

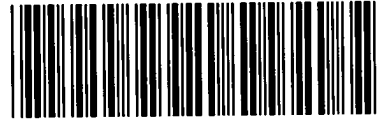
AM10

Notice of administrator's progress report



Companies House

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COMPANIES HOUSE

1 Company details

Company number 0 9 9 7 7 8 0 8

Company name in full IL Realisations Limited (formerly Inlink Limited)

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Sarah

Surname Bell

3 Administrator's address

Building name/number Duff & Phelps Limited

Street The Chancery

58 Spring Gardens

Post town Manchester

County/Region Manchester

Postcode M 2 1 E W

Country England

4 Administrator's name ①

Full forename(s) Steven

Surname Muncaster

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Duff & Phelps Limited

Street The Chancery

58 Spring Gardens

Post town Manchester

County/Region Manchester

Postcode M 2 1 E W

Country England

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d 2	d 6	m 1	m 1	y 2	y 0	y 1	y 9
To date	d 2	d 5	m 0	m 5	y 2	y 0	y 2	y 0

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

J. Zell

X

Signature date

d 2	d 5	m 0	m 6	y 2	y 0	y 2	y 0
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AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Daniel Ryan

Company name Duff & Phelps Ltd

Address The Chancery

58 Spring Gardens

Post town Manchester

County/Region Manchester

Postcode M 2 1 E W

Country England

DX

Telephone 0161 827 9178



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- ☐ You have attached the required documents.
- ☐ You have signed the form.



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Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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Progress Report to Creditors

25 June 2020

**IL Realisations Limited (formerly
Inlink Limited)
(In Administration)**

*Joint Administrators' Progress Report to Creditors
For the period from 26 November 2019 to 25 May 2020.*

Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW

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1. Introduction

The Joint Administrators were appointed on 26 November 2019 by the Directors of the Company.

This Progress Report provides an update on the Administration of the Company. It should be read in conjunction with the Joint Administrators' statement of proposals.

The Joint Administrators have also explained their future strategy for the Administration and how likely it is that they will be able to pay each class of creditor.

You will find other important information in this Progress Report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this Progress Report to Creditors is attached at Appendix 9.

2. Creditor summary

This Progress Report covers the six-month period from the Appointment Date to 25 May 2020.

Summary of Proposals

A summary of the Proposals is included at Appendix 2. A copy of the Statement of Proposals is available on the Duff & Phelps website at <http://www.duffandphelps.com/ukrestructuring>.

As detailed in the Proposals, the first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern.

The Joint Administrators have achieved the second objective as a sale of the Company's business and assets was completed on a going concern basis which has resulted in a better result for the Company's creditors as a whole, than if the Company were wound up without first being in Administration. Further information is detailed in Section 3.

The Joint Administrators have also achieved the third objective as a distribution has been made to RiverRock, as the Secured Creditor and therefore the statutory purpose of the Administration has been achieved.

Progress to date

The Joint Administrators traded the Company in Administration whilst a sale of the business and assets was pursued in order to protect the value of the business and assets, being an outdoor advertising service and holding physical advertising units, whilst also preserving value in ongoing contracts.

Following a four-week period of trading and negotiations with an interested party, the business and assets of the Company were sold to the Purchaser, BT Telecommunications plc, on 23 December 2019.

As part of the sale agreement, the Joint Administrators entered into a revenue share agreement with the Purchaser, the benefit of which was assigned to RiverRock as Secured Creditor of the Company on completion. Any realisations due under the revenue share agreement will be collected directly by RiverRock.

The Joint Administrators are continuing and finalising realisations of the Company's assets, which are outlined in further detail in section 3.

Outcome for Creditors

RiverRock holds fixed and floating charge security over the assets of the Company. After accounting for all payments made by the Company, contractual interest and charges, RiverRock has a claim in the Administration of c.£28m. Distributions totalling £7,573,407 have been made to RiverRock during the Reporting Period. Based on current estimates, it is anticipated that RiverRock will suffer a shortfall against its indebtedness.

The Bank of Scotland ranked as a secured creditor of the Company, holding a cash deposit balance as security against the Company credit card, as well as a fixed charge over the deposit, which was registered at Companies House. The credit card has been cancelled and the funds have been transferred to the Administration estate. A deed of satisfaction has been registered at Companies House on 23 January 2020 in respect of the Bank of Scotland's charge.

The Company did not have any employees, therefore the Joint Administrators are not aware of any Creditors that require preferential status.

According to the Director's Statement of Affairs, Unsecured Creditors totalled £11,707,854 as at the Appointment Date. Based on current information, it is anticipated that there will be insufficient realisations to enable a distribution to the Unsecured Creditors, other than by virtue of the Prescribed Part.

