

**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

00451219

Name of Company

STC Realisations Limited (Formerly Strand Cards Limited)

We

A C O'Keefe
The Zenith Building
26 Spring Gardens
Manchester
M2 1ABS V Freakley
6 New Street Square
London
EC4A 3BFP M Saville
6 New Street Square
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EC4A 3BFthe liquidators of the company attach a copy of our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 19/04/2015 to 18/04/2016

Signed



Date

11/5/16

AlixPartners
The Zenith Building
26 Spring Gardens
Manchester
M2 1AB

Ref 10570-019/CWIL/SCW/LEB/LPS/SAD



A25

12/05/2016

COMPANIES HOUSE

#297

STC

Stand Cards

PL Realisations Limited (Formerly Papertree Limited)
(In Liquidation)

Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 19/04/2015 To 18/04/2016	From 09/05/2012 To 18/04/2016
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NIL

NIL

REPRESENTED BY

NIL



A C O'Keefe
Joint Liquidator

Liquidators' Progress Report for the period 19 April 2015 to 18 April 2016

PL Realisations Limited
STC Realisations Limited
Both in Liquidation

10 May 2016

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1 Why this report has been prepared

- 1 1 As you will be aware Anne O'Keefe, Peter Saville and Simon Freakley (the **Liquidators**) were appointed on 19 April 2013
- 1 2 In accordance with UK insolvency legislation, a liquidator is required to provide a progress report covering 12 months since the date of a liquidator's appointment and every subsequent 12-month period. This report covers the period 19 April 2015 to 18 April 2016 (the **Period**) and should be read in conjunction with all previous reports
- 1 3 This report has been prepared in accordance with rule 4.49C of the Insolvency Rules 1986
- 1 4 The purpose of this report is to provide statutory and financial information about the Companies and to provide an update on the progress of the Liquidations, including details of assets realised during the Period, details regarding the Liquidators' fees and the expected outcome for each class of creditor
- 1 5 Details of the Liquidators' fees and costs incurred are detailed in Appendices C to E
- 1 6 More information relating to the Liquidation process, Liquidators' fees and creditors' rights can be found on AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>). Log-in details to access this information can be found within the covering letter you have received
- 1 7 If you require a hard copy of this report or have any queries in relation to its contents, or the Liquidation generally, please contact Lloyd Smith on 0161 838 4546 or by email at creditorreports@alixpartners.com or in writing to the offices of AlixPartners' office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB

2 Summary information for creditors

Dividend distributions

Description	Estimated debt £	Likely level of return £
Secured creditor	36.8 million	Paid in full
Unsecured creditors - PL	5,738,017	4p/£
Unsecured creditors - STC	5,626,712	3p/£

Notes:

Secured creditor

Barclays Bank Plc (**Barclays**) acting as security agents for Lakeshore Lending Limited (**Lakeshore**) holds fixed and floating charges registered against the Companies and across other companies in the Clintons group (the **Group**). At the date of appointment, Lakeshore was owed £36.8 million (including accrued interest and charges).

Lakeshore has received distributions totalling £36.8 million in respect of their fixed and floating charges from other entities in the Group. The secured creditor has been paid in full and will therefore not receive any further distributions from the Companies.

Preferential creditors

The Companies had no employees and therefore no preferential claims have been received.

Unsecured creditors

To date, claims totalling £5,738,017 have been received in PL and £5,626,712 in STC. Any dividends received in respect of the Companies' unsecured claims against CCE Realisations Limited (formerly Clinton Cards (Essex) Limited) – in Liquidation (CCE) will be distributed to the Companies' unsecured creditors after the costs of making the distributions have been taken into account. The Liquidators expect that the dividends from CCE in both Companies will be sufficient to pay approximately 4 pence in the pound to unsecured creditors in PL and 3 pence in the pound to unsecured creditors in STC. However, both the dividends received from CCE and the claims made against the Companies are estimates and are subject to change; any change could impact upon the final level of return.

