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The Insolvency Act 1986

Joint Administrators' progress report

Name of Company

Albemarle(Shoreham) LLP

Company number:

OC325054

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

(full name of court)

Court case number:
5504 of 2016(a) Insert full
name(s) and

I/We (a)

David Thurgood and Simon Underwood of

address(es) of

Menzies LLP, Lynton House, 7-12 Tavistock Square
London, WC1H 9LT

administrator(s)

administrator(s) of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 7 September 2016

(b) 6 March 2017

Signed

Joint Administrator(s)

Dated

4 April 2017

Contact Details:

You do not have to give any contact
information in the box opposite but ifyou 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

Menzies LLP
Lynton House
7-12 Tavistock Square
London, WC1H 9LT

Tel: 020 7387 5868

DX Number

DX Exchange

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

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COMPANIES HOUSE

**Albemarle Shoreham Airport Limited - High Court of Justice No. 5503 of 2016
Albemarle(Shoreham) LLP - High Court of Justice No. 5504 of 2016
(Both In Administration)**

**Joint Administrators' Six Monthly Progress Report
In accordance with Rule 2.47 of the Insolvency Rules 1986 (as amended)**

Dated: 4 April 2017

**If you require any further information please contact:
Caroline Davenport – 020 7465 1956 or cdavenport@menzies.co.uk**

Name of Joint Administrators:	Simon James Underwood & David Robert Thurgood Menzies LLP Lynton House 7-12 Tavistock Square London WC1H 9LT
Date of appointment:	7 September 2016
Report period to:	6 March 2017
Appointed by:	Appointed by the qualifying floating charge holder in accordance with Paragraph 14 of Schedule B1 to the Insolvency Act 1986.
Court reference:	High Court of Justice 5503 of 2016 High Court of Justice 5504 of 2016
Functions of Joint Administrators:	In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the functions of the Joint Administrators are being exercised by either of them.
Details of any extension to the initial period of appointment:	None

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GLOSSARY OF TERMS

Albemarle Shoreham Airport Limited	"ASAL"
Albemarle(Shoreham) LLP	"AS LLP"
Albemarle Shoreham Airport Limited & Albemarle(Shoreham) LLP	"the Companies"
The Insolvency Act 1986 (as amended)	"the Act"
Schedule B1 of the Act	"the Schedule"
The Insolvency Rules 1986 (as amended)	"the Rules"

INTRODUCTION

- 1.1 In accordance with Rule 2.47 of the Rules, I now report on the progress made in the administration of the Companies during the six months ended 6 March 2017.
- 1.2 This report should be read in conjunction with the Joint Administrators' Statement of Proposals ("the Proposals") dated 1 November 2016, copies of which are attached at Appendix IV. The Proposals were deemed to have been approved on 16 November 2016.

2. COMPANY INFORMATION

- 2.1 A schedule of statutory information in respect of the Companies is attached at Appendix I.
- 2.2 The Companies form part of the "Shoreham Airport" group, which owns the Brighton City Airport site extending approximately 242 acres and comprises three runways and a portfolio of property, including a number of industrial units and two listed buildings.
- 2.3 Creditors should please refer to the Proposals dated 1 November 2016 for a detailed history of the Companies.

3. PROGRESS TO DATE

- 3.1 The manner in which the affairs and property of the Companies have been managed since the appointment of Joint Administrators and how they will continue to be managed are set out below. Attached at Appendix II are receipts and payments accounts for the period.

Progress to Date

- 3.2 As mentioned in my proposals that were circulated to all known creditors, it is the intention of the Administrators to complete a sale of the Companies' assets, being the airport land and buildings, without being on a forced sale basis.
- 3.3 The Joint Administrators are continuing to operate the business of ASAL, with the approval of the secured creditor, Longbow Investments No. 3 S.A.R.L. ("Longbow") with the intention of developing the airport site as a whole in order to improve the asset and increase its overall value. It is hoped this medium term strategy will enable a sale of the land and property, to enable a significant distribution to be made to the secured creditor.
- 3.4 In order to achieve a successful sale of the site, property development agents Tavis House Properties Limited ("Tavis House") have been engaged to provide a strategy report and oversee the development and rejuvenation of the site, which can be split into two areas. Firstly, the joint development with New Monks Farm Limited (BHA Football Club) ("NMF") for the development of approximately 600 new houses, employment space and a new access road on land adjoining NMF and Shoreham Airport.
- 3.5 To date this has involved Tavis House commissioning architects and other specialist advisors to assist in the design and submission of an outline planning application. Local planning inspectors have visited the site and the formal application will be submitted to local councils and the Secretary of State for independent inspection and review in April 2017. Tavis House have engaged a professional team with local experience, with estimated costs provided to

the Administrators and secured creditors for approval, to produce reports provided for the planning application and ongoing development.