3. Progress of the Administration

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

3.1 Strategy and progress to date

From the outset, the purpose of an Administration is to achieve one of the following hierarchical objectives:

- To rescue the Company as a going concern; or
- Achieve a better result for the Company's creditors than what would be likely if a wind up had been pursued (without first being in Administration); or
- Realising property in order to make a distribution to one or more Secured or Preferential Creditors.

The first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern.

The Joint Administrators achieved the second objective as a better result for the Company's creditors as a whole was achieved compared with the Company being wound up without first being in Administration for the reasons listed below.

- The sale of the business and assets has enhanced realisations in respect of both the tangible and non-tangible assets of the Company. If the Company had been wound up, it is likely that realisations for the physical assets, primarily the Inlink terminals, would have been significantly less than would have been achieved in the Administration.
- The Company was also able to continue trading in Administration, which enabled the sale of the business on a going concern basis and protected the future value in the ongoing contracts and orders. This facilitated the agreement of a future revenue share with the Purchaser, which will be collected for the benefit of RiverRock as a secured creditor. This would not be possible in a winding-up scenario as contracts would likely be terminated upon the appointment of a Liquidator.
- The continuation of trade with the Company's customers has also enhanced the collectability of the debtor ledger as contracts have continued to be fulfilled. This has limited the level of disputes which would likely be received if the Company was wound-up and ceased to trade.
- The sale as a going concern has also enabled realisation of the Company's records, domain names and warranties, which would have been limited in a Liquidation, wind down scenario.

The Joint Administrators have also achieved the third objective as a distribution has been made to RiverRock as Secured Creditor, and therefore the statutory purpose has been achieved.

3.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account at Appendix 3.

Summaries of the most significant realisations during the Administration are provided below:

3.2.1 Sale of Business

The business and assets of the Company were sold to the Purchaser on 23 December 2019, which followed a four week period in which the Joint Administrators traded the business whilst negotiations with the Purchaser were progressed.

The breakdown of the sale consideration is summarised below:

Asset	Consideration £
Equipment	1,347,997
Benefit to Lease Agreement	1
Intellectual Property	1
Contracts	60,000
Records	20,000
Goodwill	1
Domain Names and Warranties	20,000
Revenue Share Agreement	TBD*
Total	1,448,000

The consideration of £1,448,000 was paid on completion.

As part of the sale agreement, BT waived the balance of c£4.2m which was owed from the Company to BT at the Appointment Date. This treatment will improve the returns to the Company's non-preferential creditors as BT's claim in the Administration will reduce, and in turn increase the level of funds available to the remaining non-preferential creditors.

In addition, the Joint Administrators entered into a revenue share agreement with the Purchaser, which is anticipated to return in excess of £11m over a six year period. The benefit of the revenue share agreement was assigned to RiverRock as a secured creditor of the Company on completion. The agreement commenced on the 1 June 2020 and the first payment should be received in July 2020 with payments being made at the end of each calendar quarter thereafter.

Realisations due under the revenue share agreement will be collected directly by RiverRock.

The revenue share agreement is not available to any other class of creditor as RiverRock are expected to suffer a shortfall.

In the event that the revenue share agreement generates sufficient funds within the six year period to repay RiverRock's indebtedness in full, then RiverRock is required to report back to Duff & Phelps and DLA to consider how the residual funds should be dealt with which is likely to result in the restoration of the Company to enable these funds to be distributed to creditors.

Further information pertaining to the sale is detailed in the Proposals.

To enable a sale of the business and assets on a going concern basis, the Joint Administrators made the decision to trade the business in Administration. Full details of the Administration trading period are also detailed in the Proposals. An update relating to the cost of trading in Administration is provided in this report (see 3.3.2).

3.2.2 Book Debts

According to the Company's books and records, the outstanding debts due to the Company totalled £7.6m as at the Appointment Date. However, the Joint Administrators have been notified of certain rebates recharges and credits which may be set-off against collections. The Joint Administrators are working with Primesight to reconcile the position.

The Joint Administrators have collected c.£4.5m in debtor receipts in the Reporting Period. Collections are continuing with the assistance of Primesight and Fresh Collect, who have been engaged to assist with collections.

The Joint Administrators are continuing to realise book debts for the benefit of the creditors, however, the estimated future collections are not included within this report as to not prejudice potential realisations.

It should be noted that an element of the book debt realisations relates to services provided to customers after the completion of the sale to the Purchaser and funds are continuing to be received by the Joint Administrators due to an invoicing timing difference around the time the sale was completed. A reconciliation of this position is being completed on an ongoing basis. Based on current estimates, it is believed the maximum amount repayable to the Purchaser will be in the region of c£150k.

