

The Insolvency Act 1986

Administrator's progress report

Name of Company PL Realisations 2012 Limited (formerly Peverel Limited)	Company number 02806856
In the High Court of Justice, Chancery Division (full name of court)	Court case number 1867 of 2011

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

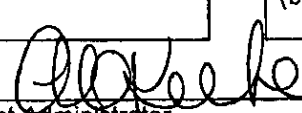
We (a)

S J Appell
 Zolfo Cooper
 10 Fleet Place
 London
 EC4M 7RB

A P Beveridge
 Zolfo Cooper
 10 Fleet Place
 London
 EC4M 7RB

A C O'Keefe
 Zolfo Cooper
 The Zenith Building
 26 Spring Gardens
 Manchester
 M2 1AB

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

From (b) 6 March 2012	To (b) 4 September 2012
Signed  Joint Administrator	
Dated 25.9.12.	

Contact Details:

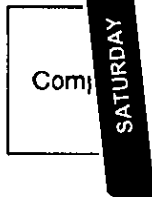
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

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

Stuart Mather
 Zolfo Cooper
 The Zenith Building
 26 Spring Gardens
 Manchester
 M2 1AB

Number

+44 (0) 161 838 4500
 DX Exchange



COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

**Joint Administrators’
Final Progress Report
for the period
6 March 2012 to
4 September 2012**

**PL Realisations 2012 Limited (formerly
Peverel Limited) - in Administration**

27 September 2012

[illegible]

Receipts and Payments Account for the period 6 March 2012 to 4 September 2012 and a Cumulative Account for the period 14 March 2011 to 4 September 2012.Appendix A
Trading Receipts and Payments Account for the period 6 March 2012 to 4 September 2012 and a Cumulative Account for the period 14 March 2011 to 4 September 2012	Appendix B
Time Analysis for the period 6 March 2012 to 4 September 2012.....	Appendix C
Cumulative Time Analysis for the period 14 March 2011 to 4 September 2012	Appendix D
Additional information in relation to the Joint Administrators' remuneration pursuant to Statement of Insolvency Practice 9.....	Appendix E

www.zolfocooper.com

1 Statutory information

- 1 1 Simon Appell was appointed Joint Administrator of PL Realisations 2012 Limited (formerly Peverel Limited) (the Company) together with Alastair Beveridge and Anne O'Keefe on 14 March 2011 by the High Court of Justice. The application for the appointment of Joint Administrators was made by the directors of the Company.
- 1.2 The Joint Administrators were also appointed over PGL Realisations 2012 Limited (formerly Peverel Group Limited) (PGL), Aztec Opco Developments Limited (AODL) and Aztec Acquisitions Limited (AAL) on the same date (together the Companies).
- 1.3 This Administration is being handled by Zolfo Cooper's Manchester office, situated at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.
- 1.4 The Administration is registered in the High Court of Justice, Chancery Division, Companies Court, under reference number 1867 of 2011.
- 1.5 The Company's principal place of business was Queensway House, 11 Queensway, New Milton, Hampshire, BH25 5NR. The Company operated as a holding company within the larger Peverel group of companies (the Group).
- 1 6 The Group includes a number of trading entities which collectively form the divisions Peverel Property Management Group, Peverel Retirement Division, Peverel Building Technologies and Kingsborough Insurance Services Limited (KISL) (the Trading Entities)
- 1 7 The registered office of the Company has been changed to c/o Zolfo Cooper, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB and its registered number is 02806856.
- 1.8 In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Joint Administrators are to be exercised by any or all of the Joint Administrators.

2 Joint Administrators' proposals

- 2 1 As advised in the Joint Administrators' Report and Statement of Proposals (the Proposals) previously sent to creditors, the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
 - rescuing the Company as a going concern;
 - achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
 - realising property in order to make a distribution to one or more secured or preferential creditors
- 2.2 The Proposals advised that the Joint Administrators were pursuing the second objective, namely to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).
- 2 3 This objective was achieved through the sale of the business and assets of the Company, as detailed in the Joint Administrators' Progress Report dated 7 March 2012 (the Last Report)

3 Progress of the Administration

- 3.1 Attached at Appendices A and B are the Joint Administrators' Receipts and Payments Account and Trading Receipts and Payments Account for the period 6 March 2012 to 4 September 2012, together with a Cumulative Receipts and Payments Account and Trading Receipts and Payments Account for the period 14 March 2011 to 4 September 2012.