- 3.6 Key issues identified to date that will require resolution will include highways and access, flooding, and the visual impact of the scheme from the South Downs National Park.
- 3.7 The second stage of the development is the construction of a new sea wall, along the Shoreham Airport property border. I have been liaising directly with the Environment Agency to discuss the location, timeframe and issues arising following the initial plans for the construction of the sea wall. There are numerous complex issues to be resolved in this major project to ensure all stakeholders are protected as far as possible. To date it is estimated that this will not be completed until late 2018.
- 3.8 During the course of this reporting period, in dealing with the above developments and ongoing business of the Companies, myself and my staff have met and attended numerous meetings with the following:

Development of site

- The freehold landowners – Brighton & Hove City Council and Worthing Borough Council, to discuss the purchase of the freehold or extension of the long leasehold, planning applications etc.;
- The property development agent – Tavis House;
- The Environment Agency;
- An open event updating the local community and stakeholders;
- Brighton City Airport Limited ('BCAL'), to discuss numerous issues;
- The secured creditor – Longbow to discuss the ongoing strategy; and
- Solicitors, Gowlings WLG (UK) LLP ('Gowlings'), engaged to liaise with the environment agency.

Day to day operations

- The property management agents – Egan Property Asset Management Limited ("EPAM"), to agree short terms lets, manage quarterly rent and service charge income etc.;
- Alternative property management agents, to consider engaging following a change in staffing at EPAM;
- Tenants of the leasehold properties;
- Potential tenants for vacant sites;
- BCAL, to discuss the current lease agreement and gather financial information etc.;
- Gowlings to deal with real estate issues and other ad hoc matters;
- The secured creditor – Longbow to provide regular updates.

- 3.9 In addition to the above, the following statutory duties have been carried out:

- Formally notifying all creditors of the appointments
- Writing to the Companies' pre-appointment bankers, Coutts & Company ("Coutts"), requesting the Companies' accounts be closed
- Liaising with the directors regarding various matters including preparation and submission of a Statement of Affairs for each of the Companies
- Instructing solicitors in relation to real estate issues and other legal matters
- Completing investigations into the events leading up to the Administrations and the conduct of the directors
- Submitting my confidential reports to the Insolvency Service
- Notifying HM Revenue & Customs ("HMRC") of the appointments
- Preparing and submitting returns to HMRC
- Liaising with unsecured creditors regarding claims and enquiries
- Liaising with the Pension Protection Fund regarding the value of ASAL's pension debt

- Liaising with the Companies pre-appointment insurers
- Instructing my own insurers to review the Companies' trading site, conduct a health and safety survey and review the pre-appointment policies to establish their viability during the Administration period
- Drafting proposals and reports to creditors, and
- Addressing any other statutory duties associated with the Administrations

4. ASSETS

- 4.1 As mentioned above, the intention of the Administrators is to complete a sale of the assets held within the Shoreham Airport Group, which were estimated within the accounts of the Group as at March 2016, as follows:

<u>Ownership</u>	<u>Ownership</u>	<u>Land</u>	<u>Estimated in Group Accounts as at March 2016</u>
Albemarle Shoreham Airport Limited	Long Leasehold (Airport Lease)	Terminal Building, operational land, perimeter land & aviation square	£4.1 million
Albemarle(Shoreham) LLP	Freehold	1 Acre Site	£150,000
Albemarle(Shoreham) LLP	Long leasehold (Commercial Lease)	Plot 1, Plot 16 & expansion land surrounding areas	£1.545 million
Berkshire Nominee 1 & 2	Long Leasehold (Commercial Lease)	Investment Property - East and West	£15 million
Total			£20.795 million