The receipts and payments account at Appendix 3 also includes realisations of c.£1.3m, categorised as Specialist Debtors. There are funds which were not physically received as certain customers of the Company which fall into this category have withheld the funds (totalling c.£1.3m) as repayment of outstanding rebates.

These rebates fell due for payment and were invoiced post administration and are disclosed in the payments section of the receipts and payments account and categorised as Rebate Expense (totalling c.£1.1m). The difference between the Specialist Debtors and Rebate Expense relates to VAT. Repayment of the VAT element of the Rebate Expenses totalling c.£200k will be sought from HMRC for the benefit of the Company's creditors.

A further update on debtor collections will be provided in the next report.

3.2.3 Cash at bank

As at the Appointment Date, the Company had cash at bank of c.£3.2m which was held with the Bank of Scotland.

These funds have been transferred to the Administration bank account and no further action is required.

3.2.4 Refunds

On 17 January 2020, the Joint Administrators received a refund of £24,998 in relation to the Bank of Scotland security deposit.

In addition, as at the Appointment Date the Company had pre-paid professional fees of £5,153. Together with the Bank of Scotland security deposit and the pre-paid professional fees, total refunds of £30,151 have been realised and are categorised together under Pre-Appointment Refund on the receipts and payments account.

To date, the Joint Administrators have also received £109,339 from town and city councils in relation to pre-paid business rates (Business Rates Refunds).

A further update on the realisation of refunds and other assets will be provided in the next report to creditors.

3.2.5 Bank interest

The Joint Administrators have accrued bank interest of £1,888 during the Reporting Period.

3.2.6 Other assets

The Joint Administrators are unaware of any other assets of the Company.

Please note, RiverRock as Secured Creditor, has provided a contribution to the costs of the Administration of £750,000. This contribution was received during the Reporting Period.

Investigations to identify any further assets remain ongoing.

3.2.7 Investigations

The Joint Administrators have a statutory obligation to file a report with DBEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators appointment. The Joint Administrators have filed their confidential report with DBEIS regarding the conduct of the Directors of the Company. The content of this report is confidential and has been submitted to the Insolvency Practitioners Compliance Unit.

There are no outstanding lines of enquiry.

3.3 Costs

Payments made in the Reporting Period are set out in the attached receipts and payments account at Appendix 3.

Summaries of the most significant payments during the Administration are provided below:

3.3.1 Trading Expenditure

The Joint Administrators traded the business over the period 26 November to 23 December 2019.

The Joint Administrators chose to trade the Company in Administration to ensure that a sale of the business and assets could be executed on a going concern basis, therefore, maximising returns for creditors. Had the Company ceased to trade this would not have been possible and realisation would likely be significantly reduced.

During the trading period, costs were incurred to continue trading the advertising units and payments have been made to cover items such as IT and data services, connectivity services, advertisement posting and maintenance. To date trading expenditure has been paid totalling £504,597.

Of these costs, the Purchaser agreed to contribute £280,791, which has offset trading expenditure to total £222,806.

The Joint Administrators have reconciled the trading expenditure costs and do not envisage receiving any further invoices relating to the Administration trading period.

The trading expenditure is summarised in the receipts and payments account at Appendix 3.

3.3.2 Solicitors' fees

The Joint Administrators have incurred solicitor's fees totalling £107,928 which relates to assistance provided in dealing with the sale of the business and assets of the Company and other ad hoc legal matters.

The solicitors also incurred disbursements of £240.

3.3.3 Accountants' fees

The Joint Administrators have incurred accountant's fees totalling £4,000 in relation to assistance provided in respect of the Company's tax matters, primarily associated to the sale of the business and assets.

3.3.4 Agents' fees

The Joint Administrators have incurred agent's fees totalling £22,000 relating to the valuation of the physical assets of the Company prior to the sale.

3.3.5 Other Costs

Additional costs have been incurred during the Administration, such as 2% agency fees for the collection of book debts. In the Reporting Period this has amounted to payments of £17,532, however, further invoices are expected in relation to the book debts collected during the Reporting Period.

The Joint Administrators are also awaiting receipt of insurance premiums and rates invoices for the period 26 November to 23 December 2019.

The remaining costs, including Joint Administrators' fees and expenses and pre-Administration costs are detailed later in this report (see section 6).

The remaining costs are self-explanatory.

A further reconciliation shall be provided in the next report to creditors.

3.4 Schedule of expenses

The Joint Administrators have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached at Appendix 4.

4. Outcome for Creditors

4.1 Secured Creditors

4.1.1 RiverRock

RiverRock holds fixed and floating charge security over the assets of the Company. As at the Appointment Date, the outstanding indebtedness to RiverRock totalled c.£20m, plus contractual returns and interest.