Sales process

- 3.2 As detailed in the Last Report, the business and assets of the Company, including the shares of the Trading Entities held by the Company, were sold on 5 March 2012 to Peverel Services Limited (formerly Knight Diamond Limited) (the Purchaser)
- 3.3 The sale consideration included £1 million that was held in an escrow account in respect of the sale of the shares of KISL. KISL operates as an insurance business and therefore the sale was dependent upon receiving consent from the Financial Services Authority. This was obtained and the funds held in escrow were received in June 2012 and have been distributed to Merrill Lynch International Bank Limited (the Bank) under its fixed charge
- 3.4 The total sale consideration also included £1.5 million of deferred consideration which was due to be paid by the Purchaser on 10 September 2012. The deferred consideration was received and has been distributed to the Bank under its fixed charge. Please note that this is not shown in the Receipts and Payments Account as the funds were received and distributed in the Company's subsequent Creditors' Voluntary Liquidation (CVL).

Trading

- 3.5 Pursuant to the sale contract, the Purchaser paid funds to the Company in order to meet all outstanding obligations in relation to the Joint Administrators' trading period. The Joint Administrators have completed a reconciliation of the trading liabilities, and funds totalling £35,789 are due to be repaid to the Purchaser, as shown in the Trading Receipts and Payments Account. These will be repaid in the CVL.

Working capital adjustment

- 3.6 As stated in the Last Report, the sale consideration was subject to an adjustment to reflect the difference between the actual working capital of the Group on completion and the Group's normal working capital levels. This ensured that neither the Purchaser nor the Company were impacted by the timing of the sale. This adjustment has been agreed with the Purchaser, resulting in a payment totalling £920,000 being made by the Company to the Purchaser.

4 Investigations

- 4.1 The Joint Administrators conducted investigations into the conduct of the directors and transactions entered into prior to the Company's insolvency, as required by the Company Directors Disqualification Act 1986, and Statement of Insolvency Practice 2 - Investigations by Office Holders in Administrations and Insolvent Liquidations. The information provided to the Department of Business, Innovation and Skills in respect of the directors' conduct is confidential. Based upon the outcome of the Joint Administrators' investigations, there were no matters identified that required further action.

5 Joint Administrators' remuneration

- 5.1 The secured creditor approved that the basis of the Joint Administrators' remuneration be fixed by reference to the time properly spent by the Joint Administrators and their staff on matters arising in the Administration.
- 5.2 The Joint Administrators' time costs for the period 6 March 2012 to 4 September 2012 are £110,092. This represents 334 hours at an average rate of £329 per hour. Attached at Appendix C is a Time Analysis for the period which provides details of the activity costs incurred by staff grade. Approval of the Joint Administrators' remuneration has been sought in accordance with rule 2.106 of the Insolvency Rules 1986 as amended.
- 5.3 Principal areas of activity during the period are discussed in further detail below.
- **Administration and planning** - time has been incurred implementing and monitoring the case strategy, complying with statutory duties and performing general administrative work. Case related treasury and support time is also recorded here.
 - **Realisation of assets - fixed charge** - time has been incurred finalising the sale documents and amendments to the sale adjustments.
 - **Trading** - time has been incurred notifying suppliers of the sale of the business and finalising the trading matters.
 - **Creditors** - time has been incurred preparing statutory reports and reporting to the Bank.
- 5.4 Also attached at Appendix D is a Cumulative Time Analysis for the period 14 March 2011 to 4 September 2012 which provides details of the activity costs incurred by staff grade since the Joint Administrators' appointment.
- 5.5 Fees totalling £5.57 million plus disbursements of £75,005 have been drawn, and no further amounts will be drawn.
- 5.6 The Joint Administrators can confirm that the category 2 disbursements of photocopying, charged at the rate of ten pence per sheet for notifications and reports to creditors and other copying, have been taken.
- 5.7 Appendix E contains additional information in relation to the Joint Administrators' policy on staffing, the use of sub-contractors, disbursements and details of their current charge-out rates by staff grade.

6 Unrealised assets

- 6.1 All assets have now been realised and the Receipts and Payments Account at Appendix A reflects the final position on both realisations achieved and payments discharged during the course of the Administration.
- 6.2 An amount of £732,915 was transferred from the Administration to the CVL, of which £600,000 relates to the Unsecured Creditors' Fund (see section 7.5), and £132,915 is to be repaid to the Purchaser, as detailed in section 3.5. The remaining balance will be available to the Bank once the outstanding costs relating to the Administration, including legal fees, have been discharged.

