

AM10

Notice of administrator's progress report

THURSDAY



A08 *A76M232R* #227
24/05/2018
COMPANIES HOUSE

1 Company details

Company number 0 0 1 6 4 2 9 1

Company name in full ARG Realisations 2016 Limited

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

2 Administrator's name

Full forename(s) Catherine

Surname Williamson

3 Administrator's address

Building name/number AlixPartners

Street The Zenith Building

26 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 A B

Country United Kingdom

4 Administrator's name ①

Full forename(s) Peter

Surname Saville

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

5 Administrator's address ②

Building name/number AlixPartners

Street 6 New Street Square

Post town London

County/Region

Postcode E C 4 A 3 B F

Country United Kingdom

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

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d 2 d 6	m 1 m 0	y 2 y 0 y 1 y 7
To date	d 2 d 5	m 0 m 4	y 2 y 0 y 1 y 8

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Amerson

X

Signature date

d 2 d 2	m 0 m 5	y 2 y 0 y 1 y 8
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Notice of administrator's progress report



Presenter information

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

Contact name **Conor Kelly**

Company name **AlixPartners**

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 4500



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

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. ●
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

● 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
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Kevin

Surname Coates

3 Insolvency practitioner's address

Building name/number AlixPartners

Street 6 New Street Square

Post town London

County/Region

Postcode E C 4 A 3 B F

Country United Kingdom

Administrators' Progress Report for the period 26 October 2017 to 25 April 2018

ARG Realisations 2016 Limited,
AR Realisations 2016 Limited,
ARG (Property) Limited and
CC Realisations 2016 Limited
All in Administration

22 May 2018

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1. Why this report has been prepared

- 1.1 As you will be aware, Peter Saville, Kevin Coates and Catherine Williamson (the **Administrators**) were appointed on 26 April 2016.
- 1.2 In accordance with UK Insolvency legislation, an administrator is required to provide a progress report covering the period of six months commencing on the date on which a company entered into administration and every subsequent period of six months. This progress report covers the period 25 October 2017 to 26 April 2018 (the **Period**) and should be read in conjunction with the previous report, dated 22 November 2017 (the **Previous Report**).
- 1.3 This report has been prepared in accordance with rule 18.2 of the Insolvency (England and Wales) Rules 2016.
- 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 Administrations, including details of assets realised during the Period, details regarding the Administrators' fees and the expected outcome for each class of creditor.
- 1.5 As a reminder the administrator of a company must perform their functions with a view to achieving one of the following statutory objectives:
 - Objective 1: rescuing the company as a going concern;
 - Objective 2: achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or
 - Objective 3: realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.6 In these cases the Administrators are pursuing the second statutory objective. Further details on the actions taken to achieve that objective can be found in section 3 of this report.
- 1.7 Details of the Administrators' fees and disbursements incurred are detailed at Appendices D to F.
- 1.8 More information relating to the Administration process, Administrators' 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.
- 1.9 If you require a hard copy of this report, or have any queries in relation to its contents or the Administrations generally, please contact Conor Kelly on 0161 838 4500, by email at creditorreports@alixpartners.com, or write to AlixPartners' office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

2. Summary of information for creditors

Estimated dividend for creditors

ARG Realisations 2016 Limited

Description	Agreed debt £	Level of return £
Secured creditor: Wells Fargo Capital Finance (UK) Limited (Wells Fargo)	7.17 million	6.00 million
Secured creditor: Alteri Luxembourg 2 SARL and Alteri Europe L.P (Alteri)	18.24 million	4.74 million
Preferential creditors	24,476	100 pence in the pound
Unsecured creditors	15.01 million	3.80 pence in the pound

AR Realisations 2016 Limited

Description	Agreed debt £	Level of return £
Secured creditor: Wells Fargo	7.17 million	507,827
Secured creditor: Alteri	18.24 million	2.70 million
Unsecured creditors	53.31 million	0.22 pence in the pound

ARG (Property) Limited

Description	Estimated debt £	Level of return £
Secured creditor: Wells Fargo	7.17 million	275,723
Secured creditor: Alteri	18.24 million	52,000
Unsecured creditors	729,245	Nil

CC Realisations 2016 Limited

Description	Estimated debt £	Level of return £
Secured creditor: Wells Fargo	7.17 million	389,427
Secured creditor: Alteri	18.24 million	316,000
Unsecured creditors	40.72 million	Nil

Notes:

Secured creditors

Wells Fargo and Alteri (the **Secured Creditors**) hold cross-guarantees across the Companies and as such, each company is jointly and severally liable for the debts under the terms of the guarantees.