The funding was provided by RiverRock in four tranches of £5m between September 2018 and April 2019. Between September 2018 and December 2019, RiverRock had also accrued interest and charges of c.£1m which had been settled via repayments from the Company.

Upon the appointment of the Joint Administrators, additional charges were crystallised as the Administration constituted a default on the loan notes. The additional charges total £9m, being the minimum return of 45% of the original value of the loan notes (£20m).

After accounting for all payments made by the Company, contractual charges and interest, RiverRock has a claim in the Administration of c.£28m.

Based on current estimates, it is anticipated that RiverRock will suffer a shortfall on its indebtedness.

A review of RiverRock's security and claim in the Administration was undertaken by DLA on 8 January 2020, in which DLA verified the validity of the security and the claim.

Distributions totalling £7,573,407 have been made to RiverRock during the Reporting Period.

4.1.2 Bank of Scotland

The Bank of Scotland held a £25k deposit balance as security against a Company credit card in addition to a fixed charge over the cash deposit which was registered at Companies House.

The Joint Administrators have confirmed that the credit card has now been cancelled and the security deposit funds have been transferred to the Administration estate.

A deed of satisfaction has been registered at Companies House on 23 January 2020, in respect of the Bank of Scotland's charge.

4.2 Preferential Creditors

Preferential claims normally consist of employees claims for unpaid wages and holidays. The Company did not have any employees, therefore the Joint Administrators are not aware of any creditors that qualify for preferential status.

4.3 Unsecured Creditors

According to the Directors' Statement of Affairs, the Unsecured Creditors totalled £11,707,854 as at the Appointment Date.

Unsecured Creditors	Total (£)
Trade & Expense Creditors	£11,413,171
HM Revenue & Customs	£294,683
Specialist Rebates	TBD*
Total per SOA	£11,707,854

In the Directors' Statement of Affairs, Unsecured Creditors included in the liabilities section total £11,707,854 which reflects the Trade & Expense Creditors and HM Revenue & Customs as listed above. This excludes the Specialist rebates which have now been set-off by Specialist Debtors (see section 3.2.2 regarding Book Debts and Rebate Expenses).

The SOA included an outstanding liability owe to the Purchaser (BT) of c.£6.3m, as at the Appointment Date. As detailed earlier in this report, as part of the sale agreement the Purchaser agreed to waive c.£4.2m owing to them from prior to the appointment. As such, the total Unsecured Creditor claim to be submitted by the Purchaser in the Administration is expected to be significantly lower than the c.£6.3m detailed in the SOA. However, the Purchaser's final claim has not been received at this stage.

It is anticipated that there will be insufficient realisations to enable a distribution to the Unsecured Creditors, other than by virtue of the Prescribed Part, which will be paid in full.

4.4 Prescribed part

The Prescribed Part is calculated as a percentage of net property, as follows:-

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the Unsecured Creditors would be disproportionate to the benefits
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

The Company granted a qualifying floating charge to RiverRock on 8 February 2017, therefore the Prescribed Part provisions will apply.

Based on current estimates, the Joint Administrators anticipate that the Prescribed Part will be paid in full, to the maximum permitted by statute of £600k.

The timing of the Prescribed Part distribution is not yet known and will be communicated to Creditors in due course.

5. Other matters

5.1 Creditors' Committee

A creditor's committee has not been established as the Joint Administrators received insufficient nominations.

5.2 Joint Administrators' Receipts and Payments account

A detailed receipts and payments account for the Reporting Period is shown in Appendix 3, together with a cumulative account for the whole of the Administration.

5.3 Statement of Creditors' rights

Further information regarding the remuneration and disbursements of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 9, Statement of Creditors' Rights.

6. Joint Administrators' fees and expenses and pre-Administration costs

6.1 Fees and expenses

Upon a review of our hourly rates, inflation and industry averages, Duff & Phelps' hourly charge out rates have been revised to reflect market rates. Rate changes will apply to all appointments held by employees of Duff & Phelps.

Time is charged in 6-minute units and set out below are the hourly rates, with effect from 1 February 2020, excluding VAT:

	£
Partners	650 - 750
Managers / Directors	390 - 665
Seniors	250 - 380
Assistants / Support Staff	50 - 200

6.1.1 Time costs

Time has been charged in six minute units. Details of the time charged for the Reporting Period are attached at Appendix 5.

Time costs incurred in the reporting period total £214,934, which represents 727 hours at an average hourly rate of £295.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

6.1.2 Fees

Approval of the fee basis and the Joint Administrators' Fee Estimate which totals £190,876 was sought from RiverRock as Secured Creditor. This was approved on 21 January 2020.