ASAL Assets

Long term leasehold /Land and property/ Management with BCAL

- 4.2 In June 2006 ASAL entered into a long term leasehold agreement with Brighton & Hove City Council and Worthing Borough Council for a 150 year commercial and airport lease over land including the terminal building, operational land, perimeter land and "aviation square". This land had a book value in ASAL's accounts as at March 2016 of £4.1 million.
- 4.3 On 1 August 2013, ASAL entered into an airport management services agreement and lease agreement with BCAL to operate and manage the airport. Terms of the agreement included quarterly rent of £24,000 plus VAT and service charges and costs and a 50% profit share between ASAL and BCAL, subject to certain commercial terms.
- 4.4 In addition to BCAL, ASAL recovers rent from a second tenant, although the sums are relatively minimal.
- 4.5 During the period of this report a total amount of £31,665.28 plus VAT has been received in relation to rent, service charge, estate fees etc. The Administrators will continue to realise the rent and service charges during the course of the Administration, via EPAM who have been engaged to manage the properties on behalf of the Administrators. After costs, an amount of £11,030.65 has been transferred from EPAM to the Administration account, being the balance held as at 31 December 2016.

Cash at Bank

- 4.6 ASAL operated a bank account with Coutts. Following my appointment, I requested the account be closed and the balance transferred to the Administration account. £10,890.37 has been received and no further funds are expected from this asset.
- 4.7 In addition, immediately following the appointment of Administrators, an advance of £146,000.00 was provided by Longbow, to cover initial costs of the Administrations.

Bank Interest Gross

- 4.8 Bank interest of £23.90 has been realised during the period of this report.

Book Debts

- 4.9 Based on the books and records of ASAL, there were outstanding book debts of circa £84,000.00 as at March 2016. I was advised this is made up of a VAT refund of £12,116.00 and an amount of £72,681.00 due from BCAL in relation to the management agreement. I was advised the VAT refund was received prior to the Administration and the amount of £72,681.00 related to an old disputed debt, which was written off by ASAL prior to the Administration.

AS LLP Assets

Freehold and leasehold land

- 4.10 AS LLP owns the freehold to part of the site known as "1 acre site", which is located to the north side of the airport site, which had a book value of £150,000 in the management books and records as at March 2016.
- 4.11 AS LLP is noted on the title for long leasehold land for a number of other plots, which had a combined value of £1.545 million in the books and records as at March 2016.
- 4.12 All of the above sites will be included in the redevelopment of the Shoreham Airport site, with the intention that the land will be included in a sale of the overall site in the short to medium term.

Share Capital

- 4.13 AS LLP is the 100% owner of the limited partnership interest of Berkshire UK Industrial Properties Limited Partnership ("Berkshire UK"). The statutory accounts as at 31 March 2015, states the equity held in Berkshire UK by AS LLP in the amount of £5,606,451. It should be noted that the main assets listed in Berkshire UK accounts as at 31 March 2015 is Investment Property of £15 million, whose registered title is held by Berkshire Nominee 1 Limited and Berkshire Nominee 2 Limited (Both in Administration). Accordingly, it is not expected an amount will realised from this asset.

Inter-company loan

- 4.14 There is an inter-company loan shown in the account of AS LLP of £285,347 due from ASAL. It is not expected this debt will be recovered.
- 4.15 There have been no asset realisations in AS LLP to date.

5. INVESTIGATIONS

- 5.1 The Companies' affairs have been investigated and, in accordance with Section 7(3) of the Company Directors Disqualification Act 1986, a submission on the directors' conduct has been filed with the Secretary of State. The content of these reports is confidential.
- 5.2 No matters were uncovered during my investigations which I considered may lead to further recoveries.

6. CREDITORS' CLAIMS

Secured creditors

- 6.1 Longbow hold a fixed and floating charge over the Companies, in relation to a mezzanine loan facility of £15.4 million, provided to Single Source Aviation Brighton LLP ("Single Source"), a corporate designated member of AS LLP. Following additional drawdowns on the facility, together with interest, charges and a minimum percentage return, the amount due to Longbow as at the date of Administration was £24,073,480.
- 6.2 Longbow will be relying on its fixed and floating charge in order to recover the outstanding balance. At this stage, it is not yet known if Longbow will be repaid in full.
- 6.3 It should be noted that Companies House lists an outstanding charge registered against AS LLP in favour of Nationwide Buildings Society ("Nationwide"). It is understood Nationwide was paid out in full when the facility agreement was taken out with Longbow, however a notice of satisfaction of charge has yet to be lodged with Companies House.
- 6.4 Companies House also states Coutts hold a legal charge over AS LLP and a fixed and floating charge over ASAL. I have written to Coutts, who have confirmed they hold no charges over the Companies.