Funds available for distribution and dividend rates are detailed below, taking into account the estimated cost of making the distributions. Please note that the likely levels of returns are based upon estimates and are subject to change.

In respect of unsecured creditors, UK insolvency legislation stipulates that creditors of the same class should be treated equally. Hence the funds available for distribution are split on a pro-rata basis amongst all creditors of this class, regardless of the size of their claims.

For further information, please refer to section 4 of this report.

3 Progress of the Liquidations

- 3 1 Attached at Appendix B are the Liquidators' Receipts and Payments Accounts for the Period, together with Cumulative Accounts for the period since appointment. With the exception of the Liquidators' own fees, no expenses have been incurred during the course of the Liquidations

Inter-company debts

- 3 2 As detailed in previous reports, the only assets of the Companies are the intercompany debts due from CCE. Based on CCE's latest progress report dated 14 December 2015, an unsecured dividend will be available to the unsecured creditors of CCE to the approximate value of 3 pence in the pound
- 3 3 The liquidators of CCE (**the CCE Liquidators**) have advised that they are currently dealing with landlord claims relating to any beneficial occupation by CCE during its administration. The court has set a bar date of 17 May 2016 for landlords to submit their claims, following which the CCE Liquidators will be able to distribute any remaining funds to CCE's unsecured creditors
- 3 4 In addition to their primary role of realising the assets of the Companies and distributing them to creditors in accordance with their statutory priorities, the Liquidators have duties imposed by insolvency and other legislation and their regulating professional bodies. The Liquidators have set out information in respect of the progress of these duties. The detail provided is intended to provide users of this report with information to allow them to understand how the Liquidators' fees and expenses are set out in Appendices D and E have been incurred, as well as the sensitivities that might be applicable to the Liquidators' anticipated fees and expenses over the remainder of the Liquidation

Liquidation (including statutory reporting)

- 3 5 In addition to their duties relating to realising and distributing the assets of the Companies, the Liquidators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986. These include, notifying the stakeholders of the appointments and preparing annual reports to creditors advising of the progress of the Liquidations. The Liquidators are responsible for liaising with HMRC to determine the final position in respect of corporation tax, VAT and other taxes that may be owed by or to the Companies, and for filing tax returns for the duration of the Liquidations
- 3 6 In order to ensure the matters of the Liquidations are being progressed sufficiently, the Liquidators have a duty to conduct periodic case reviews and complete case checklists
- 3 7 The time taken for statutory tasks is largely fixed, insofar as the cost of preparing a report to creditors or filing an annual return is similar for most cases, except where cases are very large or complex. Where the costs of statutory compliance and reporting to creditors exceeds the initial estimate, it will generally be because the duration of the case has been longer than expected, due to for example protracted realisation of assets, and therefore additional periodic reports have had to be prepared and distributed to stakeholders

Creditors (claims and distribution)

- 3 8 Details of the estimated outcome for creditors can be found in section 4
- 3 9 To date, unsecured creditor claims totalling £5,738,017 in PL and £5,626,712 in STC have been received. The Liquidators have initiated the claims adjudication process in both Companies and will issue the notices of intended dividends once the unsecured dividends from CCE are received

PL Realisations Limited (PL) and
STC Realisations (STC) – both in Liquidation
(the Companies)

- 3 10 The significant increase in claims received since the last report for the Companies is due to the group VAT claim made by HMRC for the amount of £5,568,587. The full liability has been claimed against each party within the VAT group. The VAT group includes BRE Realisations Limited (BRE), CCE, STC and PL.

