

AM23

Notice of move from administration to dissolution



Companies House

For further information, please refer to our guidance at www.gov.uk/companieshouse

1 Company details

Company number 00164291

Company name in full ARG Realisations 2016 Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice, Business & Property Courts,
Insolvency and Companies List

Court number 365 of 2016

3 Administrator's name

Full forename(s) Catherine

Surname Williamson

4 Administrator's address

Building name/number Ship Canal House

Street 8th Floor

98 King Street

Post town Manchester

County/Region

Postcode M24WU

Country

AM23

Notice of move from administration to dissolution

5	Administrator's name ①		
Full forename(s)	Clare		① Other administrator Use this section to tell us about another administrator.
Surname	Kennedy		
6	Administrator's address ②		
Building name/number	7		② Other administrator Use this section to tell us about another administrator.
Street	New Street Square		
Post town	London		
County/Region			
Postcode	E C 4 A 3 B F		
Country			
7	Final progress report		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
8	Sign and date		
Administrator's signature	Signature X  X		
Signature date	d 2 1 m 0 4 y 2 0 y 2 3		

**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 **Melissa Fielding**

Company name **AlixPartners UK LLP**

Address **Ship Canal House**

8th Floor

98 King Street

Post town **Manchester**

County/Region

Postcode

	M	2		4	W	U	
--	---	---	--	---	---	---	--

Country

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

Administrators' Final Progress Report for the period 26 October 2022 to 21 April 2023

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

21 April 2023

Contents

1. Why this report has been prepared	1
2. Summary of information for creditors	2
3. Administrators' proposals	4
4. Progress of the Administrations	5
5. Unrealised assets	7
6. Investigations	8
7. Outcome for creditors	9
8. What happens next.....	10

Appendices

Appendix A.	Statutory information
Appendix B.	Receipts and Payments Accounts for the period 26 October 2022 to 21 April 2023 and Cumulative Accounts for the period since appointment
Appendix C.	Administrators' fees
Appendix D.	Expenses of the Administrations
Appendix E.	Additional information in relation to the Administrators' fees pursuant to Statement of Insolvency Practice 9

AlixPartners
Ship Canal House
8th Floor
98 King Street
Manchester M2 4WU

t: +44 (0) 161 838 4500 f: +44 (0) 161 838 4501

1. Why this report has been prepared

- 1.1 As you will be aware, Catherine Williamson and Peter Saville were appointed on 26 April 2016. Clare Kennedy replaced Peter Saville as Administrator of the Companies with effect from 13 April 2022. Catherine Williamson and Clare Kennedy now remain as Joint Administrators (the **Administrators**).
- 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 the company entered into administration and every subsequent period of six months, or earlier if the administration has been finalised. This progress report covers the period 26 October 2022 to 21 April 2023 (the **Period**) and should be read in conjunction with all previous reports.
- 1.3 This report has been prepared in accordance with rule 18.2 of the Insolvency (England and Wales) Rules 2016.
- 1.4 All matters in these Administrations have been finalised and the purpose of this report is to provide a final update on the progress of the Administrations, including details of assets realised during the Period, details regarding the Administrators' fees and the outcome for each class of creditor. For details of the exit route please see section 8.
- 1.5 Details of the Administrators' fees and expenses incurred are provided at Appendices C to E.
- 1.6 More information relating to the Administration process, Administrators' fees and creditors' rights can be found on AlixPartners' creditor portal (<https://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 Administrations generally, please contact Melissa Fielding on 0161 838 4500 or by email at creditorreports@alixpartners.com.