Wells Fargo held first ranking charges and, at the date of appointment, was owed £7.17 million. Wells Fargo has been repaid in full by the Companies during the Administrations.

Alteri holds second and third ranking charges and was owed a total of approximately £18.24 million at the date of appointment.

Alteri has received distributions totalling £6.54 million from the Companies and a further distribution of £78,395 from Austin Reed Credit Services Limited (**ARCS**), an entity in the wider group which was previously in administration and was also subject to the cross-guarantees.

The total return to Alteri is expected to be in the region of £7.89 million, however this is subject to the potential asset realisations detailed in section 3.

Preferential creditors

Preferential claims of £24,476 were received in respect of ARGL. A preferential dividend of 100 pence in the pound was distributed to the preferential creditors of ARGL on 22 June 2017.

No preferential claims were submitted against ARL, ARGP or CCL.

Unsecured creditors

The level of unsecured creditors for ARGL and ARL is based on claims reviewed and agreed by the Administrators. The level of unsecured creditors for ARGP and CCL is taken from the claims received to date.

During the Period, the Administrators distributed dividends to the unsecured creditors of ARGL and ARL. Dividends totalling £600,000 in ARGL and £130,777 in ARL were distributed (before costs), representing respective dividend rates of 3.80 pence in the pound and 0.22 pence in the pound.

Based on current information, the Administrators do not anticipate that there will be sufficient realisations to enable any future distributions to the unsecured creditors of the Companies. This is subject to change and is dependent on the outcome of the potential claim detailed in section 3.

In respect of preferential or 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 each class, regardless of the size of their claims.

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

3. Progress of the Administrations

Objectives and strategy of the Administrations

- 3.1 As set out in the Administrators' previous progress reports, the Administrators have pursued the second statutory objective for the Companies. The strategy to achieve this objective was to continue trading the Companies for a short period whilst seeking a sale of the businesses and assets of the Companies.
- 3.2 Whilst going concern sales were not achieved, a sale of five concession outlets enabled 29 employees to transfer to AR Operations Limited. Other sales also took place, including the transfer of the Companies' stock and Intellectual Property Rights.
- 3.3 Further to the above, the Administrators have realised additional assets such as book debts and they continue to pursue a potential claim against merchant providers. Details of the strategy for realising these assets are detailed below.
- 3.4 Attached at Appendices B and C are the Administrators' Receipts and Payments Accounts and Trading Receipts and Payments Account for the Period, together with Cumulative Accounts for the period since the date of the appointment. Where trading, these accounts are prepared on a cash basis, therefore details of costs incurred but not yet paid are excluded from the accounts and are summarised at Appendix E.
- 3.5 In addition to their statutory objective, the Administrators have duties imposed by insolvency and other legislation and their regulating professional bodies. The Administrators 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 Administrators' fees and expenses as set out in Appendices D and E have been incurred, as well as the sensitivities that might be applicable to the Administrators' anticipated fees and expenses over the remainder of the Administrations.

Trading

- 3.6 Going concern sales were not achieved and an orderly wind down of the businesses was carried out to maximise realisations from the sale of the remaining stock and assets within the stores. As part of the wind down, store closures were completed on a phased basis as the stock levels within the stores reduced.
- 3.7 Whilst the Companies ceased trading in 2016, ARGL's Trading Receipts and Payments account show an increase in sales of £2,693 during the Period. This movement was in relation to the consolidation of ARGL's funds which were transferred from the Euro bank account to the main Sterling account. These funds related entirely to sales made by ARGL in Ireland during the Administration.

- 3.8 As detailed in the Previous Report, ARGL operated licence agreements with a number of partners in overseas jurisdictions. Under the licence agreements, these partners were permitted to use the 'Austin Reed' trademark and distribute licensed goods in consideration for an annual royalty charge. During the Period, £23,623 of outstanding royalty charges were recovered by ARGL.
- 3.9 The trading positions for ARL, ARGP and CCL have now been finalised and there were no movements during the Period, therefore the Trading Receipts and Payments Accounts for these entities are not included at Appendix C.

Realisation of assets

Book debts

- 3.10 During the Period, ARGL realised book debts totalling £6,413 which was in relation to a dividend received from an entity subject to bankruptcy proceedings in the United States.