7 Outcome for creditors

Secured creditor - Merrill Lynch International Bank Limited

- 7.1 The Companies are party to a facility agreement dated 21 November 2009 with the Bank. The obligations under the facility agreement were secured by fixed and floating charges over Companies' respective assets. At the date of the Joint Administrators' appointments, the Bank was owed approximately £136 million across the Companies.
- 7.2 Following the sale of the Company's business and assets, £49.75 million has been distributed to the Bank in the Administration. As detailed in section 3.4, £1.50 million has been distributed to the Bank in the CVL.
- 7.3 The Bank has also received £1.35 million from AODL. The Bank has suffered a significant shortfall on its lending.

Preferential creditors

- 7.4 As previously reported, the Company's employees transferred to the Purchaser who settled all the liabilities due to them. No preferential claims were made against the Company.

Unsecured Creditors' Fund

- 7.5 Pursuant to section 176A of the Insolvency Act 1986, where there is a floating charge which post-dates 15 September 2003, the Joint Administrators are required to create a fund from the Company's net property available for the benefit of unsecured creditors (Unsecured Creditors' Fund).
- 7.6 As the Company granted a floating charge to the Bank after 15 September 2003, the Joint Administrators were required to create an Unsecured Creditors' Fund. The Joint Administrators can confirm that the amount available for the Unsecured Creditors' Fund is £600,000, being the maximum amount available under section 176A. These funds will be distributed in the CVL.
- 7.7 The directors' Statement of Affairs indicated that £48.47 million of unsecured debt is owed by the Company. This would result in a dividend of less than one pence in the pound, before accounting for costs.

8 Ending the Administration

Creditors' voluntary liquidation

- 8.1 As a dividend is available to unsecured creditors, the Joint Administrators have filed a notice with the Registrar of Companies in order that the Administration ceases and the Company automatically moves into CVL. In accordance with the proposals, the Joint Administrators became the Joint Liquidators of the CVL.
- 8.2 The Joint Liquidators will finalise the payment of certain residual costs, as detailed in section 6 of this report, and begin the claims agreement process in order to make a distribution to unsecured creditors. The costs of agreeing the claims of the unsecured

creditors, as well as any costs associated with making the distribution, will be deducted from available funds as an expense of the Liquidation.

- 8.3 The Joint Administrators are discharged from liability under paragraph 98 of schedule B1 to the Insolvency Act 1986 immediately after their appointments as Joint Administrators cease to have effect.

9 Creditors' rights

- 9.1 Within 21 days of the receipt of the report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report
- 9.2 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors) may, within eight weeks of receipt of this progress report, make an application to court on the grounds that the basis fixed for the Joint Administrators' remuneration, the remuneration or the expenses incurred by the Joint Administrators as set out in this progress report, are excessive.

For and on behalf of
PL Realisations 2012 Limited (formerly Peverel Limited)



Anne O'Keefe
Joint Administrator

Encs

**Receipts and Payments Account for the period
6 March 2012 to 4 September 2012 and a
Cumulative Account for the period 14 March 2011
to 4 September 2012**

Appendix A

Statement of Affairs	06/03/2012 - 04/09/2012	14/03/2011 - 04/09/2012
£	£	£
Fixed charge assets		
Receipts		
80,000,000 Investments in subsidiaries	999,972	28,085,060
Adjustment	(920,000)	(920,000)
	<u>79,972</u>	<u>27,165,060</u>
Payments		
Industry operator fees	-	109,621
	<u>-</u>	<u>(109,621)</u>
Distributions		
Paid to chargeholder	999,972	27,055,439
	<u>(999,972)</u>	<u>(27,055,439)</u>
Floating charge assets		
Receipts		
Funds due to the Purchaser	-	35,789
Uncertain Intercompany debtors	-	29,068,283
Pre-appointment refunds	-	104,442
891 Cash at bank	-	891
Sundry refunds	-	3,037
Bank interest	8,732	33,927
	<u>8,732</u>	<u>29,246,369</u>

**Receipts and Payments Account for the period
6 March 2012 to 4 September 2012 and a
Cumulative Account for the period 14 March 2011
to 4 September 2012 (cont'd)**