2. Summary of information for creditors

Dividend distributions

ARG Realisations 2016 Limited

Description	Agreed debt £	Actual 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	5.24 million
Preferential creditors	25,161	100 pence in the pound
Unsecured creditors	15.01 million	3.80 pence in the pound

AR Realisations 2016 Limited

Description	Agreed debt £	Actual level of return £
Secured creditor: Wells Fargo	7.17 million	507,827
Secured creditor: Alteri	18.24 million	2.54 million
Unsecured creditors	53.31 million	0.22 pence in the pound

ARG (Property) Limited

Description	Agreed debt £	Actual level of return £
Secured creditor: Wells Fargo	7.17 million	275,723
Secured creditor: Alteri	18.24 million	81,703
Unsecured creditors	766,551	Nil

CC Realisations 2016 Limited

Description	Agreed debt £	Actual level of return £
Secured creditor: Wells Fargo	7.17 million	389,427
Secured creditor: Alteri	18.24 million	300,000
Unsecured creditors	40.72 million	Nil

Notes:

Secured creditors

Wells Fargo and Alteri (together 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 the Administrators' appointment was owed approximately £7.17 million by the Companies. 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 the Administrators' appointment.

Total distributions to Alteri are £8.24 million. This includes a distribution of £84,565 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, and the final settlement amounts due following the settlement of the claim against the merchant service providers, as detailed in section 4.

Preferential creditors

Preferential claims of £25,161 were received in respect of ARGL. Distributions to preferential creditors totalling 100 pence in the pound were made during the ARGL Administration.

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

Unsecured creditors

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

As previously reported, the Administrators have distributed funds of £569,625 and £117,073 (after costs) to the unsecured creditors of ARGL and ARL, respectively. This represents a dividend rate of 3.80 pence in the pound in ARGL and 0.22 pence in the pound in ARL.

There are insufficient funds to enable any further distributions to the unsecured creditors of the Companies, either by way of the Unsecured Creditors' Funds (as defined at section 7.7), or otherwise.

In respect of preferential and 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.

Further information is provided in section 7 of this report.

3. Administrators' proposals

- 3.1 As a reminder, the administrator of a company must perform their functions with a view to achieving one of the following 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.

- 3.2 In these cases the Administrators pursued the second statutory objective. This objective was achieved through the continued trading of the Companies for a short period whilst sales of the businesses and assets were pursued. This allowed realisations for the assets to be maximised compared to piecemeal sales.
- 3.3 This strategy also ensured that a number of employees transferred following the sale of the concessions providing continuity of employment, thereby reducing claims from employees who would have preferential and unsecured claims had trading ceased immediately on appointment.
- 3.4 Furthermore, the Administrators were able to maximise the return to all creditors through various asset realisation strategies including the collection of book debts, rates refunds and the MIF settlement in ARGL (as defined in paragraph 4.4).

4. Progress of the Administrations

- 4.1 Attached at Appendix B are the Administrators' Receipts and Payments Accounts for the Period, together with Cumulative Accounts for the period since the date of appointments. This report provides an update on total realisations made over the course of the Administrations.
- 4.2 Please note that as there have been no changes to the Trading Receipts and Payments Accounts in the Period, these accounts are not repeated in this progress report.
- 4.3 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 C and D have been incurred.

Realisation of assets

Claim against merchant service providers

- 4.4 As previously reported, the Companies joined a consortium of other retailers to bring a claim against two merchant service providers (the **Consortium**) in respect of anti-competitive merchant interchange fees (the **MIF**) which were incurred via operating card payment systems before the Companies ceased trading.
- 4.5 Since the last progress report, and following the Supreme Court's decision and a summary judgement regarding the Interchange Fee Regulation, the Consortium has finalised negotiations with the merchant service providers. As part of the negotiations, a detailed review of the claims were completed to determine the appropriate allocation of the settlement. The Administrators worked with their lawyers and the claim analysts and it was determined that the final settlement was due to ARGL.
- 4.6 Settlement terms were agreed with both of the merchant service providers and have been finalised by the Consortium's legal advisors. The settlement funds have been received by ARGL and are detailed in ARGL's Receipts and Payments Account at Appendix B.
- 4.7 This concludes the claim against the merchant service providers and no further settlement amounts are anticipated.

Bank interest

- 4.8 During the Period, the following bank interest was received by the Companies

£	ARGL	ARL	ARGP	CCL
Bank interest	468	23	39	11

Sundry refunds

- 4.9 During the Period, refunds of £56 were received by ARL relating to the pre-appointment period.

