTIONS		
(204,339.00) Ordinary shareholders	NIL	NIL
	NIL	NIL
(91,117,850.28)	(1,301,334.13)	417,509.83
REPRESENTED BY		
Floating ch. VAT m. at/de		272,216.73
Floating charge current		305,086.73
Floating ch. VAT m. at/de leases		778,254.24
Floating ch. VAT payable leases		(501,605.43)
Floating ch. VAT payable		(57,560.71)
Floating ch. VAT credited		(160,373.80)
Leases VAT credited		(178,438.53)
		417,509.83



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Appendix 3 - Analysis of office holders' time costs for the period 20 January 2013 to 19 July 2013

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost (£)	Average hourly rate (£)
Administration & planning							
Cashiering							
General (Cashiering)	5.90		11.70		17.60	7,009.00	398.24
Reconciliations (& PFS accounting reviews)		130	16.35		17.65	4,568.00	258.81
General							
Books and records		0.30	1.25		1.55	432.00	278.71
Fees and W/P		5.50	3.50		9.00	3,260.00	362.22
Statutory and compliance							
Appointment and related formalities		0.30			0.30	12.00	440.00
Checklist & review		1.50	9.20		11.70	3,308.00	282.74
Closure and related formalities	1.10	2.40			3.50	1,793.00	512.29
Pre-appointment checks				0.25	0.25	31.25	125.00
Reports to debenture holders		6.60	12.70	1.00	20.30	6,077.00	299.36
Statutory receipts and payments accounts			2.60		2.60	808.00	310.77
Strategy documents	0.90	7.50	9.35		17.75	6,307.00	355.32
Tax							
Post appointment corporation tax		12.60	11.90		24.50	9,093.00	371.14
Post appointment VAT	0.20	22.20	39.95		62.35	15,664.00	369.87
	8.10	61.20	98.50	1.25	169.05	58,482.25	345.95
Creditors							
Creditors and claims							
Agreement of preferential claims		0.60			0.60	264.00	440.00
Agreement of unsecured claims	2.00	43.60	140.85		186.45	54,839.00	294.81
General correspondence		1.60	54.65		56.25	13,844.00	246.12
Payment of dividends		1.70			1.70	748.00	440.00
Secured creditors		2.20			2.20	968.00	440.00
Statutory reports	3.30	3.30	21.80	0.50	28.90	8,957.50	309.95
Mail redirection			1.50		1.50	360.00	240.00
Employees							
Agreeing employee claims			8.20		8.20	2,624.00	320.00
Correspondence			4.20	0.50	4.70	1,070.50	227.77
Pensions reviews		1.50	3.90		5.40	1,706.00	315.93
	5.30	54.50	235.10	1.00	295.90	85,361.00	288.48
Realisation of assets							
Asset Realisation							
Cash and investments			3.25		3.25	780.00	240.00
Freehold property		1.10		1.50	2.60	792.50	304.81
Goodwill		0.90			0.90	495.00	550.00
Leasehold property		91.25	200.95	2.50	294.70	9,1480.50	310.42
Open cover insurance			0.90		0.90	216.00	240.00
Other assets		0.30	4.40		4.70	1,188.00	252.77
Sale of business	0.50	0.30	2.25		3.05	1,007.00	330.16
Purchases and trading costs			0.75		0.75	180.00	240.00
	0.50	93.85	212.50	4.00	310.85	96,119.00	309.28
Total in period					775.80	239,982.25	309.34
Brought forward time (appointment date to SP 9 period start date)					4,584.33	1,542,180.50	336.39
SP 9 period time (SP 9 period start date to SP 9 period end date)					775.80	239,982.25	309.34
Carry forward time (appointment date to SP 9 period end date)					5,360.33	1,782,162.75	332.47

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



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

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



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KPMG LLP
12 August 2013

Administrators' disbursements for the period

Category 1 Expenses	£
Print Services	345 95
Total	345.95

Category 2 Expenses	£
Mileage	309 30
Total	309.30

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

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 4 - Schedule of expenses for the period 20 January 2013 to 19 July 2013

Section	Account	Accrued £	Paid £	Total £
Direct Costs	Funds paid in respect of lease charges	0 00	26,846 79	26,846 79
Cost of Realisations	Recoverable Costs	0 00	11,372 00	11,372 00
	Cash in transit refunded to 3rd parties	0 00	352 00	352 00
	Administrators' Expenses	243 31	411 94	655 25
	Legal fees	1,755 00	19,297 05	21,052 05
	Payments to BM re overpaid lease charges	0 00	240,714 97	240,714 97
	Costs in relation to subsids	0 00	25,451 00	25,451 00
	Storage costs	0 00	6,982 90	6,982 90
	Insurance	0 00	12,720 00	12,720 00
	Bank charges	0 00	225 00	225 00
	Administrators fees	239,982 25	308,035 00	548,017 25
TOTAL		241,980.56	652,408.65	894,389.21

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