

LIQ03

Notice of progress report in voluntary winding up



Companies House



A07 *A7KYSNHD* #117
17/12/2018
COMPANIES HOUSE

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MONDAY

1 Company details

Company number 0 1 4 8 2 4 5 6

Company name in full CCE Realisations Limited

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

2 Liquidator's name

Full forename(s) Peter Mark

Surname Saville

3 Liquidator's address

Building name/number AlixPartners UK LLP

Street 6 New Street Square

Post town London

County/Region

Postcode E C 4 A 3 B F

Country United Kingdom

4 Liquidator's name ①

Full forename(s) Anne Clare

Surname O'Keefe

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

5 Liquidator's address ②

Building name/number The Zenith Building

Street 26 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 A B

Country United Kingdom

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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Simon Vincent
Surname Freakley

3 Insolvency practitioner's address

Building name/number AlixPartners UK LLP
Street 6 New Street Square
Post town London
County/Region
Postcode E C 4 A 3 B F
Country United Kingdom

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	d	3	d	0	m	1	m	0	y	2	y	0	y	1	y	7
To date	d	2	d	9	m	1	m	0	y	2	y	0	y	1	y	8

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature	Signature	C. WILLIAMS FOR ANNE O'KEEFE SIGNED UNDER P.O.A.														
	X	X														
Signature date	d	1	d	4	m	1	m	2	y	2	y	0	y	1	y	8

LIQ03

Notice of progress report in voluntary winding up

**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 Michael Watkin

Company name AlixPartners UK LLP

Address The Zenith Building

26 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 A B

Country United Kingdom

DX

Telephone 0161 838 4507

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Power of Attorney

By Anne Clare O'Keefe

This power of attorney is made by Anne Clare O'Keefe, The Zenith Building, 26 Spring Gardens, Manchester M2 1AB.

1. Appointment and powers

The Principal appoints the persons whose name and addresses are set out in Schedule 1 to this power of attorney (**Attorneys** and each an **Attorney**) and in the Principal's name and in his/her professional capacity as an insolvency practitioner, including (but not limited to) any appointment as administrator, receiver, administrative receiver, liquidator, nominee or supervisor of a company voluntary arrangement or individual voluntary arrangement or trustee in bankruptcy or any analogous or associated appointment or procedure in whatever jurisdiction:

- 1.1. to sign, execute, deliver and/or issue all agreements, documents, certificates and instruments (all whether as a deed or not) which any Attorney in his or her absolute discretion considers desirable in connection with the Principal's appointment as one of the joint administrators, receivers, administrative receivers, liquidators, nominees, supervisors or trustees in bankruptcy (the Stated Purpose).
- 1.2. to take any steps or to do anything which the Attorney in his or her absolute discretion considers desirable in connection with the Stated Purpose.

2. Power by way of security

This power of attorney shall be irrevocable save with the consent of the Attorneys but shall expire on **31 December 2018**.

3. Ratification

The Principal undertakes to ratify and confirm whatever any Attorney does or purports to do in good faith in the exercise of any power conferred by this power of attorney.

4. Validity

The Principal declares that a person who deals with any of the Attorneys in good faith may accept a written statement signed by the relevant Attorney to the effect that this power of attorney has not been revoked as conclusive evidence of that fact.

5. Indemnity

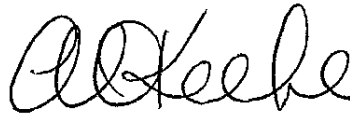
The Principal undertakes to indemnify each of the Attorneys fully against all claims, losses, costs, expenses, damages or liability which any of them sustains or incurs as a result of any action taken by any of them in good faith pursuant to this power of attorney (including any cost incurred in enforcing this indemnity).

6. Governing law and jurisdiction

This power of attorney (and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this power of attorney, its subject matter or its formation (including non-contractual disputes or claims)) shall be governed by and construed in accordance with the law of England and Wales. The Principal irrevocably agrees that the court of England and Wales shall have exclusive jurisdiction to settle any disputes or claim that arises out of or in connection with this power of attorney or its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS WHEREOF this Power of Attorney consisting of this and the following schedule is subscribed as follows:

Signed by Anne Clare O'Keefe



At:

3.01 pm

On:

14 / 12 / 17 .