Potential claim

- 3.11 As detailed in the Previous Report, the Administrators are currently pursuing a potential claim against merchant providers, arising from overcharging merchant interchange fees.
- 3.12 The Companies form part of a consortium of other retailers (the **Consortium**) which has been established in order to bring a claim against the merchant providers. The Consortium is represented by ILAW solicitors (**ILAW**).
- 3.13 The Administrators have been advised by ILAW that there are merits to the claim and material recoveries could be achieved if successful.
- 3.14 The Companies have received expression of interests from a third party to purchase the claims but the expression was not considered to be acceptable.
- 3.15 Negotiations are therefore continuing between ILAW and the merchant providers to reach an agreement. However, due to the intricacy and considerable value of the claim it is anticipated that proceedings may be protracted. To allow the Administrators sufficient time to deal with the claim appropriately, the Administrators filed an extension at court to extend the Administrations for a period of 24 months. On 20 April 2018, the court approved the Administrators' extension request and the Administrations will now expire on 25 April 2020.

Other assets

- 3.16 A breakdown of the other assets realised by the Companies during the Period is set out below.

£	ARGL	ARL	ARGP	CCL
Rates refund	159	2,918	-	1,203
Bank interest	811	570	72	238
Sundry receipts	254	-	-	-
Total	1,224	3,488	72	1,441

Administration (including statutory reporting)

- 3.17 In addition to their duties relating to realising and distributing the assets of the Companies, the Administrators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986. These include preparing bi-annual reports to creditors advising of the progress of the Administrations and liaising with various stakeholders. The Administrators are responsible for liaising with HM Revenue and Customs to determine the final position in respect of corporation tax, PAYE, VAT and other taxes that may be owed by or to the Companies, and for filing tax returns for the duration of the Administrations.
- 3.18 In order to ensure the matters of the Administrations are being progressed sufficiently, the Administrators have a duty to conduct periodic case reviews and complete case checklists. In addition, the Administrators' treasury function will also comply with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.
- 3.19 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)

- 3.20 During the Period, the Administrators have incurred time dealing with creditor correspondence and queries, lodging claims and updating records. Time has also been incurred in providing updates on the progress of the Administration to Alteri.
- 3.21 As detailed in the previous report, the Administrators issued a notice of intention to distribute a dividend (**NOID**) to the unsecured creditors of ARGL and ARL.
- 3.22 Following the issue of the NOID, significant time was incurred by the Administrators in reviewing unsecured creditor claims in these entities; corresponding with creditors where more information was required to admit their claim; and dealing with employees' residual claims.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

- 3.23 On completion of the claims review process, the Administrators distributed dividends of £130,777 to the unsecured creditors of ARL and £600,000 to the unsecured creditors of ARGL (before costs), representing dividend rates of 0.22 pence in the pound and 3.80 pence in the pound, respectively.
- 3.24 The Administrators do not anticipate that there will be sufficient funds to enable any additional distributions to the unsecured creditors of the Companies.
- 3.25 For further details of the return to the creditors of the Companies, please refer to section 4.

4. Estimated outcome for creditors

Secured creditor – Wells Fargo Capital Finance (UK) Limited

- 4.1 Wells Fargo was granted first ranking legal charges on 21 May 2014 by the Companies and holds cross-guarantees between all of the Companies.
- 4.2 At the date of appointment, Wells Fargo was owed £7.17 million under its security and has now been repaid in full.

Secured creditor – Alteri Luxembourg 2 SARL and Alteri Europe L.P

- 4.3 Alteri holds second and third ranking fixed and floating charges which are cross-guaranteed by the Companies.
- 4.4 At the date of appointment, Alteri was owed approximately £18.24 million (excluding interest and charges) under its security.
- 4.5 To date, Alteri has received funds totalling £6.54 million from the Companies. Alteri has also received an additional distribution totalling approximately £78,395 from the ARCS administration.
- 4.6 It is anticipated that the total return to Alteri will be approximately £7.89 million, however, this return is subject to the success of the Companies' claim against the merchant providers.

Preferential creditors

- 4.7 On 22 June 2017, the Administrators distributed a dividend of £24,476 to the preferential creditors of ARGL, representing a dividend rate of 100 pence in the pound.
- 4.8 No further preferential dividends will be distributed by the Companies.