Unsecured preferential creditors

- 6.5 Neither ASAL nor AS LLP had any employees as at the date of Administration. ASAL previously employed staff who were transferred to BCAL under a licence agreement in August 2013. Accordingly, there are no unsecured preferential creditors of the Companies.

Prescribed Part

- 6.6 There are provisions in the insolvency legislation that require the administrators to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a floating charge over its assets to a lender on or after 15 September 2003. This is known as the prescribed part of the company's net property. A company's net property is that amount left after paying the preferential creditors, but before paying the lender who holds a floating charge. The administrators have to set aside:

50% of the first £10,000

20% of the remaining net property up to a maximum of £600,000

- 6.7 The Companies provided floating charges to Longbow in June 2014. Given there is a qualified floating charge holder, the prescribed part provision will apply. Creditors should note however, that I intend to seek legal advice for clarification as to whether the rental income received from the properties should be treated as a fixed charge or floating charge realisation under Longbow's security.
- 6.8 At present I am unable to advise on the expected value of net property available in ASAL as this will be dependent upon the level of rental income received and it is uncertain how long the Administration will continue.
- 6.9 There is not expected to be any prescribed part distribution available to creditors of AS LLP.

Unsecured non-preferential creditors

- 6.10 As at the date of my Proposals, I was aware of unsecured non-preferential creditors of £1,499,520 for ASAL, in addition to the Longbow debt.
- 6.11 To date, in addition to the Longbow debt, I am aware of the following unsecured non-preferential creditors of ASAL:

Creditor	Amount (£)
Adur & Worthing Councils	388.86
Brighton & Hove City Council	1,193,520.00
Brighton City Airport Limited	17,000.00
The Board of the Pension Protection Fund	289,000
Single Source Aviation Brighton LLP	248,207.00
Total	1,748,115.86

- 6.12 I have also received a proof of debt form from Single Source, in relation to funding provided to AS LLP of £7,489,776. At this stage, the inter-company balances have not been reconciled nor investigated any further.
- 6.13 The Joint Administrators will adjudicate upon the non-preferential unsecured creditor claims if and when there are funds available to enable a prescribed part dividend to be paid.

7. DIVIDEND PROSPECTS

Secured Creditors

- 7.1 Based on expected realisations, there will be sufficient funds available to enable a distribution to be paid to secured creditors of the Companies, however the value of any distribution is as yet uncertain.

Unsecured preferential Creditors

- 7.2 As mentioned above, there are no unsecured preferential creditors of the Companies.

Unsecured non-preferential Creditors

- 7.3 Based on current information available, it is not expected there will be funds available to distribute a dividend to unsecured non-preferential creditors, other than by way of a prescribed part distribution.

8. COSTS AND EXPENSES

Joint Administrators' post appointment remuneration

- 8.1 Given a creditors' committee was not formed and that there will be insufficient funds available to enable a distribution to be made to unsecured creditors, other than by way of a prescribed part distribution, it is for the secured creditor to approve the Joint Administrators' remuneration.
- 8.2 On 5 January 2017, the secured creditor resolved for ASAL that "that the Joint Administrators be remunerated on a time costs basis subject by reference to the time properly given by them and their staff in attending to matters arising in the Administration and that the Joint Administrators can only draw fees up to an amount of £95,235 plus VAT, as set out in the fees estimate circulated within the Joint Administrators' proposals. Should the Joint Administrators exceed the fee estimate, they shall seek authority from creditors to draw further fees".
- 8.3 The Joint Administrators' time costs incurred during the period for ASAL totals £141,970.26 plus VAT representing 433.59 hours at an average charge out rate of £327.43 per hour.
- 8.4 The Joint Administrators' time costs incurred during the period for AS LLP totals £3,038.50 plus VAT representing 19.55 hours at an average charge out rate of £155.42 per hour.
- 8.5 A schedule of these time costs is set out at Appendix III. Joint Administrators' fees paid during the period covered by this report total £40,000.00 plus VAT.