Appendix A

Statement of Affairs	06/03/2012 - 04/09/2012	14/03/2011 - 04/09/2012
£	£	£
Payments		
Joint Administrators' fees	2,818,344	3,645,989
Legal fees	30,133	1,939,789
Insurance of assets	5,313	83,088
Category 1 disbursements'		
Telephone costs	322	872
Travel and subsistence	11,199	71,974
Storage	1	1
Stationery and postage	522	1,235
Companies House usage	57	57
Insolvency bond	775	775
Statutory advertising	38	38
Category 2 disbursements		
Photocopying	-	53
Treasury costs	20	20
Public relation fees	7,307	39,388
Database costs	8,203	33,570
Bank charges	215	2,004
	<u>(2,882,449)</u>	<u>(5,818,853)</u>
Distributions		
Paid to chargeholder	-	22,694,601
	<u>-</u>	<u>(22,694,601)</u>
Balance available for CVL	<u>(3,793,717)</u>	<u>732,915</u>
Represented by:		
VAT payable		(380,780)
VAT receivable		13,940
Interest bearing account		1,099,755
		<u>732,915</u>

**Trading Receipts and Payments Account for the
period 6 March 2012 to 4 September 2012 and a
Cumulative Account for the period 14 March 2011
to 4 September 2012**

Appendix B

	06/03/2012 - 04/09/2012 £	14/03/2011 - 04/09/2012 £
Peverel income		
Group recharges	74,284	17,020,748
Group income to pay pre-appointment arrears		775,519
	<u>74,284</u>	<u>17,796,267</u>
Peverel expenditure		
Repairs and renewals	-	1,599,283
Employee benefits expenditure	-	807,406
Rent and service charge	-	325,250
Rates	(8,532)	74,756
Heat and light	-	31,303
Travel and accommodation	-	6,726
Telephone	-	281,313
Training costs	-	25,211
Insurance	-	389
Professional fees	1,042,448	2,074,016
Bank charges	-	1,111
Marketing expenditure	-	42,137
Lease/HP payments	-	10,371
Hire of equipment	-	6,511
Head office maintenance	-	185,226
Sundry expenses	1,185	65,962
Vehicle running costs	-	102,104
Advertising	-	1,472
Stationery and postage	-	20,949
Barclaycard fees	-	244,059
I.T costs	(4,144)	1,765,925
Subscriptions	-	770
Wages and salaries - Peverel Limited	-	3,061,191
PAYE/Ni Peverel Limited	133,073	2,594,323
Pension and other deductions - Peverel Limited	-	234,841
Pre-appointment arrears funded by Group	-	775,519
Joint Administrators' fees	-	1,922,354
Legal fees	-	1,500,000
	<u>(1,164,031)</u>	<u>(17,760,478)</u>
Funds due to the Purchaser		<u>35,789</u>

Time Analysis for the period 6 March 2012 to
4 September 2012

Appendix C

	Employee grade (hours)				£		
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Total cost	Average rate per hour
Administration and planning							
Strategy and control	18.0	5.0	13.2	-	36.2	17,441.50	482
Statutory duties	-			0.8	0.8	161.50	202
Case administration	0.7		5.5	0.9	7.1	2,392.50	337
Accounting and treasury	1.3	2.3	2.0	31.1	36.7	6,213.00	169
Internal documentation	0.1	0.1		1.2	1.4	344.00	246
Realisation of assets - fixed charge							
Sale of assets	3.5	69.5			73.0	32,262.50	442
Asset accounting and administration		0.5	0.6		1.1	424.50	386
Trading							
Trading strategy		-	16.0		16.0	4,820.00	301
Trading activities	0.6	11.5	74.9	22.5	109.5	31,368.50	286
Accounting and administration	0.7	9.0	8.3	15.1	33.1	8,656.00	262
Creditors							
Reporting to creditors		5.5	5.9	2.6	14.0	4,746.00	339
Unsecured creditors	0.1	0.2	0.8	4.2	5.3	1,261.50	238
Totals	25.0	103.6	127.2	78.4	334.2	110,091.50	329