Unsecured Creditors' Fund

- 4.9 Where there is a floating charge which was created on or after 15 September 2003, the Administrators 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'.
- 4.10 As all floating charges granted by the Companies post-date 15 September 2003, there is a requirement to create a fund in each case.
- 4.11 As a consequence of this, a fund was created out of ARL's net floating charge property, which had a value of £638,886. Arising from this, the value of ARL's *Unsecured Creditors' Fund* was set at £130,777, before taking into account the costs incurred in distributing a dividend.
- 4.12 On 23 March 2018, the Administrators distributed a dividend of £130,777 (before costs) to the unsecured creditors of ARL, representing a dividend rate of 0.22 pence in the pound.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

- 4.13 *An Unsecured Creditors' Fund was also created in ARGL. The value of ARGL's net floating charge property was £4.81 million and arising from this, the value of ARGL's Unsecured Creditors' Fund was set at the maximum of £600,000, before taking into account the costs incurred in distributing.*
- 4.14 *On 29 March 2018, the Administrators distributed the maximum Unsecured Creditors' Fund to ARGL's unsecured creditors, representing a dividend rate of 3.80 pence in the pound.*
- 4.15 *The Administrators estimate that there will be insufficient funds to enable a distribution to the unsecured creditors of ARGP and CCL.*

Unclaimed dividends

- 4.16 *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.*
- 4.17 *Any cheques sent to the creditors of ARL which have not cleared by 23 September 2018 will be cancelled. Any cheques sent to the creditors of ARGL which have not cleared by 29 September 2018 will also be cancelled.*
- 4.18 *The proceeds of any unbanked cheques will be forwarded to The Insolvency Service, Estate Accounts Directorate, Unclaimed Monies Team, PO Box 3690, Birmingham, B2 4UY.*
- 4.19 *If your cheque is cancelled on or after this date, 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 **eaips.unclaimed@insolvency.gsi.gov.uk** and put the relevant company's name as the subject.*
- 4.20 *The transfer of responsibility to the Insolvency Service is a routine step which requires administrators 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 next 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 this report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors in the relevant entity) may request in writing that the Administrators provide further information about their fees or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors in the relevant entity) may, within eight weeks of receipt of this report, make an application to court on the grounds that the basis fixed for the Administrators' fees is inappropriate, or that the fees charged or the expenses incurred by the Administrators during the period of this report are excessive.

Next report

- 5.3 The Administrators are required to provide a progress report within one month of the end of the next six months of the Administrations, or earlier if the Administrations have been finalised. For details of the proposed exit routes please see Appendix G.

For and on behalf of
The Companies



Catherine Williamson
Administrator

Encs

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all In Administration (together the **Companies**)

Appendix A. Statutory information

Company information

ARG Realisations 2016 Limited

Company name	ARG Realisations 2016 Limited
Registered number	00164291
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Station Road, Thirsk, North Yorkshire, YO7 1QH
Trading addresses	Please refer to Appendix C of the Proposals
Trading name	Austin Reed
Court details	The High Court of Justice, Chancery Division, Leeds District Registry
Court reference	365 of 2016

AR Realisations 2016 Limited

Company name	AR Realisations 2016 Limited
Registered number	00399575
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Station Road, Thirsk, North Yorkshire, YO7 1QH
Trading addresses	Please refer to Appendix C of the Proposals
Trading name	Austin Reed
Court details	The High Court of Justice, Chancery Division, Leeds District Registry
Court reference	362 of 2016

ARG (Property) Limited

Company name	ARG (Property) Limited
Registered number	0149151
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Station Road, Thirsk, North Yorkshire, YO7 1QH
Trading addresses	Please refer to Appendix C of the Proposals
Trading name	Viyella
Court details	The High Court of Justice, Chancery Division, Leeds District Registry
Court reference	364 of 2016

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all In Administration (together the **Companies**)

CC Realisations 2016 Limited

Company name	CC Realisations 2016 Limited
Registered number	00510900
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Station Road, Thirsk, North Yorkshire, YO7 1QH
Trading addresses	Please refer to Appendix C of the Proposals
Trading name	Country Casuals
Court details	The High Court of Justice, Chancery Division, Leeds District Registry
Court reference	361 of 2016

Appointor's information

Name	Address	Position
Alan Charlton	c/o The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	Director
Nicholas Hollingworth	c/o The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	Director

Administrators' information

Name	Address	IP number	Name of authorising body
Peter Mark Saville	AlixParters, 6 New Street Square, London, EC4A 3BF	9029	Insolvency Practitioners Association
Kevin James Coates	AlixParters, 6 New Street Square, London, EC4A 3BF	9261	Insolvency Practitioners Association
Catherine Mary Williamson	AlixParters, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	15570	Insolvency Practitioners Association

In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Administrators are to be exercised by any or all of the Administrators. All references to the Administrators should be read as the Joint Administrators.