Before this witness:

Witness signature



Name:

JEFFREY NAYLOR

Address:

9 FERN VIEW GOMERSAL BD19 4PE

Schedule 1 - Attorneys

Name	Address
Elizabeth Galbraith Mackay	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Alastair Paul Beveridge	6 New Street Square, London, EC4A 3BF
Catherine Mary Williamson	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB

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AlixPartners
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London EC4A 3BF

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Liquidators' Progress Report for the period 30 October 2017 to 29 October 2018

CCE Realisations Limited (formerly
Clinton Cards (Essex) Limited)
In Liquidation

14 December 2018

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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 30 October 2013.
- 1.2 In accordance with UK insolvency legislation, a liquidator is required to provide a progress report covering the period of 12 months commencing on the date on which a company entered into liquidation and every subsequent period of 12 months. This report covers the period 30 October 2017 to 29 October 2018 (the **Period**) and should be read in conjunction with all previous reports.
- 1.3 This report has been prepared in accordance with rule 18.7 of the Insolvency (England and Wales) Rules 2016.
- 1.4 The purpose of this report is to provide statutory and financial information about the Company and to provide an update on the progress of the Liquidation, 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 provided at Appendices C and D.
- 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 Michael Watkin on 0161 838 4507, by email at creditorreports@alixpartners.com, or write to AlixPartners’ office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.

2. Summary information for creditors

Estimated dividend distributions

Description	Agreed Debt £	Total Distributed £	Actual/likely level of return £
Secured creditor	36.9 million	10.4 million	10.4 million
Preferential creditors	48	48	100 pence/£
Unsecured creditors	88.3 million	2.7 million	Approximately 4 pence/£

Notes:

Secured creditor

The Company granted fixed and floating charges to Barclays Bank Plc (**Barclays**), acting as security agents for Lakeshore Lending Limited (**Lakeshore**). A total of £10.4 million has been distributed during the course of the Liquidation, with £26.5 million having been distributed in the preceding Administration and from other entities in the wider Clintons group.

The Liquidators can confirm that the secured creditor has been repaid its debt in full including all interest and charges.

Preferential creditors

All proving preferential creditors were paid in full in the preceding Administration.

The Liquidators received a further preferential claim of £48, which was paid in full on 11 September 2014. No further claims are expected.

Unsecured creditors

The Liquidators declared an interim dividend to unsecured creditors on 27 March 2017. Claims totalling £88.3 million were agreed and funds of £2.7 million were distributed, representing an interim dividend rate of three pence in the pound.

As previously advised, the total estimated dividend is approximately four pence in the pound. The Liquidators can confirm that a second dividend will be declared shortly. Details of the level of the second dividend will be confirmed to creditors upon declaration. The final dividend will be issued once the outstanding claim matters detailed in section 3 are finalised.

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 were 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 Liquidation

- 3.1 Attached at Appendix B is the Liquidators' Receipts and Payments Account for the Period, together with a Cumulative Account for the period since appointment.
- 3.2 In addition to their primary role of realising the assets of the Company 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 in addition to that of the realisation of assets and distribution of available funds. The detail provided is intended to provide users of this report with information to allow them to understand how the Liquidators' fees and expenses as set out in Appendices C and D have been incurred.

Potential claim

- 3.3 As previously reported, the Liquidators continue to pursue a potential claim against merchant providers in respect of anti-competitive merchant interchange fees which were incurred in operating card payment systems before the Company ceased trading.
- 3.4 The Liquidators have been advised that there are merits to the claim and recoveries could be achieved if successful, potentially resulting in a further dividend to creditors. The Company has therefore joined a consortium of other retailers which has been established in order to bring a claim against the merchant providers. The Liquidators will ensure that the Company will have no monetary risk in pursuing the claim and it will be protected from the inherent risks of litigation.
- 3.5 During the Period, a judgment was given finding that the merchant providers had acted unlawfully by setting fees that were in breach of competition regulations under European Union law. The merchant providers have since been given permission to appeal this decision to the Supreme Court.
- 3.6 Due to the intricate nature of this claim, the Liquidators are unable to provide further information at this stage. In any case, the Administrators anticipate that proceedings will be protracted and may not conclude within the next 12 months.