**Cumulative Time Analysis for the period
14 March 2011 to 4 September 2012**

Appendix D

	Employee grade (hours)				£		
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Total cost	Average rate per hour
Administration and planning							
Planning	6.5	15.0	1.5	0.2	23.2	11,971.00	516
Strategy and control	1,444.2	508.7	157.0	30.2	2,140.1	1,103,293.88	516
Statutory duties	0.2	0.7	7.4	7.1	15.4	4,249.50	276
Case administration	6.9	4.0	44.5	40.2	95.6	28,282.00	296
Accounting and treasury	1.8	10.4	19.7	251.8	279.7	43,290.50	155
Travel and waiting time	5.0	131.3	412.5	3.6	552.4	192,830.50	349
Internal documentation	3.6	20.6	8.9	7.0	40.1	16,215.00	404
Investigations							
Director conduct reports	-	3.7	7.2	5.1	16.0	5,070.00	317
Other investigations	-	15.0	0.3	-	15.3	7,062.00	462
Internal documentation	-	13.1	-	-	13.1	6,091.50	465
Realisation of assets - fixed charge							
Asset realisation strategy	368.7	569.1	219.1	28.6	1,185.5	555,810.12	469
Asset identification and valuation	100.5	243.6	73.0	11.4	428.5	207,266.00	484
Sale of assets	1,568.1	1,360.6	480.8	46.2	3,455.7	1,626,551.50	471
Recovery of assets	-	16.0	-	-	16.0	7,440.00	465
Asset accounting and administration	3.5	55.6	2.9	-	62.0	28,952.00	467
Realisation of assets - floating charge							
Asset realisation strategy	1.8	-	-	-	1.8	1,242.00	690
Asset identification and valuation	-	-	1.0	-	1.0	320.00	320
Sale of assets	19.5	-	0.5	0.1	20.1	13,480.50	671
Trading							
Trading strategy	-	28.0	978.5	0.4	1,006.9	309,446.50	307
Trading activities	48.0	568.3	1,643.6	145.6	2,405.5	827,257.00	344
Accounting and administration	13.0	168.4	148.2	109.1	438.7	149,724.00	341
Creditors							
Creditor claims	1.0	0.3	0.9	2.6	4.8	1,650.50	344
Internal documentation	-	-	-	0.2	0.2	41.00	205
Reporting to creditors	58.2	320.0	580.8	5.6	964.6	370,862.00	384
Creditor meetings	5.0	6.7	6.4	26.5	44.6	14,046.00	315
Secured creditors	4.0	60.0	-	-	64.0	30,380.00	475
Unsecured creditors	3.1	2.1	7.7	23.5	36.4	10,304.50	283
Employees	3.0	-	1.6	0.6	5.2	2,495.00	480
Totals	3,665.6	4,121.2	4,800.0	745.6	13,332.4	8,575,644.50	418

Additional information in relation to the Joint Administrators' remuneration pursuant to Statement of Insolvency Practice 9

Appendix E

1 Policy

Detailed below is Zolfo Cooper's policy in relation to

- staff allocation and the use of sub-contractors;
- professional advisors, and
- disbursements.

1.1 Staff allocation and the use of sub-contractors

The Joint Administrators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The case team will usually consist of a partner, a senior associate, an associate and an analyst. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Joint Administrators' charge-out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, time spent by treasury in relation to specific tasks on an assignment is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution.

The following services are being provided on this assignment by external sub-contractors.

Service type	Service provider	Basis of fee arrangement	Cost to date £
Treasury	Treasury Solutions	Hourly rate and disbursements	20

1.2 Professional advisors

On this assignment the Joint Administrators have used the professional advisors listed below. The Joint Administrators have also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
White & Case LLP (legal advice)	Hourly rate and disbursements
Willis Limited (insurance)	Risk based premium
Hill & Knowlton (public relations advice)	Hourly rate and disbursements

The Joint Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case, eg postage, case advertising, invoiced travel and external printing, room hire and document storage. Any properly reimbursed expenses incurred by the Joint Administrators and their staff will also be chargeable.

Category 2 disbursements do require prior approval by creditors before they are paid. Any incurred in this case have been drawn in accordance with the Joint Administrators' proposals, which approved category 2 disbursements. The category 2 disbursement that has been drawn is photocopying, charged at the rate of ten pence per sheet for notifications and reports to creditors and other copying.

2 Charge-out rates

A schedule of Zolfo Cooper charge-out rates for this assignment effective from 1 January 2011 is detailed below

Description	£
Partner/director	
Partner 1*	690
Partner 2*	620
Director	515
Senior associate	
Senior associate 1*	465
Senior associate 2*	400
Associate/analyst	
Associate	320
Analyst*	290
Junior analyst and support staff	
Junior analyst*	205
Senior treasury associate	230
Treasury associate	155
Treasury analyst	110
Support	85
*Key	
<i>Partner 1 - partners with three or more years' experience at partner level</i>	
<i>Partner 2 - partners with fewer than three years' experience at partner level</i>	
<i>Senior associate 1 - staff with two or more years' experience at senior associate level</i>	
<i>Senior associate 2 - staff with fewer than two years' experience at senior associate level</i>	
<i>Analyst - staff with more than one year's experience at analyst level</i>	
<i>Junior analyst - first year analysts</i>	