In the Reporting Period, the Joint Administrators have drawn remuneration of £100,000 in accordance with the fee approval provided by the Secured Creditors on 21 January 2020.

Details of the total fees drawn by Joint Administrators are detailed in the receipts and payments account attached at Appendix 3.

6.1.3 Expenses and disbursements

Details of the expenses charged for the reporting period are attached at Appendix 4.

6.1.4 Additional information

Also attached at Appendix 6 is a narrative summary of the work carried out to assist Creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to Creditors.

Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is set out in Appendix 7.

6.2 Pre-Administration costs

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so.

Pre-Administration costs	Brief Description of Services Provided	Total (£)
Duff & Phelps Ltd	Time and disbursements incurred in respect of the advice provided to the Company on the financial position, marketing the business for sale, conducting negotiations with the Purchaser and preparing for the Administration.	£52,591
DLA Piper LLP	Assistance with placing the Company into Administration, preparing the sale contract, review of the security documentation and guidance on other ad hoc legal matters.	£82,980
SIA Group	Valuation services prior to the sale of the Company's business and assets.	£22,000
Shaw Gibbs	Transaction tax and VAT advice.	£4,000
Total		£161,571

The above costs exclude VAT.

The Joint Administrators confirm that payment of the unpaid pre-Administration costs, as an expense of the Administration, is subject to approval under Rule 3.52 of the Rules and was therefore subject to approval under Paragraph 53, Schedule B1 of the Act.

The Joint Administrators have drawn pre-Administration remuneration totalling £52,202 and disbursements of £389 in the Reporting Period.

7. Future strategy

7.1 Future conduct of the Administration

The Joint Administrators will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- Continue to liaise with councils to settle outstanding business rates and pursue refunds;
- Finalise the collection of the book debts;
- Finalise tax matters with HMRC;
- Settle all outstanding costs of the Administration;
- Complete all other statutory matters prior to finalising the Administration;
- Pay a dividend to the Unsecured Creditors by way of the Prescribed Part.

7.2 Extension of the Administration

An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the Creditors' consent.

It is not currently anticipated that the Joint Administrators will require an extension to the period of the Administrations, however if extensions are granted, notices of the extensions will be made available for viewing and downloading from the from the Duff & Phelps website at:

<http://www.duffandphelps.com/ukrestructuring>

7.3 Future reporting

The Joint Administrators will provide a further progress report within one month of every six months or earlier if the Administration has been completed prior to that time.

If you require further information or assistance, please do not hesitate to contact Daniel Ryan of this office.



Sarah Bell
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Sarah Bell and Steven Muncaster, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners' Association.

Appendix 1 – Statutory information

COMPANY INFORMATION

Company and trading name	IL Realisations Limited (formerly Inlink Limited)	
Date of incorporation	29 January 2016	
Registered Number	09977808	
Company Director(s)	Naren Patel Darren Singer Christopher Grosso Allison Hoffman	
Trading address	7th Floor Lacon House 84 Theobalds Road London	
Registered office	Current: Duff & Phelps Ltd. The Chancery 58 Spring Gardens Manchester	Former: 7th Floor Lacon House 84 Theobalds Road London

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in the High Court of Justice Business and Property Courts, Number 7630 of 2019	
Appointor	Company Directors	
Date of Appointment	26 November 2019	
Joint Administrators	Sarah Bell Steven Muncaster	
Original purpose	Business Consulting	
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1	
Current Administration expiry date	25 November 2020	
Prescribed part	The Prescribed Part is applicable in this case. It has been taken into account when determining the dividend prospects for unsecured creditors (Section 7).	
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.	

Appendix 2 – Approved Proposals

The Joint Administrators proposed the following:

- To continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;
- To do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient in order to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's creditors; and
- Seek an extension to the Administration period if considered necessary;
- To make distributions to the Secured Creditors where funds allow;
- To make distributions to the unsecured creditors from the prescribed part, where applicable;
- To make further distributions to the unsecured creditors over and above the prescribed part, if funds become available and apply to court for authority to do so, where applicable.
- That the Joint Administrators might use any or a combination of the following exit route strategies in order to bring the Administration to an end:
 - Apply to Court for the Administration order to cease to have effect from a specified time and for the return of control to the Directors;
 - Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Sarah Bell and Steven Muncaster of Duff & Phelps, would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
 - Petition the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Sarah Bell and Steven Muncaster of Duff & Phelps, would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
 - Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies, if the Joint Administrators consider that Liquidation is not appropriate because (1) the Company has no remaining property which might permit a distribution to its creditors; and (2) all outstanding matters have been satisfactorily completed.

Alternatively, the Joint Administrators may allow the Administration to end automatically.

The Joint Administrators also sought specific agreement to the following Proposals from the Secured Creditor, which do not form part of these Proposals:

- That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.