Pre-Administration Costs

- 8.6 The only pre-appointment time costs incurred were by Menzies LLP, who were engaged to act by Longbow on 1 September 2016. Details of their pre-appointment fees are shown in section 8.14 below.
- 8.7 A Creditors' guide to Administrators' fees is available via the following link:
<https://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>
- 8.8 Alternatively, it is available free of charge by contacting this office. Full details of those staff involved with the matter are as follows:

	<i>Rate per hour 1 October 2016</i>	<i>Rate per hour 1 October 2015</i>
	£	£
Partner/Director	315-505	330-505
Manager	225-345	210-400
Senior Administrator	185-230	175-230
Administrator	85-180	80-170
Support staff	105	54-75

Joint Administrators' disbursements

- 8.9 In relation to disbursements, where our firm has incurred a cost that is directly referable to this matter and payment is made to a third party, these have been reimbursed. Disbursements incurred to date for ASAL are as follows:

Disbursement	Incurred to date	Reimbursed to date	Outstanding amount
	£	£	£
Rail Fares	39.20	39.20	0.00
Travel & Subsistence	27.78	27.78	0.00
Statutory Advertising	320.00	320.00	0.00
Specific Bond	20.00	0.00	20.00
	<u>406.98</u>	<u>386.98</u>	<u>20.00</u>

- 8.10 Disbursements incurred to date for AS LLP are as follows:

Disbursement	Incurred to date	Reimbursed to date	Outstanding amount
	£	£	£
Specific Bond	20.00	0.00	20.00
	<u>20.00</u>	<u>0.00</u>	<u>20.00</u>

- 8.11 No disbursements have or will be claimed which, while directly referable to this matter, did not involve a payment to a third party. Neither will any cost be reimbursed which included an element of shared or allocated cost.

Professionals and sub-contractors

- 8.12 Where appropriate, professionals have been engaged to advise in relation to certain specialist matters.
- 8.13 The firms engaged to provide this specialist assistance were chosen on the basis of their experience and knowledge of the areas in which they are advising, taking into account the complexity of the assignment. They were contracted to be paid as set out below. The fees charged are reviewed for reasonableness, given the amount and level of work undertaken.
- 8.14 Below is a breakdown of the pre-appointment professional costs incurred:

Charged By	Brief Description of the Services Provided	Basis of Fees	Total Incurred	Amount Paid
Menzies LLP	Advice regarding security held and potential enforcement action	Fixed Fee	£8,000 plus VAT & disbursements	£8,000 plus VAT & disbursements

- 8.15 Menzies LLP were engaged by Longbow on 1 September 2016 to advise Longbow in relation to their security held and enforcement options available to them, whilst understanding the group structure and the effect of any enforcement action. Advice was given to Longbow of the advantages and disadvantages of placing the Companies into administration, and other potential exit strategies for Longbow.
- 8.16 Please see below a breakdown of the post-appointment professional fees that have been or will be incurred in the period:

Charged by	Brief description of services to be provided	Basis of fee	Original Estimate for Group of Companies	Total paid to date by ASAL
Gowlings WLG (UK) LLP	Real estate advice and preparation of lease agreements	Time cost basis	£30,000 plus VAT and disbursements	£5,170.55 plus VAT
Tavis House Properties Limited	Land Development Management	Fixed fee	£50,000 plus VAT and disbursements	Nil
Egan Property Asset Management Limited	Property management	Fixed fee	£60,000 per annum	Nil
Menzies LLP	The preparation of pre and post appointment tax returns (if any).	Fixed fee	£3,000 pre - appointment returns & £275 per return post appointment	Nil

- 8.17 Gowlings WLG (UK) LLP has been engaged to provide legal advice, review and prepare documents including management agreements, lease agreements, heads of terms and title reports. These costs will be incurred on a time costs basis, and the estimate may increase depending on the number of new lease agreements required during the course of the Administrations. To date an amount of £5,170.55 plus VAT has been incurred and paid.
- 8.18 Tavis House have been engaged to assist with providing services to obtain planning and development consent and to provide project co-ordination on a fixed fee basis of £50,000 plus VAT and disbursements. To date an amount of £30,256.00 plus VAT had been paid by Berkshire Nominee 2 Limited (In Administration).
- 8.19 EPAM has been engaged to act as property managers on an annual fixed fee basis of £60,000 per year. EPAM services will include but not be limited to, assisting with collecting rents and service charges, maintaining the properties in accordance with the relevant terms, overseeing the completion of all necessary works and repairs and maintaining all necessary books and records.
- 8.20 Menzies LLP be authorised to deal with all matters of corporation tax. As regards the completion of pre-administration corporation tax affairs they will charge time costs, but these will not exceed £3,000. Post appointment returns will be charged at a fixed rate of £275 per return.