Administration (including statutory reporting)

- 4.10 In addition to their duties relating to realising and distributing the assets of the Companies, the Administrators have complied with certain statutory compliance matters in accordance with the Insolvency Act 1986. These included preparing bi-annual reports to creditors advising of the progress of the Administrations, and liaising with various stakeholders. The Administrators also liaised with HMRC to determine the final position in respect of any corporation tax, PAYE, VAT and other taxes that were owed by or to the Companies, and have filed tax returns for the duration of the Administrations.
- 4.11 In order to ensure the matters of the Administrations were progressed sufficiently, the Administrators conducted periodic case reviews and completed case checklists. In addition, the Administrators' treasury function also complied with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.
- 4.12 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, meaning additional periodic reports have had to be prepared and distributed to stakeholders.

Creditors (claims and distribution)

- 4.13 Details of the outcome for creditors can be found in section 7.

5. Unrealised assets

- 5.1 All assets have been realised and the Receipts and Payments Accounts at Appendix B reflect the final position on both realisations achieved and payments discharged during the course of the Administrations.

6. Investigations

- 6.1 The Administrators conducted investigations into the conduct of the directors and transactions entered into prior to the Companies' insolvency, as required by the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administrations and Insolvent Liquidations. Based upon the outcome of the Administrators' investigations, there were no matters identified that required further action.

7. Outcome for creditors

Secured creditor – Wells Fargo

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

Secured creditor – Alteri

- 7.3 Alteri holds second and third ranking fixed and floating charges which are cross-guaranteed by the Companies.
- 7.4 At the date of appointment, Alteri was owed approximately £18.24 million (excluding interest and charges under its security).
- 7.5 Total distributions to Alteri are £8.24 million. This includes a distribution of £84,565 from ARCS which was previously in Administration and was also subject to the cross-guarantees.

Preferential creditors

- 7.6 Preferential creditors were owed £25,161. The preferential creditors of ARGL received a dividend of £24,476 on 22 June 2017 and a dividend totalling £685 on 22 November 2021 therefore receiving distributions of 100 pence in the pound.

Unsecured Creditors' Fund

- 7.7 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**'.
- 7.8 On 29 March 2018, the Administrators distributed a total dividend of £569,625 (after costs) to the unsecured creditors of ARGL via the Unsecured Creditors' Fund, representing a dividend rate of 3.80 pence in the pound.
- 7.9 On 23 March 2018, the Administrators distributed a total dividend of £117,073 (after costs) to the unsecured creditors of ARL via the Unsecured Creditors' Fund, representing a dividend rate of 0.22 pence in the pound.
- 7.10 There are insufficient funds to enable any further dividend to be paid to the Companies' unsecured creditors.

8. What happens next

Exit route

Dissolution of the Companies

- 8.1 The Companies have no property to permit any further distributions to unsecured creditors of the Companies (other than those already made by way of the Unsecured Creditors' Fund). The Administrators will therefore file notices, together with their final progress report, 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. The appointments will end following the registration of the notices by the Registrar of Companies.

Discharge from liability

- 8.2 As approved by the Secured Creditors on 3 January 2017, 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.

Creditors' rights

- 8.3 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 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.
- 8.4 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 progress report, make an application to court on the grounds that the basis fixed for the Administrators' fees is inappropriate, or that the fees or the expenses incurred by the Administrators as set out in this progress report are excessive.