Extension of the Administrations

The Administrations were initially extended for a period of 12 months to 25 April 2018 with the consent of the secured, and where applicable, preferential creditors. During the Period, the Administrations were extended for a further 24 months with the permission of the court and will now expire on 25 April 2020.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

Appendix B. Receipts and Payments Accounts for the period 26 October 2017 to 25 April 2018 and Cumulative Accounts for the period since appointment

ARG Realisations 2016 Limited

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
4,818,182 Leasehold property	-	7,005,547
Bank interest	277	2,390
	277	7,007,937
Payments		
Administrators' fees	-	257,816
Legal fees and disbursements	-	99,395
Agent's/valuer's fees	-	222,000
Bank charges	1	82
	(1)	(579,293)
Distributions		
Fixed chargeholder - Wells Fargo	-	6,000,000
Fixed chargeholder - Alteri	-	8,711
	-	(6,008,711)
Balance of fixed charge assets	276	419,933
Floating charge assets		
Receipts		
7,394,594 Furniture and equipment	-	58,663
325,000 Stock	-	3,324,649
Duty deferment bond	-	330,954
Insurance refund	-	8,361
29,208 Cash at bank	-	528,932
Book debts	6,413	6,413
Rates refund	159	7,286
Retentions	-	1,782
Bank interest	534	2,625
Court compensation	-	5,524
Sundry receipts	254	8,715
Trading surplus	26,316	2,883,411
	33,675	7,167,315

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

Statement of Affairs £	Period £	Cumulative £
Payments		
Preparation of Statement of Affairs	-	2,000
Administrators' fees		
General	-	272,897
Unsecured Creditors' Fund	30,375	30,375
Category 1 disbursements:		
Statutory advertising	-	254
Travel and subsistence	-	24,292
Storage costs	-	303
Stationery, postage and photocopying	527	10,068
Telephone charges	-	101
Category 2 disbursements:		
Printing and photocopying	-	481
Cost of consignment stock sold to AROL	-	1,307,454
Debt collection fees	-	1,160
Agent's/valuer's fees	-	10,116
Employee claim processing costs	17,400	61,785
Legal fees and disbursements	21,952	73,088
Pre-appointment wages	-	158
Bank charges	3	2,611
	(70,258)	(1,797,142)
Distributions		
Preferential creditors - 100p/ £, 22/06/2017	-	24,476
Floating chargeholder - Alteri	-	4,631,842
Unsecured creditors - 3.80p/ £, 29/03/2018	569,625	569,625
	(569,625)	(5,225,943)
Balance of floating charge assets	(606,207)	144,230
Total balance	(605,931)	564,163
Represented by		
Interest bearing accounts		550,927
VAT receivable		13,236
		564,163

Note: The above is subject to small rounding differences.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

AR Realisations 2016 Limited

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
Leasehold property	-	185,167
437,000 Intellectual property	-	2,450,000
627,158 Book debts	-	178,469
Concession receipts	-	2,436
Bank interest	125	704
	125	2,816,778
Payments		
Administrators' fees	-	101,255
Legal fees	-	43,046
Legal disbursements	-	2,392
Agent's/valuer's fees	-	17,250
Concession commission	-	66,104
Insurance of assets	-	241
Bank charges	-	19
	-	(230,307)
Distributions		
Fixed chargeholder - Wells Fargo	-	507,827
Fixed chargeholder - Alteri	-	1,900,000
	-	(2,407,827)
Balance of fixed charge assets	125	178,644
Floating charge assets		
Receipts		
Book debts	-	209,534
Tax refund	-	34
Rates refund	2,918	7,563
Bank interest	445	3,688
Sundry receipts	-	1,135
Utility refund	-	8,101
Unclaimed dividends from the CVA	-	24,188
Trading surplus	-	578,364
	3,363	832,606
Payments		
Administrators' fees		
General	-	38,629
Unsecured Creditors' Fund	13,704	13,704
Category 1 disbursements:		
Specific penalty bond	-	225
Travel and subsistence	-	192
Stationery, postage and photocopying	353	2,858
Telephone charges	-	18
Category 2 disbursements:		
Printing and photocopying	-	87
Property agent's fees	2,306	2,306
Employee agent costs	2,000	4,340
Legal fees and disbursements	-	50,326
Concession commission	-	81,306
Bank charges	2	145
	(18,365)	(194,135)
Distributions		
Unsecured creditors - 0.22p/ £, 23/03/2018	117,073	117,073
	(117,073)	(117,073)
Balance of floating charge assets	(132,075)	521,398
Total balance	(131,950)	700,042
Represented by		
Interest bearing accounts		696,901
VAT receivable		3,141
		700,042