Creditors' rights to request information

- 8.21 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of the unsecured creditors, or any unsecured creditor with the leave of court, may (in writing) request the Joint Administrators to provide additional information regarding remuneration

or expenses already supplied within this report. In accordance with Rule 2.48A of the Rules, such a request or application for leave must be made within 21 days of receipt of this report.

Creditors' right to challenge remuneration and/or expenses

- 8.22 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with the permission of the court, may apply to court for one or more orders under Rule 2.109(4) of the Rules. In accordance with Rule 2.109, such applications must be made within 8 weeks of receipt of this report.

9. CONCLUDING REMARKS

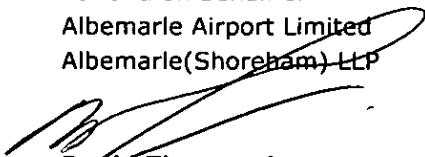
- 9.1 I am continuing to operate the business for ASAL, with the approval of the secured creditor, with the intention of developing the airport site as a whole in order to improve the overall asset and increase its overall value. This is a medium term strategy with the hope of resulting in a sale of the land and property without being on a forced sale basis.
- 9.2 My next report will be sent to creditors within one month of the 12 months anniversary of the Administrations.
- 9.3 If any creditor has any information concerning the Companies' affairs that they would like to bring to my attention then I would be pleased to hear from you.
- 9.4 Should creditors have any queries regarding the report or the conduct of the Administrations, please contact Caroline Davenport of my office.

Yours faithfully

For and on behalf of

Albemarle Airport Limited

Albemarle(Shoreham) LLP



David Thurgood

Joint Administrator

APPENDIX I

Statutory Information

STATUTORY INFORMATION – ALBEMARLE SHOREHAM AIRPORT LIMITED

Date of Incorporation 18 February 2008

Registered Number 06506097

Company Directors

<u>Name</u>	<u>From</u>	<u>To</u>
Geoffrey Egan	16/06/2014	Current
Geoffrey Egan	14/04/2008	22/02/2014
Albemarle(Shoreham) LLP	31/07/2013	Current
Mark Parsons	03/12/2010	13/09/2016
Richard Belfield	31/07/2013	16/06/2014

Shareholders

<u>Name</u>	<u>Type</u>	<u>Number Held</u>
Albemarle(Shoreham) LLP	Ordinary	2

Trading address

Shoreham Airport
Cecil Pashley Way
Shoreham-by-Sea, BN43 5FF

Registered Office

Current:

C/o Menzies LLP
Lynton House
7-12 Tavistock Square
London, WC1H 9LT

Formerly:

C/o Shelley Stock Hutter LLP
1st Floor, 7-10 Chandos Street
London, W1G 9DQ

Bankers

Coutts & Company

Secured Creditor

<u>Name of Creditor</u>	<u>Type of Security</u>	<u>Date Created</u>	<u>Date Registered</u>
Longbow Investment No. 3 S.A.R.L.	Fixed & Floating Charges	16/06/2014	20/06/2014
Berkshire Nominee 1 Limited, Berkshire Nominee 2 Limited, Albemarle (Shoreham) LLP	Fixed & Floating Charge	23/10/2013	24/10/2013
Coutts & Company	Fixed & Floating Charge	26/09/2009	04/09/2009

STATUTORY INFORMATION – ALBEMARLE(SHOREHAM) LLP

Date of Incorporation 22 December 2006

Registered Number OC325054

LLP Designated Member

<u>Name</u>	<u>From</u>	<u>To</u>
Geoffrey Egan	16/06/2014	Current
Single Source Aviation Brighton LLP	16/06/2014	Current

Trading address Shoreham Airport
Cecil Pashley Way
Shoreham-by-Sea, BN43 5FF

Registered Office Current:

C/o Menzies LLP
Lynton House
7-12 Tavistock Square
London, WC1H 9LT

Formerly:

C/o Shelley Stock Hutter LLP
1st Floor, 7-10 Chandos Street
London, W1G 9DQ

Bankers Coutts & Company

Secured Creditor

<u>Name of Creditor</u>	<u>Type of Security</u>	<u>Date Created</u>	<u>Date Registered</u>
Longbow Investment No. 3 S.A.R.L.	Fixed & Floating Charges	16/06/2014	20/06/2014
Coutts & Company	Legal Charge	26/09/2009	04/09/2009
Nationwide Building Society	Deed of Charge	01/03/2007	06/03/2007

APPENDIX II

Joint Administrators' receipts and payments account

Albemarle Shoreham Airport Limited (In Administration)
Receipts and Payments Summary
7 September 2016 to 6 March 2017

Receipts	Administration Account (£)	EPAM Client Account (£)	Total (£)
Transferred from EPAM to Administration Account	11,030.65	(11,030.65)	-
Cash at Bank	10,890.37	-	10,890.37
Secured Creditor Advance	146,000.00	-	146,000.00
Rental Income	437.50	24,308.90	24,746.40
Security Charges	-	3,436.25	3,436.25
Estate Service Charge	-	1,415.00	1,415.00
Water	-	1,755.88	1,755.88
Grazing	124.70	187.05	311.75
Transfer of Group Funds	70,000.00	-	70,000.00
Bank Interest Gross	23.90	-	23.90
Total Receipts	238,507.12	20,072.43	258,579.55
Total Payments			
Office Holders Fees	40,000.00	-	40,000.00
Office Holders Disbursements	536.30	-	536.30
Legal Fees and Disbursements	5,170.55	-	5,170.55
Pre-appointment Fees	8,000.00	-	8,000.00
Distribution to secured creditor	100,000.00	-	100,000.00
Statutory Advertising	153.00	-	153.00
Bank charges	25.00	-	25.00
BCAL - car park transfer	-	21,249.99	21,249.99
Utilities	123.98	-	123.98
Repairs & Maintenance	-	525.78	525.78
	154,008.83	21,775.77	175,784.60
Balance	84,498.29	(1,703.34)	82,794.95
Made up of			
Cash at Bank - Administration account	73,727.43	-	73,727.43
Cash at Bank - EPAM account	-	124.70	124.70
VAT Payable	-	(6,183.21)	(6,183.21)
VAT Receivable	10,770.86	4,355.17	15,126.03
	84,498.29	(1,703.34)	82,794.95

**Albemarle (Shoreham) LLP
(In Administration)**

Receipts and Payments Account

7 September 2016 to 6 March 2017

Receipts	Total (£)
	<u>NIL</u>
Payments	
	<u>NIL</u>
Balance	<u><u>NIL</u></u>

APPENDIX III

Analysis of post appointment time costs

ALBEMARLE SHOREHAM AIRPORT LIMITED - IN ADMINISTRATION

Analysis of Time Costs

Period 7 September 2016 to 6 March 2017

	Partner	Manager	Senior	Administrator	Cashier	Total Hours	Charge £	Average rate £
Administration and planning	136.50	0.35	24.50	23.50	6.10	190.95	62,635.25	328.02
Creditors	14.85	0.20	10.50	0.60	-	26.15	7,429.25	284.10
Investigations	0.60	0.30	7.10	-	-	8.00	1,628.00	203.50
Realisation of assets	111.33	-	14.90	-	-	126.23	43,307.43	343.08
Trading	54.26	-	2.10	-	-	56.36	25,337.00	449.56
Statutory	8.40	-	17.30	0.20	-	25.90	1,633.33	63.06
Hours	325.94	0.85	76.40	24.30	6.10	433.59		
Charge	123,594.26	235.50	13,973.00	3,075.50	1,092.00		141,970.26	327.43