- That the Joint Administrators' Fee Estimate provided in Appendix 5 in the total sum of £190,876, is approved;
- That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), which have been charged in accordance with Duff & Phelps policy;
- That the unpaid pre-Administration costs totalling £161,571, as detailed in the Joint Administrators' statement of pre-Administration costs, is approved for payment as an expense of the Administration.
- That the Joint Administrators be discharged from all liability in respect of any actions as Joint Administrators upon filing their final receipts and payments account with the Registrar of Companies or their appointment otherwise ceasing;
- Where a Creditors' Committee is formed, the Joint Administrators will seek to obtain approval from the Creditors' Committee

Appendix 3 – Receipts and Payments account

IL Realisations Limited (formerly Inlink Limited)
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 26/11/2019 To 25/05/2020 £	From 26/11/2019 To 25/05/2020 £
POST APPOINTMENT SALES		
Contribution to Costs	280,790.57	280,790.57
	<u>280,790.57</u>	<u>280,790.57</u>
TRADING EXPENDITURE		
Rates	1,189.95	1,189.95
Payphone Service Charge	37,500.00	37,500.00
IT and data services	143,991.00	143,991.00
Bill Posting	53,411.57	53,411.57
Management Fee	146,155.60	146,155.60
Repairs & Maintenance	16,348.58	16,348.58
Ransom Payment	105,000.00	105,000.00
	<u>(503,596.70)</u>	<u>(503,596.70)</u>
TRADING SURPLUS/(DEFICIT)	<u>(222,806.13)</u>	<u>(222,806.13)</u>

IL Realisations Limited (formerly Inlink Limited)
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 26/11/2019 To 25/05/2020 £	From 26/11/2019 To 25/05/2020 £
SECURED ASSETS		
Goodwill	1.00	1.00
Intellectual Property	1.00	1.00
Gross bank interest - fixed account	19.53	19.53
	<u>21.53</u>	<u>21.53</u>
ASSET REALISATIONS		
Bank Interest Gross	1,887.79	1,887.79
Business Rates Refund	109,339.17	109,339.17
Cash at Bank	3,199,127.18	3,199,127.18
Close Units	1.00	1.00
Company Records	20,000.00	20,000.00
Contribution to Costs	750,000.00	750,000.00
Debtors	4,512,184.35	4,512,184.35
Domain Names and Warranties	20,000.00	20,000.00
Elected Contracts	60,000.00	60,000.00
Pre-Appointment refund	30,151.33	30,151.33
Specialist Debtors	1,324,545.64	1,324,545.64
The Equipment	1,347,997.00	1,347,997.00
Trading Surplus/(Deficit)	(222,806.13)	(222,806.13)
	<u>11,152,427.33</u>	<u>11,152,427.33</u>
COST OF REALISATIONS		
Accountants Fees	4,000.00	4,000.00
Agents/Valuers Fees	22,000.00	22,000.00
Bank Charges	391.91	391.91
Debt Collection Fees	17,531.73	17,531.73
Joint administrators' remuneration	100,000.00	100,000.00
Legal Disbursements	239.96	239.96
Legal Fees	107,928.39	107,928.39
Legal fees pre insolvency	82,980.00	82,980.00
Pre Insolvency disbursements	388.86	388.86
Pre Insolvency Remuneration	52,202.00	52,202.00
Rebate expense	1,103,788.03	1,103,788.03
	<u>(1,491,450.88)</u>	<u>(1,491,450.88)</u>
FLOATING CHARGE CREDITORS		
RiverRock European Opportunities Fu	7,573,406.73	7,573,406.73
	<u>(7,573,406.73)</u>	<u>(7,573,406.73)</u>
	2,087,591.25	2,087,591.25
REPRESENTED BY		
Dividend Account		600,000.00
Fixed bank account		185,727.75
Floating/main current account		965,629.97
Suspense Account		30.12
VAT payable		(33,759.51)
VAT Receivable		369,892.92
		<u>2,087,521.25</u>

Appendix 4 – Schedule of expenses

A summary of expenses incurred during the period of this report is set out below:

Schedule of Expenses	Incurred in the prior period but not accrued for (£)	Incurred and paid in the period (£)	Incurred in the period and not yet paid (£)
Expenses			
Legal Fees	0.00	107,928	0.00
Legal Disbursements	0.00	240	0.00
Agents' Fees	0.00	22,000	0.00
Bank Charges	0.00	393	0.00
Debt Collection Fees	0.00	17,533	0.00
Accountants' Fees	0.00	4,000	0.00
Total	0.00	152,094	0.00

The Joint Administrators choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and basis of their fee.

The above costs exclude VAT.