4 Estimated outcome for creditors

Secured creditor – Barclays Bank Plc on behalf of Lakeshore Lending Limited

- 4 1 As previously advised, Barclays acts as security agents for Lakeshore and holds fixed and floating charges dated 6 April 2009 and 7 November 2011 for the Companies, in addition to share charges dated 6 April 2009 in Clinton Cards Plc (formerly in Liquidation, now dissolved), CCE and BRE Realisations Limited – in Liquidation
- 4 2 To date, £36 8 million (including accrued interest and charges) has been distributed from other entities in the Group and accordingly, the secured creditor's debt has now been satisfied in full

Preferential creditors

- 4 3 The Companies have no preferential creditors

Unsecured creditors

- 4 4 Where there is a floating charge which was created on or after 15 September 2003, the Liquidators are required to create a fund from the Companies' net property available for the benefit of unsecured creditors (**Unsecured Creditors' Fund**), commonly known as the 'Prescribed Part'. On the basis that the secured creditor has been paid in full, there is no requirement to set aside Unsecured Creditors' Funds in either of the Companies
- 4 5 The quantum of the dividend available in CCE has again increased to approximately 3 pence in the pound, however the exact amount has not yet been confirmed. Any surplus funds, after taking into account the costs of the Liquidations and making the distributions, will be available for the benefit of the Companies' unsecured creditors. The funds available to the Companies' unsecured creditors are based on estimates and are subject to change

5 What happens next

Creditors' rights

- 5 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 Liquidators provide further information about their fees or expenses which have been itemised in this progress report.
- 5 2 Any secured creditor, or an unsecured creditor (with the concurrence 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 Liquidators' fees is inappropriate, or that the fees or the expenses incurred by the Liquidators as set out in this progress report are excessive

Next report

- 5 3 The Liquidators are required to provide a progress report within two months of the end of the next year of the Liquidations. If the Liquidations have been completed before then, final meetings will be called, and a draft report will be circulated before those meetings

Yours faithfully



Anne O'Keefe
Liquidator

Encs

Appendix A. Statutory information

Company information

	PL Realisations Limited	STC Realisations Limited
Company name	PL Realisations Limited	STC Realisations Limited
Former Company Name	Papertree Limited	Strand Cards Limited
Registered number	01580506	00451219
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	
Former registered office	The Crystal Building, Langston Road, Loughton, Essex, IG10 3TH	

Liquidators' information

Name	Address	IP number	Name of authorising body
Anne Clare O'Keefe	c/o AlixPartners Services UK LLP, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	008375	Insolvency Practitioners Association
Peter Mark Saville	c/o AlixPartners Services UK LLP, 6 New Street Square, London, EC4A 3BF	009029	Insolvency Practitioners Association
Simon Vincent Freakley	c/o AlixPartners Services UK LLP, 6 New Street Square, London, EC4A 3BF	008291	Insolvency Practitioners Association

Other relevant information

As approved by the resolution of creditors requested under rule 4 63A of the Insolvency Rules 1986, any act required or authorised to be done by the Liquidators may be done by all or any one or more of them. Any reference to the Liquidators should be read as the Joint Liquidators.

Appendix B. Liquidators' Receipts and Payments Account for the period 19 April 2015 to 18 April 2016 and Cumulative Account for the period since appointment

PL Realisations Limited

	Period £	Cumulative £
Receipts		
	-	-
Payments	-	-
	-	-
	-	-
Total balance		-

STC Realisations Limited

	Period £	Cumulative £
Receipts		
	-	-
Payments	-	-
	-	-
	-	-
Total balance		-

Statement of Insolvency Practice 7 states the headings used in the Receipts and Payments Account should follow those used in any prior statement of affairs (SOA) or estimated outcome statement

The SOAs were provided by the Companies' directors at the commencement of the preceding Administrations and provided estimated to realise values for the categories of assets to be realised. The accounts above represent funds in the Liquidations, and as such, meaningful comparisons to the SOAs by category cannot be made.