Realisation of assets

Rates refunds

- 3.7 During the Period, refunds totalling £16,606 were received, bringing total rates refunds in the Liquidation to £241,594.

Other assets

- 3.8 All funds received in the Liquidation are held on interest-bearing accounts. A total of £4,980 of bank interest was received in the Period, bringing total bank interest to £83,836.

Administration (including statutory reporting)

- 3.9 In addition to their duties relating to realising and distributing the assets of the Company, the Liquidators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986. These include preparing annual reports to creditors advising of the progress of the Liquidation and liaising with former employees. The Liquidators are responsible for liaising with HM Revenue & Customs (**HMRC**) to determine the final position in respect of corporation tax, PAYE, VAT and other taxes that may be owed by or to the Company, and for filing tax returns for the duration of the Liquidation.
- 3.10 In order to ensure the matters of the Liquidation are being progressed sufficiently, the Liquidators have a duty to conduct periodic case reviews and complete case checklists. In addition, the Liquidators' treasury function will also comply with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns,
- 3.11 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)

- 3.12 Details of the outcome for creditors can be found in section 4
- 3.13 Please note that a second dividend will be declared shortly. Once the outcome of the potential claim described in paragraph 3.3 is known, the Liquidators may be in a position to declare a further dividend to the unsecured creditors of the Company.
- 3.14 Following the interim dividend declared on 27 March 2017, the Liquidators have incurred time working with creditors to re-distribute dividend payments when the relevant creditors' details were different to the Company's records.

4. Estimated outcome for creditors

Secured creditor – Barclays Bank Plc as security agent for Lakeshore Lending Limited

- 4.1 As previously advised, Barclays, acting as security agent for Lakeshore, held fixed and floating charges registered against the Company and across other entities within the Clintons group. Barclays was owed approximately £36.9 million (including interest and charges).
- 4.2 During the course of the Liquidation, £10.4 million has been distributed to the secured creditor under both the fixed and floating charges. Funds totalling £36.9 million were distributed in the preceding Administration and from other entities in the Clintons group.
- 4.3 The secured creditor confirmed on 4 December 2015 that its secured debt including all interest and charges has been discharged in full.

Preferential creditors

- 4.4 As previously reported, the preferential creditors were understood to have been paid in full in the preceding Administration.
- 4.5 However, during the Liquidation a residual preferential claim was brought to the attention of the Liquidators, and the preferential creditors were paid in full on 11 September 2014. No further claims are anticipated.

Unsecured Creditors' Fund

- 4.6 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 Company's net property available for the benefit of unsecured creditors (**Unsecured Creditors' Fund**), commonly known as the 'Prescribed Part'.
- 4.7 As the secured creditor has been paid in full, there is no requirement to set aside an Unsecured Creditors' Fund and all remaining funds in the Liquidation after costs are available to the Company's unsecured creditors.
- 4.8 The Liquidators declared an interim dividend on 27 March 2017. The total level of agreed claims is approximately £88.3 million. They received a total dividend of £2.7 million, which represented an interim dividend rate of three pence in the pound.
- 4.9 As detailed in section 2, the Liquidators will declare a second dividend shortly, details of which will be confirmed to creditors upon declaration.
- 4.10 The Liquidators currently estimate the total dividend rate available to the unsecured creditors will be approximately four pence in the pound. As detailed in paragraph 3.4, additional funds may become available for the benefit of the unsecured creditors. Depending on the outcome of the potential claim, a further dividend may be declared.