Appendix 5 – Analysis of time charged and expenses incurred

Refer to the table overleaf for a detailed breakdown on the Joint Administrators' time and cost summary in accordance with SIP 9.

111759 INLINK LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 26/11/2019 to 25/05/2020

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.00	1.50	0.00	7.80	0.00	9.30	2,449.25	263.36
Cashiering & accounting	1.00	10.25	3.10	65.95	0.00	80.30	20,339.50	253.29
Dealings with Directors and Management	0.00	2.00	0.00	0.50	0.00	2.50	775.00	310.00
IPS set up & maintenance	0.00	0.00	0.00	17.45	0.00	17.45	3,227.50	184.96
Insurance	0.00	0.00	0.00	3.25	0.00	3.25	682.50	210.00
Statement of affairs	0.00	1.10	0.00	4.70	0.00	5.80	1,405.00	242.24
Statutory matters (Meetings & Reports & Notices)	0.00	39.30	0.00	41.75	0.00	81.05	22,831.25	281.69
Strategy planning & control	1.00	40.30	0.00	27.80	0.00	69.10	20,950.75	303.19
Tax Compliance / Planning	0.00	0.00	0.00	3.85	0.00	3.85	858.50	222.99
Creditors								
Communications with Creditors / Employees	3.20	0.50	0.00	31.30	0.00	35.00	9,061.00	258.89
Creditors committee	0.00	0.00	0.00	4.25	0.00	4.25	765.00	180.00
Non Pref Creditor claims adjudication & dist'n	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Pref Creditors / Employee claims handling	0.00	3.40	0.00	47.85	0.00	51.25	10,421.50	203.35
Pref claims adjudication & distribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured Creditors	1.90	19.85	0.00	3.20	0.00	24.95	10,194.50	408.60
Investigations								
CDDA & reports & Communication	0.00	18.85	0.00	27.45	0.00	46.30	12,544.75	270.94
Financial review and investigations (S238/239 etc)	0.00	0.00	0.00	14.95	0.00	14.95	1,719.25	115.00
Realisation of Assets								
Book debts	0.00	117.15	0.00	21.25	0.00	138.40	48,753.25	352.26
Other Tangible Assets	0.30	2.80	0.00	0.00	0.00	3.10	1,133.00	365.48
Pre-Appointment Tax Reclaims	0.00	0.00	0.00	0.35	0.00	0.35	66.50	190.00
Sale of business	0.50	35.50	0.00	1.85	0.00	37.85	14,903.50	393.75
Trading								
Trading - Accounting	0.80	0.90	0.00	20.95	0.00	22.65	5,270.50	232.69
Trading - Insurance	0.00	0.00	0.00	1.85	0.00	1.85	422.50	228.38
Trading - Operations	0.30	67.65	0.00	5.95	0.00	73.90	26,159.75	353.99
Total Hours:	9.00	361.05	3.10	354.25	0.00	727.40		295.48
Total Fees Claimed: £	5,730.00	137,426.00	1,138.00	70,640.25	0.00		214,934.25	

Category 2 Disbursements:

Appendix 6 – Narrative of work carried out for the Reporting Period

The key areas of work have been:

SIP 9 narrative for the period 26 November 2019 to 25 May 2020	
Administration and planning	<ul style="list-style-type: none"> • Monitoring and reviewing the Administration strategy; • Regular case management and reviewing of process including regular team update meetings and calls; • Meeting with management to review and update strategy and monitor progress; • Reviewing and authorising junior staff correspondence and other work; • Dealing with queries arising during the appointment; • Reviewing matters affecting the outcome of the Administration; • Allocating and managing staff case resourcing and budgeting exercises and reviews; • Developing and maintaining an estimated outcome statement used to help determine the Administration strategy; • Liaising with legal advisors regarding various instructions; • Complying with internal filing and information recording practices, including documenting strategy decisions; and • Drafting progress statutory progress reports.
Creditors	<ul style="list-style-type: none"> • Updating the list of Unsecured Creditors; • Responding to enquiries from Creditors regarding the Administration and submission of their claims; • Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records; and • Drafting progress statutory progress reports. • Providing written and oral updates to the Secured Lenders regarding the progress of the Administration and cases strategy; • Filing notice of the extension of the Administration; and
Investigations	<ul style="list-style-type: none"> • Managing and reviewing the Company books and records; • Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation; • Obtaining records from third parties; • Conducting interviews with counterparties and officeholders; • Enquiring with counterparties who has raised disputes against the Company; • Reviewing pre-appointment transactions; and • Documenting investigations.
Statutory and compliance	<ul style="list-style-type: none"> • Ensuring compliance with all statutory obligations within the relevant timescales; • Uploading information to the Website; • Drafting and publishing progress reports; • Running decision procedures; • Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9; • Monitoring the fees estimate; and • Monitoring the expenses estimate.