Appendix C. Liquidators' fees and disbursements

Fees

A copy of 'A Creditors' Guide to Liquidations' can be downloaded from AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>) If you would prefer this to be sent to you in hard copy please contact the Liquidators and they will forward a copy to you

Where a company in administration moves into winding up under paragraph 83 of schedule B1 to the Insolvency Act 1986, and the administrator becomes the liquidator, the basis of fees fixed in the administration automatically applies in the subsequent liquidation. In these cases, the bases agreed is by reference to the time properly spent by the Liquidators and their staff on matters arising in the Liquidations

To date, no fees have been drawn on account in either case

Disbursements

Pursuant to paragraph 83 of schedule B1 to the Insolvency Act 1986, approvals to draw category 2 disbursements were provided in the preceding Administrations and are therefore automatically approved in the Liquidations. No disbursements have been drawn to date

Appendix D. Time Analysis and detail of time spent during the Period

PL

The Liquidators' time costs for the Period are £3,133 This represents 12 hours at an average rate of £263 per hour Detailed below is a Time Analysis for the Period which provides details of the costs incurred by activity and by staff grade

	Employee grade (hours)				£		
	Managing director /director	Associate director /senior associate	Associate/ analyst	Junior analyst/ support	Hours incurred	Cost incurred	Average rate per hour
Administration and planning							
Statutory duties	0.5	-	0.5	0.7	1.7	412.00	242
Case administration	0.5	-	0.9	0.4	1.8	497.00	276
Accounting and treasury	0.7	-	0.3	0.4	1.4	439.00	314
Internal documentation			0.5	0.4	0.9	180.00	200
Creditors							
Reporting to creditors	1.3	-	2.8	1.4	5.5	1,515.00	275
Unsecured creditors		-		0.6	0.6	90.00	150
Totals	3.0	-	6.0	3.9	11.9	3,133.00	263

STC

The Liquidators' time costs for the Period are £2,900 This represents 10 hours at an average rate of £279 per hour Detailed below is a Time Analysis for the Period which provides details of the costs incurred by activity and by staff grade

	Employee grade (hours)				£		
	Managing director /director	Associate director /senior associate	Associate/ analyst	Junior analyst/ support	Hours incurred	Cost incurred	Average rate per hour
Administration and planning							
Statutory duties	0.5	-	0.5	0.7	1.7	412.00	242
Case administration	0.5		0.8		1.3	414.00	318
Accounting and treasury	0.7		0.3	0.4	1.4	439.00	314
Internal documentation	-		0.5	-	0.5	120.00	240
Creditors							
Reporting to creditors	1.3	-	2.8	1.4	5.5	1,515.00	275
Totals	3.0		4.9	2.5	10.4	2,900.00	279

Principal areas of activity in the Liquidations during the Period are discussed in further detail below

- **Administration and planning** – monitoring the case strategies, complying with statutory duties and performing general administrative work Case related treasury and support time is also recorded here
- **Creditors** – preparing statutory reports, dealing with general creditor communications and reviewing claims of unsecured creditors is recorded in this section

Cumulative Time Analyses for period since the Liquidators' appointment are attached at Appendix E

Appendix E. Cumulative Time Analysis for the period since appointment

PL Realisations Limited

	Employee grade (hours)				£		
	Managing director /director	Associate director /senior associate	Associate/ analyst	Junior analyst/ support	Hours incurred	Cost incurred	Average rate per hour
Administration and planning							
Strategy and control	0.9	-	1.2	0.2	2.3	649.00	282
Statutory duties	2.0	-	3.3	2.2	7.5	1,829.00	244
Case administration	1.8	-	6.4	5.1	13.3	2,868.50	216
Accounting and treasury	1.6	0.3	1.3	1.2	4.4	1,200.50	273
Internal documentation	0.1	-	5.8	2.6	8.5	1,660.00	195
Investigations							
Director conduct reports	0.6	-	0.9	0.7	2.2	531.00	241
Realisation of assets - floating charge							
Asset realisation strategy	-	-	-	0.1	0.1	12.50	125
Asset identification and valuation	-	-	-	0.6	0.6	75.00	125
Dealing with third party assets	-	-	0.9	6.8	7.8	1,066.50	137
Creditors							
Reporting to creditors	1.6	0.2	7.6	3.1	12.5	3,011.60	241
Secured creditors	-	-	0.1	0.2	0.3	47.00	157
Unsecured creditors	-	0.1	1.5	1.4	3.0	672.00	191
Totals	8.6	0.6	29.0	24.3	62.5	13,522.50	216