Unclaimed dividends

- 4.11 All cheques paid to unsecured creditors should be banked as soon as possible, and in any event must be banked within six months of the date of the cheque. Any cheques which have not cleared have been cancelled and the proceeds will be forwarded to The Insolvency Service, Estate Accounts Directorate, Unclaimed Monies Team, PO Box 3690, Birmingham B2 4UY.
- 4.12 If your cheque has been cancelled, please allow ten working days to pass before submitting a claim to The Insolvency Service. To make a claim, creditors should contact the Insolvency Service by email at:
CustomerServices.EAS@insolvency.gsi.gov.uk and put "CCE Realisations Limited (formerly Clinton Cards (Essex) Limited)" as the subject.
- 4.13 The transfer of responsibility to the Insolvency Service is a routine step which requires Liquidators of an insolvent company to transfer unclaimed dividends to the agency six months after the cheques were issued. The agency will hold the funds for the subsequent six years, after which it will return any money that remains unclaimed to HM Treasury, however, this does not affect creditors' rights to claim funds after the six years has passed.

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 Liquidation. If the Liquidation has been completed before then, a draft final report will be circulated.

Yours Faithfully



Catherine Williamson
For Anne O'Keefe
Liquidator

Encs

Appendix A. Statutory information

Company information

Company name	CCE Realisations Limited (formerly Clintons Cards (Essex) Limited)
Registered number	01482456
Registered office	AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	The Crystal Building, Langston Road, Loughton, Essex, IG10 3TH
Trading addresses	The Company traded from several hundred stores nationwide, which were detailed in the former Administrators' Statement of Proposals
Trading names	'Clintons' and 'Clinton Cards'

Liquidators' information

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

Creditors approved in the preceding Administration that 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. Receipts and Payments Account for the period 30 October 2017 to 29 October 2018 and a Cumulative Account for the period since appointment

	Period £	Cumulative £
Fixed charge assets		
Receipts		
Freehold property	-	8,625,000
Bank Interest	-	1,327
	-	8,626,327
Payments		
Liquidators' fees	-	37,022
Legal Fees and disbursements	-	242,448
Agent's/valuer's fees	-	23,185
Insurance of assets	-	2,769
Bank charges	-	56
Surplus fixed charge funds transferred to floating charge	-	1,229,296
	-	(1,534,777)
Distributions		
Fixed chargeholder	-	7,091,551
	-	(7,091,551)
Balance of fixed charge assets	-	-
Floating charge assets		
Receipts		
Transferred from Administration	-	4,859,163
Surplus funds from fixed charge assets	-	1,229,296
Pre-payment of rent	-	1,242,945
Rental Income	-	96,558
Book debts	-	15,235
Pre-appointment rent	-	15,202
Rent Refund	-	19,780
Rates Refund	16,606	241,594
Reimbursement of costs from directors	-	600,000
Sundry realisations	-	9,089
Floating bank interest	4,980	83,836
Intercompany dividends	-	262,581
	21,587	8,675,278

	Period £	Cumulative £
Liquidators' fees	28,180	649,835
Former Administrators' fees	-	194,862
Legal fees and disbursements	-	185,962
Property agent's fees	-	8,482
Agent's/valuer's fees	-	29,626
Payroll agents fees	-	1,054
Trading Payments	-	5,110
Category 1 disbursements:		
Statutory advertising	-	169
Travel and subsistence	-	951
Company Searches	-	9
Stationery, postage and photocopying	1,543	22,002
Storage Costs	3,673	13,878
Telephone Charges	-	1
Sundry Charges	-	20
Category 2 disbursements:		
Internal Photocopying and printing	-	1,659
Game liability	-	403,285
Sundry costs	-	7,803
Bank charges	40	289
	(33,436)	(1,524,996)
Distributions		
Floating chargeholder	-	3,280,159
Preferential creditors 100p/£, 11/09/2014	-	48
Unsecured creditors 3p/£, 27/03/17	-	2,647,967
	-	(5,928,175)
Total balance	(11,849)	1,222,108
Represented by		
VAT receivable		6,150
Interest bearing account		1,215,958
		1,222,108

Notes:

¹ The above is subject to small rounding differences.