Note: The above is subject to small rounding differences.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) ~ all in Administration (together the **Companies**)

ARG (Property) Limited

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
Leasehold property	-	105,000
Intellectual property	-	37,500
Bank interest	67	91
715,703 Book debts	-	431,111
	67	573,702
Payments		
Administrators' fees	-	15,553
Contribution to floating costs	-	28,311
Legal fees	-	3,031
Agent's/valuer's fees	-	2,625
Concession commission	-	155,388
Bank charges	-	1
Sundry expenses	-	44
	-	(204,952)
Distributions		
Fixed chargeholder - Wells Fargo	-	275,723
	-	(275,723)
Balance of fixed charge assets	67	93,027
Floating charge assets		
Receipts		
Contribution from fixed charge	-	28,311
Funding from secured creditor	-	250,000
Book debts	-	182,972
Tax refund	-	8
Rates refund	-	1,181
Bank interest	5	472
Sundry receipts	-	4,237
	5	467,181
Payments		
Trading deficit	-	415,467
Category 1 disbursements:		
Specific penalty bond	-	225
Stationery and postage	-	619
Category 2 disbursements:		
Printing and photocopying	-	3
Concession commission	-	40,243
Insurance	-	37
Bank charges	1	34
	(1)	(456,627)
Balance of floating charge assets	4	10,554
Total balance	70	103,581
Represented by		
Interest bearing accounts		103,083
VAT receivable		498
		103,581

Note: The above is subject to small rounding differences.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

CC Realisations 2016 Limited

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
Leasehold property	-	132,093
Intellectual property	-	512,500
620,588 Book debts	-	595,814
Bank interest	230	347
Concession receipts	-	5,140
	230	1,245,894
Payments		
Administrators' fees	-	38,077
Legal fees	-	3,031
Agent/valuer's fees	-	18,188
Concession commission	-	211,527
Contribution to floating account	-	249,436
Bank charges	-	3
	-	(520,262)
Distributions		
Fixed chargeholder - Wells Fargo	-	389,427
	-	(389,427)
Balance of fixed charge assets	230	336,204
Floating charge assets		
Receipts		
Contribution from fixed account	-	249,436
Book debts	-	181,537
Rates refund	1,203	13,300
Sundry receipts	-	293
Unclaimed dividends from the CVA	-	5,695
Bank interest	8	728
	1,211	450,990
Payments		
Trading deficit	-	323,329
Category 1 disbursements:		
Specific penalty bond	-	225
Stationery and postage	-	2,080
Debt collection fees	-	444
Employee claim processing costs	-	5,700
Concession commission	-	58,246
Legal fees and disbursements	-	50,735
Bank charges	1	100
	(1)	(440,859)
Balance of floating charge assets	1,210	10,130
Total balance	1,440	346,335
Represented by		
Interest bearing accounts		344,925
VAT receivable		1,410
		346,335

Note: The above is subject to small rounding differences.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

Appendix C. Trading Receipts and Payments Account for the period 26 October 2017 to 25 April 2018 and Cumulative Account for the period since appointment

ARG Realisations 2016 Limited

	Period £	Cumulative £
Sales		
Sales	26,316	7,709,328
Concession sales	-	280,279
	26,316	7,989,607
Purchases		
Purchases	-	1,123,158
	-	(1,123,158)
Other direct costs		
Wages and salaries	-	879,870
PAYE and National Insurance	-	188,354
Sub-contractor payments	-	53,486
Direct expenses	-	5,162
	-	(1,126,872)
Trading expenditure		
Indirect labour costs	-	31,051
Rent	-	611,338
Rates	-	263,363
Utilities	-	38,803
Telephone	-	8,811
Carriage	-	140,995
Insurance	-	63,487
Bank charges	-	162,630
IT costs	-	142,263
Lease payments	-	9,846
Equipment hire	-	5,289
Repairs and maintenance	-	22,704
Branch expenses	-	49,771
Sales commission	-	40,060
Advertising	-	749
Stationery and packaging	-	24,944
Postage	-	6,598
Ransom payments	-	142,870
Employee costs	-	13,390
Consultant costs	-	404,529
Supplier deposits	-	3,000
Retention of title costs	-	669,675
	-	(2,856,166)
Trading surplus	26,316	2,883,411

Note: The above is subject to small rounding differences.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all In Administration (together the **Companies**)

Appendix D. Administrators' fees

Fees

A copy of 'A Creditors' Guide to Administrations' 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 Administrators and they will forward a copy to you.