Fees Charged & Paid

For the period 07/09/2016 to 06/03/2017

45,000.00

45,000.00

ALBEMARLE(SHOREHAM) LLP - IN ADMINISTRATION

Analysis of Time Costs

Period 07 September 2016 to 6 March 2017

	Director	Manager	Senior	Administrator	Cashier	Total Hours	Charge £	Average rate £
Administration and planni	1.95	-	0.50	4.60	6.00	13.05	1,513.00	115.94
Creditors	-	-	0.40	-	-	0.40	72.00	180.00
Investigations	0.60	0.20	2.30	-	-	3.10	718.50	231.77
Realisation of assets	-	-	-	-	-	-	-	-
Trading	1.00	-	-	-	-	1.00	375.00	375.00
Statutory	-	-	2.00	-	-	2.00	360.00	180.00
Hours	3.55	0.20	5.20	4.60	6.00	19.55		
Charge (£)	1,352.00	59.00	947.00	572.50	108.00		3,038.50	155.42

Fees Charges & Paid

for the period 07/09/2016 to 06/03/2017

0.00

0.00

CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS

	From 1 October 2016	From 1 October 2015
	£ per hour	£ per hour
Partner / Director	315-505	350-560
Manager	225-345	250-330
Senior	185-230	175-230
Administrator	85-180	100-170
Support Staff	105	54-75

APPENDIX IV

Joint Administrators' proposals

JOINT ADMINISTRATORS' ORIGINAL PROPOSALS

ASAL

In accordance with Paragraph 49 of Schedule B1 of the Act and in order to achieve the objective set out in Section 3 above, the following proposals are made to creditors:

- a) The Joint Administrators 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 set out above.
- b) The Joint Administrators will investigate the financial affairs of ASAL and, as appropriate, pursue any claims ASAL may have.
- c) The Joint Administrators be authorised to agree the claims of all creditors, and the costs of doing so shall be met as a cost of the Administration as part of the Administrators' remuneration. Further, they shall be authorised to distribute funds to secured creditors and prescribed part funds to unsecured creditors as and when claims are agreed.
- d) If having realised ASAL's assets the Joint Administrators are of the opinion that a distribution will be made to unsecured non-preferential creditors, other than by way of the prescribed part, it is proposed that the ASAL exit Administration by being placed into Creditors' Voluntary Liquidation. In these circumstances, it is proposed that the Joint Administrators be appointed Joint Liquidators. Pursuant to Section 231 of the Act any act 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 the persons for the time being holding office as Liquidator.
- e) In accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 2.117A(2)(b) of the Rules, creditors may nominate a different person as the proposed Liquidators, provided the nomination is received by the Joint Administrators prior to the approval of the proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators.
- f) If, having realised the assets of ASAL, the Administrators think that ASAL has no property which might permit a distribution to its unsecured non-preferential creditors, they will file a notice with the Registrar of Companies for the dissolution of ASAL.
- g) The Joint Administrators be authorised to seek an extension to the Administration period if deemed necessary by them.
- h) That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Act, in respect of any action by them as Administrators, immediately upon their appointment ceasing to have effect.

AS LLP

In accordance with Paragraph 49 of Schedule B1 of the Act and in order to achieve the objective set out in Section 3 above, the following proposals are made to creditors:

- a) The Joint Administrators 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 set out above.
- b) The Joint Administrators will investigate the financial affairs of AS LLP and, as appropriate, pursue any claims AS LLP may have.
- c) The Joint Administrators be authorised to agree the claims of all creditors, and the costs of doing so shall be met as a cost of the Administration as part of the Administrators' remuneration. Further, they shall be authorised to distribute funds to secured creditors and prescribed part funds to unsecured creditors as and when claims are agreed.
- d) If having realised AS LLP's assets the Joint Administrators are of the opinion that a distribution will be made to unsecured non-preferential creditors, other than by way of the prescribed part, it is proposed that AS LLP exit Administration by being placed into Creditors' Voluntary Liquidation. In these circumstances, it is proposed that the Joint Administrators be appointed Joint Liquidators. Pursuant to Section 231 of the Act any act 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 the persons for the time being holding office as Liquidator.
- e) In accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 2.117A(2)(b) of the Rules, creditors may nominate a different person as the proposed Liquidators, provided the nomination is received by the Joint Administrators prior to the approval of the proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators.
- f) If, having realised the assets of AS LLP, the Administrators think that AS LLP has no property which might permit a distribution to its unsecured non-preferential creditors, they will file a notice with the Registrar of Companies for the dissolution of AS LLP.
- g) The Joint Administrators be authorised to seek an extension to the Administration period if deemed necessary by them.
- h) That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Act, in respect of any action by them as Administrators, immediately upon their appointment ceasing to have effect.