² The total interim distribution declared on 27 March 2017 was £2,650,132. The interim distribution given in the above account is net of distribution taxes and National Insurance, as well as of those creditors who have advised the Liquidators that they no longer have a claim in the Liquidation.

³ As detailed in section 4, the secured creditor confirmed that its secured debt including all interest and charges has been discharged in full. However, for ease of reference and comparison, the Receipts and Payments Accounts will continue to distinguish assets by their previous fixed and floating charge categories.

⁵ Statement of Insolvency Practice 7 states the headings used in the Receipts and Payments Account should follow those used in any prior directors' Statement of Affairs (**SoA**) or estimated outcome statement. The SoA was provided by the Company's directors at the commencement of the preceding Administration and provided estimated to realise values for the categories of assets to be realised. The receipts above represent funds passed into the Liquidation from the preceding Administration, therefore a meaningful comparison to the SoA by category cannot be made.

Appendix C. Liquidators' 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 which is 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. The basis agreed is by reference to the time properly spent by the Liquidators and their staff on matters arising in the Liquidation.

To date, fees of £686,857 have been drawn on account.

Liquidators' details of time spent to date

The Liquidators' time costs for the Period are £25,256. This represents 87 hours at an average rate of £292 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by area of activity.

	Employee grade (hours)				£		Average rate per hour
	Managing director/ Director	Senior vice president	Vice president/ Consultant	Treasury/ Support	Hours incurred	Cost incurred	
Administration and planning							
Planning	-	-	0.6	-	0.6	126.00	210
Strategy and control	1.5	-	9.2	-	10.7	4,080.50	381
Statutory duties	1.5	-	0.4	-	1.9	994.00	523
Case administration	-	-	2.2	0.1	2.3	919.50	400
Accounting and treasury	1.4	0.1	2.5	7.5	11.5	2,592.00	225
Internal documentation	-	-	2.5	-	2.5	1,162.50	465
Realisation of assets - floating charge							
Asset realisation strategy	-	-	0.2	-	0.2	93.00	465
Asset accounting and administration	2.8	0.7	-	6.4	9.9	3,196.50	323
Creditors							
Reporting to creditors	1.6	-	23.0	-	24.6	6,084.00	247
Unsecured creditors	0.5	0.1	19.9	-	20.5	5,284.50	258
Employees	0.1	-	1.8	-	1.9	723.00	381
Totals	9.4	0.9	42.3	14.0	66.6	25,255.50	292

Cumulative Time Analysis for the period since appointment

The Liquidators' time costs for the cumulative period since appointment are £708,326. This represents 2,247 hours at an average rate of £315 per hour. Detailed below is a Cumulative Time Analysis for the period since appointment which provides details of the costs incurred by area of activity.

	Employee grade (hours)				£		Average rate per hour
	Managing director /Director	Senior vice president	Vice president/ Consultant	Treasury/ Support	Hours incurred	Cost incurred	
Administration and planning							
Planning	3 6	-	4 5	-	8 1	3,122 00	385
Strategy and control	107 2	5 0	48 7	-	160 9	79,562 00	497
Statutory duties	13 4	-	28 5	1 1	43 0	13,949 00	324
Case administration	4 9	-	33 0	1 0	38 9	12,379 50	318
Accounting and treasury	25 8	39 1	71 3	86 1	222 3	63,602 50	286
Internal documentation	7 3	2 3	50 6	-	60 2	18,995 50	316
Investigations							
Director conduct reports	-	-	3 0	-	3 0	864 00	288
Other investigations	45 2	-	77 7	-	122 9	54,342 00	442
Realisation of assets - fixed charge							
Recovery of assets	1 8	-	0 9	-	2 7	1,236 00	458
Realisation of assets - floating charge							
Asset realisation strategy	1 1	3 3	2 8	-	7 2	2,985 00	415
Asset identification and valuation	-	1 5	1 9	-	3 4	1,061 00	312
Sale of assets	0 1	-	0 3	-	0 4	117 00	293
Recovery of assets	3 4	0 9	2 1	-	6 4	3,039 00	475
Dealing with third party assets	5 4	-	210 4	3 5	219 3	60,595 00	276
Asset accounting and administration	24 5	2 1	65 5	65 2	157 3	44,016 00	280
Creditors							
Creditor claims	0 2	-	35 2	-	35 4	8,230 50	233
Internal documentation	-	-	8 6	0 1	8 7	2,433 00	280
Creditor strategy	-	-	17 2	-	17 2	5,549 50	323
Reporting to creditors	10 6	1 9	85 5	-	98 0	29,548 00	302
Secured creditors	2 9	40 6	20 5	0 2	64 2	25,660 00	400
Preferential creditors	1 7	0 1	3 7	0 1	5 6	1,964 00	351
Unsecured creditors	42 2	1 7	637 0	11 9	692 8	183,118 50	264
Employees	1 2	-	80 0	-	81 2	23,031 00	284
Totals	325.4	185.8	1,558.4	177.3	2,247.2	708,326.00	315