Approval of the Administrators' fees has been sought in accordance with insolvency legislation. The original fee estimate provided in the Administrators' Statement of Proposals (the **Proposals**) was based on the time expected to be incurred during the Administrations. This estimate was approved by the secured creditors and, where applicable, the preferential creditors.

To date, the following fees have been drawn by the Administrators.

Company	Fixed charge fees £	Floating charge fees £	Prescribed Part fees £	Total fees drawn £
ARGL	257,816	272,897	30,375	561,088
ARL	101,255	38,629	13,704	153,588
ARGP	15,553	-	-	15,553
CCL	38,077	-	-	38,077
Total	412,701	311,526	44,079	768,306

Administrators' fee estimate

The original fee estimate was provided in the Proposals. A copy of that estimate is set out below.

ARG Realisations 2016 Limited

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Trading	741	357	264,867
Realisation of assets	237	415	98,420
Administration (including statutory reporting)	293	463	135,569
Investigations	33	345	11,230
Creditors (claims and distribution)	222	367	81,416
Total	1,526	388	591,502

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

AR Realisations 2016 Limited

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Trading	756	357	270,182
Realisation of assets	220	415	91,056
Administration (including statutory reporting)	261	463	120,693
Investigations	8	345	2,885
Creditors (claims and distribution)	57	367	20,917
Total	1,302	388	505,733

ARG (Property) Limited

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Trading	469	357	167,749
Realisation of assets	4	415	1,853
Administration (including statutory reporting)	73	463	33,916
Investigations	7	345	2,392
Creditors (claims and distribution)	47	367	17,345
Total	601	388	223,256

CC Realisations 2016 Limited

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Trading	420	357	150,091
Realisation of assets	61	415	25,323
Administration (including statutory reporting)	66	463	30,346
Investigations	8	345	2,791
Creditors (claims and distribution)	53	367	19,632
Total	608	388	228,183

The above estimate was based on information available to the Administrators at the time the approval of their fee basis was sought.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all In Administration (together the **Companies**)

Administrators' details of time spent to date

The Administrators' time costs for the Period for each of the Companies are summarised in the following time analyses, which provide details of the hours incurred by area of activity, the blended rate per hour and the time costs per activity category.

ARG Realisations 2016 Limited

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	1	202	202	352,333
Realisation of assets	18	270	4,868	253,040
Administration (including statutory reporting)	61	331	20,191	358,371
Investigations	-	-	-	29,855
Creditors (claims and distribution)	69	294	20,305	46,801
Total	149	304	45,566	1,040,400

AR Realisations 2016 Limited

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	1	343	343	230,524
Realisation of assets	9	308	2,777	47,412
Administration (including statutory reporting)	38	349	13,250	136,134
Investigations	-	-	-	2,980
Creditors (claims and distribution)	44	292	12,865	23,745
Total	92	318	29,235	440,795

ARG (Property) Limited

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	-	-	-	175,971
Realisation of assets	3	300	900	31,850
Administration (including statutory reporting)	14	356	4,985	70,154
Investigations	-	-	-	2,291
Creditors (claims)	-	-	-	5,288
Total	17	346	5,885	285,554

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

CC Realisations 2016 Limited

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	-	-	-	188,858
Realisation of assets	4	259	1,039	43,947
Administration (including statutory reporting)	15	361	5,410	78,580
Investigations	-	-	-	2,193
Creditors (claims)	-	-	-	4,322
Total	19	339	6,448	317,900

NB Cumulative time is the total from the date of the Administrators' appointment to the end date of the Period.

Details of the progress of the Administrations 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.

The Administrators believe that the original estimates remain valid as fees drawn in each case will not exceed the estimates detailed above. Where time costs have exceeded the fee estimates as a result of the change in strategy and wind down of the businesses, the additional time will be written off.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

Appendix E. Administrators' expenses and disbursements

Expenses of the Administration

The estimate of expenses anticipated to be incurred by the Administrators from third parties whilst dealing with the Administrations and trading on the businesses was provided to creditors in the Proposals; a copy of that estimate is set out below.