STC Realisations Limited

	Employee grade (hours)				£		
	Managing director /director	Associate director /senior associate	Associate/ analyst	Junior analyst/ support	Hours incurred	Cost incurred	Average rate per hour
Administration and planning							
Strategy and control	0.6	-	1.2	0.2	2.0	541.00	271
Statutory duties	2.2	-	3.3	2.0	7.5	1,874.50	250
Case administration	1.9	-	6.3	3.8	12.0	2,714.50	226
Accounting and treasury	1.7	-	1.2	0.9	3.8	1,080.50	284
Internal documentation	0.1	-	6.2	1.6	7.9	1,613.00	204
Investigations							
Director conduct reports	0.6	-	0.2	0.7	1.5	377.00	251
Other investigations	-	-	-	0.7	0.7	87.50	125
Realisation of assets - debtors							
Debt collection	-	-	0.1	-	0.1	22.00	220
Realisation of assets - floating charge							
Asset identification and valuation	-	-	-	0.5	0.5	62.50	125
Dealing with third party assets	-	-	1.1	7.4	8.5	1,175.00	138
Asset accounting and administration	-	-	0.3	1.2	1.5	198.00	132
Creditors							
Reporting to creditors	1.6	0.2	7.7	3.2	12.7	3,042.50	240
Secured creditors	-	-	0.1	0.2	0.3	47.00	157
Unsecured creditors	-	-	0.4	-	0.4	92.00	230
Employees	-	-	0.2	-	0.2	44.00	220
Totals	8.7	0.2	28.3	22.4	59.6	12,971.00	218

Appendix F. Additional information in relation to the Liquidators' fees pursuant to Statement of Insolvency Practice 9

Policy

Detailed below is AlixPartners' policy in relation to

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

Staff allocation and the use of sub-contractors

The Liquidators' 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 managing director or a director, an associate director or 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 Liquidators' charge-out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, time spent by cashiers in relation to tasks such as recording transactions and dealing with bank accounts is charged but secretarial time is only recovered if a large block of time is incurred, e.g. report compilation and distribution.

The Liquidators have not utilised the services of any sub-contractors in these cases.

Professional advisors

On these assignments, the Liquidators have not utilised the services of any sub-contractors.

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 e.g. postage, case advertising, invoiced travel and external printing, room hire and document storage. Any properly reimbursed expenses incurred by the Administrators and their staff will also be chargeable.

Category 2 disbursements do require prior approval by creditors before they are paid. If they are incurred, they will be drawn in accordance with the resolution approved by creditors. Category 2 disbursements that may be incurred are as follows:

- photocopying charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying,
- printing charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour, and
- business mileage charge at the rate of 45 pence per mile

Charge-out rates

A schedule of AlixPartners charge-out rates for this assignment effective from 1 February 2016 is detailed below, together with those applicable prior to that date. Time is charged by managing directors and case staff in units of six minutes.

Description	Rates from 1 February 2016 £	Description	Rates pre 1 February 2016 £
Managing director 1	650	Managing director 1	650
Managing director 2	595	Managing director 2	595
Director	570	Director	570
Associate director	480	Associate director	460
Senior associate	430	Senior associate	430
Associate	350	Associate	350
Analyst	305	Analyst	295
Junior analyst	200	Junior analyst	200
Senior treasury associate	230	Senior treasury associate	230
Treasury associate	155	Treasury associate	155
Treasury analyst	100	Treasury analyst	100
Support	95	Support	95