Cashiering	<ul style="list-style-type: none"> • Preparing statutory receipts and payments accounts; • Renewing bonding and complying with statutory requirements; • Making payments and journaling receipts; • Periodic reviews of the Administration accounting records.
Asset realisations	<ul style="list-style-type: none"> • Liaising with agents regarding the sale of assets; • Liaising with suppliers on retention of title claims; • Reviewing outstanding debtors and management of debt collection strategy; • Seeking legal advice in relation to book debt collections; • Liaising with third parties regarding costs incurred; • Collecting and paying rates due on the Company's rateable premises; • Reviewing and agreeing invoices; • Reviewing costs incurred to ensure recorded accurately; and • Arranging payments to agents and solicitors in a timely manner.
Trading	<ul style="list-style-type: none"> • Attending to supplier and customer queries and correspondence; • Reviewing invoices to ensure they correspond with the relevant purchase orders; • Raising payments to suppliers in respect of Administration costs; and • Ensuring accurate accounting for the trading period; • Contacting all suppliers to obtain final invoices for the trading period.
Tax	<ul style="list-style-type: none"> • Analysing and considering the tax effects of asset sales; • Working on tax returns relating to the periods affected by the Administrator; • Analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; and • Dealing with post appointment tax compliance.

Appendix 7 – Statement of Creditors' rights

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section, please contact Daniel Ryan at Daniel.O.Ryan@Duffandphelps.com.

Information for Creditors on remuneration and disbursements of Administrators

Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/-/media/assets/pdfs-international/uk/creditors-guide/administration-a-creditors-guide-to-insolvency-practitioner-fees-updated.ashx?la=en-gb&hash=007D99D0FCC2E1AAADA98AA36B09E2D94292DBA9>

(click on the document 'Administration (appointment from 1 October 2015)'. Should you require a copy, please contact this office.

Creditors' requests for further information

If you would like to request more information about the Joint Administrators' remuneration and disbursements disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of Unsecured Creditors (including, the Unsecured Creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by Unsecured Creditors (including the Unsecured Creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Daniel Ryan at Daniel.O.Ryan@duffandphelps.com.

Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents / SIA	SIA Group Asset Ingenuity Ltd., independent agents who were instructed to value the assets of the Company
the Appointment Date	26 November 2019, being the date of appointment of the Joint Administrators
the Bank / Bank of Scotland	Bank of Scotland PLC, with whom the Company banked and the holder of a fixed charge over the Company's clearing accounts
BT	British Telecommunications PLC, the Purchaser of the business and assets of the Company and prior to the Administration, a key trading partner
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	IL Realisations Limited (formerly Inlink Limited) (In Administration) (Company Number: 09977808)
DBEIS	Department for Business, Energy & Industrial Strategy
DLA	DLA Piper LLP, the Joint Administrators' solicitor
the Directors	Allison Hoffman, Christopher Grosso, Darren Singer and Naren Patel, the directors of the Company
EC Regulation	EC Regulation on Insolvency Proceedings 2000
Fresh Collect	Fresh Collect Ltd., collection agents engaged by the Joint Administrators to assist with the collection of the Company's non-Specialist book debts
HMRC	HM Revenue and Customs
the Joint Administrators	Sarah Bell and Steven Muncaster of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
the Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to Unsecured Creditors
Primesight	Primesight Limited, an out-of-home media company who held a 50% shareholding in the Company. In addition, Primesight have been engaged to assist the Joint Administrators with the collection of the Specialist book debts
the Purchaser	British Telecommunications PLC, the purchaser of the business and assets of the Company
the Reporting Period	The period from 26 November 2019 to 25 May 2020

the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditor / RiverRock	RiverRock European Opportunities Fund II Limited, the holder of a fixed and floating charge over the Company's assets
Shaw Gibbs	Shaw Gibbs Ltd, the Joint Administrators' accountants
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SOA	Statement of Affairs, documentation supplied by the Directors outlining the Company's financial position as at the Appointment Date
the Specialist Debtors	Specialist media advertising agencies as listed as follows: Kinetic Worldwide Ltd; Talon Outdoor Ltd (including CCS and Apple); Posterscope (a Trading Division of Aegis Media Ltd.); Rapport Outdoor Limited; and Poster Management Ltd.

Appendix 9 – Notice about this report

This report has been prepared by Sarah Bell and Steven Muncaster, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, 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 any financial interest in the Company or any other company in the same group.

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 under the Insolvency Rules (England and Wales) 2016 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 to any such person.

Sarah Bell and Steven Muncaster are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Duff & Phelps Ltd. does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.