	ARGL	ARL	ARGP	CCL
Squire Patton Boggs UK LLP	109,375	109,375	15,625	62,500
MBM Commercial	500	500	500	500
ERA Solutions Limited	37,000	4,000	-	6,500
Alteri Agency Investments Limited (AAIL)	300,000	340,000	190,000	170,000
Travers Smith LLP	750	750	750	750
Olswang LLP	255	255	255	255
Gooch Cunliffe Whale LLP (GCW)	100,000	22,500	21,250	85,500
Willis Towers Watson Limited (Willis)	12,500	12,500	12,500	12,500
CAPA	Unascertained	Unascertained	Unascertained	Unascertained
PHD Property	Unascertained	Unascertained	Unascertained	Unascertained
Hilco Appraisal	15,000	2,000	2,000	1,000
Total	575,380	491,880	242,880	339,505

Current position of Administrators' expenses

The current position of the Administrators' expenses is set out in the Receipts and Payments Accounts at Appendix B.

The Receipts and Payments Accounts are prepared on a cash basis, therefore costs not yet paid are not included in the accounts. An estimate of the costs incurred but not paid as at the end of the Period is provided below.

	ARGL	ARL	ARGP	CCL
Legal costs	5,000	1,000	1,000	1,000
Insurance	1,000	2,500	2,000	5,000
Total	6,000	3,500	3,000	6,000

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

Administrators' disbursements

A copy of the analysis of anticipated disbursements previously provided is set out below. The actual expenses may be found in the Receipts and Payments Accounts in Appendix B.

£	ARGL	ARL	ARGP	CCL
Category 1 disbursements:				
Specific penalty bond	225	225	225	225
Statutory advertising	170	170	170	170
Travel and subsistence	4,550	5,150	2,565	2,900
Storage	500	500	500	500
Stationery and postage	2,000	2,000	2,000	2,000
Telephone charges	50	50	50	50
Re-direction of mail	240	240	240	240
Total	7,735	8,335	5,750	6,085

Category 1 disbursements of £41,460 have been drawn from the Companies. Approval to draw category 2 disbursements has been given by the secured and, where applicable, the preferential creditors on 26 October 2016. Total category 2 disbursements drawn from the Companies is £571.

Appendix F. Additional information in relation to the Administrators' fees

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

The case team will usually consist of a 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 Administrators' charge-out rate schedule overleaf provides details of all grades of staff.

With regard to support staff, time spent by treasury staff 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 these assignments by external sub-contractors.

Service type	Service provider	Basis of fee arrangement	Cost to date £
Employee claim processing	ERA Solutions Limited	Rate per employee	71,785
Debt collection	CAPA	20% of recoveries	1,604
Debt collection	PHD Property Advisory Limited	20% of recoveries	3,053

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

Professional advisors

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

Name of professional advisor	Basis of fee arrangement
Squire Patton Boggs UK LLP (legal advice)	Hourly rate and disbursements
Willis Towers Watson Limited (insurance)	Risk based premium
Gooch Cunliffe Whale LLP (property agent)	To be agreed
Alteri Agency Investments Limited (retail agent)	Daily rate and element of fixed cost
Hilco Appraisal Limited (valuation and disposal advice)	Hourly rate and disbursements
Olswang LLP (legal advice)	Hourly rate and disbursements
MBM Commercial (legal advice)	Hourly rate and disbursements

The Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignments 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 Administrators 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 business mileage for staff travel - charged at the rate of 45 pence per mile.

ARG Realisations 2016 Limited (**ARGL**), AR Realisations 2016 Limited (**ARL**), ARG (Property) Limited (**ARGP**) and CC Realisations 2016 Limited (**CCL**) – all in Administration (together the **Companies**)

Charge-out rates

A schedule of AlixPartners' charge-out rates for these assignments effective from 1 January 2018 is detailed below. 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.

Appendix G. Exit routes and discharge from liability

Dissolution of the Companies

Based on current information, ARGL and ARL have no property to permit a distribution to their unsecured creditors other than by way of the Unsecured Creditors' Fund, which was distributed during the Period. ARGP and CCL have no property to permit a distribution to their unsecured creditors.

In all cases, the Administrators will file notices, together with their final progress reports, at court and with the Registrar of Companies for dissolution of the Companies. The Administrators will send copies of these documents to the Companies and their creditors and the appointments will end following the registration of the notice by the Registrar of Companies.

Discharge from liability

On 3 January 2017, the secured creditors and, where applicable, the preferential creditors, approved that the Administrators will be discharged from liability under paragraph 98 of schedule B1 of the Insolvency Act 1986 directly after their appointments as Administrators cease to have effect.