Details of the progress of the Liquidation to date, and matters that are outstanding or partially complete, together with an explanation of why the work was undertaken are set out in section 3.

Appendix D. Liquidators' expenses and disbursements

Expenses of the Liquidation

The actual costs paid and incurred to the anniversary of the Liquidation is set out below.

	Paid in the Period £	Incurred but not paid £	Total current paid and incurred cost £
Legal costs ¹	-	-	428,410
Property agent's fees	-	-	8,482
Payroll agent's fees ²	-	-	1,054
Agent's/valuer's fees ³	-	-	52,811
Total	-	-	490,757

1. Please note that the previous report only included the floating legal costs incorrectly. The above table has now been updated to include all legal costs incurred in the Liquidation.

2. Agent's/valuer's fees relate to the agent's commission in respect of the rates refunds.

3. Please note that £26 of payroll agent's fees paid in 2014 were incorrectly shown as bank charges in previous reports. This has now been correctly re-allocated.

Disbursements

Category 1 disbursements of £37,030 have been drawn on account. Approval to draw category 2 disbursements has been given by the secured and preferential creditors in the preceding Administration. £1,659 in relation to the category 2 disbursements have been drawn throughout the Liquidation in relation to the below:

- photocopying – charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying; and
- printing – charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour.

Appendix E. 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 director, a senior vice president, a vice president and a consultant. 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 overleaf provides details of all grades of staff.

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, eg report compilation and distribution.

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

Service type	Service provider	Basis of fee arrangement	Cost to date £
Employee claim processing	Payco ERA Limited	Hourly rate and disbursements	1,054

Professional advisors

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

Name of professional advisor	Basis of fee arrangement
Freshfields Bruckhaus Deringer LLP (legal advice)	Hourly rate and disbursements
Willis Towers Watson (insurance)	Risk based premium
Hydrock Consultants Limited (surveyors)	Fixed fee
Consultiam Property Limited (property agents)	Success fee based on cost savings
Jones Day LLP (legal advice)	Hourly rate and disbursements
Clifford Chance LLP (legal advice)	Hourly rate and disbursements
Savills (UK) Limited (valuation and disposal advice)	Percentage of realisations (1.25%)
Rosenblatt Solicitors LLP (legal advice)	Hourly rate and disbursements
Travers Smith LLP (legal advice)	Hourly rate and disbursements
iLaw Legal Services Limited (legal advice)	Hourly rate and disbursements

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

Disbursements

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

Category 2 disbursements do require approval prior to being paid and will be drawn in accordance with the approval given, they may include:

- 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 for staff travel – charged at the rate of 45 pence per mile.

Charge-out rates

A schedule of AlixPartners' charge-out rates for this assignment effective from 1 January 2018 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 January 2018 £	Rates pre 1 January 2018 £
Managing director	645-705	615-675
Director	615	590
Senior Vice president*	520	495
Vice President*	380-465	365-445
Consultant*	210-315	210-365
Treasury and support	105-250	100-240

* A firm-wide renaming of certain staffing grades of AlixPartners has been implemented with effect from 2 January 2018. The senior vice president grade was formerly vice president, vice president was formerly associate, and consultant was formerly analyst.