For and on behalf of
The Companies



Catherine Williamson
Administrator

Encs

Appendix A. Statutory information

Company information

ARG Realisations 2016 Limited

Company name	ARG Realisations 2016 Limited
Registered number	00164291
Registered office	Ship Canal House, 8th Floor, 98 King Street, Manchester, M2 4WU
Former registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Trading address(es)	Please refer to Appendix C of the Administrators' Statement of Proposals (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	Ship Canal House, 8th Floor, 98 King Street, Manchester, M2 4WU
Former registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Trading address(es)	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

AR (Property) Limited

Company name	ARG (Property) Limited
Registered number	01459151
Registered office	Ship Canal House, 8th Floor, 98 King Street, Manchester, M2 4WU
Former registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Trading address(es)	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	364 of 2016

CC Realisations 2016 Limited

Company name	CC Realisations 2016 Limited
Registered number	00510900
Registered office	Ship Canal House, 8th Floor, 98 King Street, Manchester, M2 4WU
Former registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Trading address(es)	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

Appointors' information

Name	Address	Position
Alan Charlton	c/o Ship Canal House, 8th Floor, 98 King Street, Manchester, M2 4WU	Director
Nicholas Hollingworth	c/o Ship Canal House, 8th Floor, 98 King Street, Manchester, M2 4WU	Director

Administrators' information

Name	Address	IP number	Name of authorising body
Clare Kennedy	AlixPartners, 6 New Street Square, London, EC4A 3BF	20590	Insolvency Practitioners Association
Catherine Mary Williamson	AlixPartners, Ship Canal House, 8th Floor, 98 King Street, Manchester, M2 4WU	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. As detailed in paragraph 1.1, Clare Kennedy replaced Peter Saville on 13 April 2022.

Extension of the Administration

The Administrations were initially extended for a period of 12 months with the consent of the secured and, where applicable, preferential creditors. The Administrations have been subsequently extended with approval of the court as follows:

- 26 April 2018 to 25 April 2020 (24-month extension)
- 26 April 2020 to 25 April 2021 (12-month extension)
- 26 April 2021 to 25 April 2022 (12-month extension)
- 26 April 2022 to 25 April 2023 (12-month extension)

The Administrations are due to end on 25 April 2023.

Appendix B. Receipts and Payments Accounts for the period 26 October 2022 to 21 April 2023 and Cumulative Accounts for the period since appointment

ARGL

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
4,818,182 Leasehold property	-	7,005,547
Bank interest	26	3,219
	26	7,008,766
Payments		
Administrators' fees	3,626	283,697
Legal fees and expenses	-	99,395
Insurance of assets	-	1,204
Agent's/valuer's fees	-	222,000
Bank charges	-	99
	(3,626)	(606,395)
Distributions		
Fixed chargeholder - Wells Fargo	-	6,000,000
Fixed chargeholder - Alteri	2,754	402,371
	(2,754)	(6,402,371)
Balance of fixed charge assets	(6,354)	-
Floating charge assets		
Receipts		
Furniture and equipment	-	58,663
7,394,594 Stock	-	3,324,649
325,000 Duty deferment bond	-	330,954
Insurance refund	-	8,361
29,208 Cash at bank	-	529,713
Book debts	-	7,471
Rates refund	-	7,286
Retentions	-	1,782
Bank interest	443	3,863
Court compensation	-	5,524
MIF settlement	200,861	200,861
Sundry receipts	-	10,881
Trading profit	-	2,881,382
	201,304	7,371,389

Payments		
Preparation of Statement of Affairs	-	2,000
Administrators' fees:		
General	81,170	384,201
Unsecured Creditors' Fund	-	30,375
Statutory advertising	-	254
Travel and subsistence	-	24,292
Storage costs	-	303
Stationery and postage	-	10,069
Telephone charges	-	101
Photocopying and printing	-	481
Cost of consignment of stock	-	1,307,454
Debt collection fees	-	1,160
Agent's/valuer's fees	-	11,384
Corporation tax	-	534
Insurance of assets	-	4,265
Employee claim processing costs	-	61,785
Legal fees and expenses	-	95,971
Pre-appointment wages	-	158
Bank charges	-	2,703
Sundry costs	-	3,671
	(81,170)	(1,941,161)
Distributions		
Floating chargeholder - Alteri	150,695	4,835,442
Preferential creditors:		
Dividend - 100p/£, 22/06/2017	-	24,476
Dividend - 100p/£, 22/11/2021	-	685
Unsecured creditors:		
Dividend - 3.80p/£, 29/03/2018	-	569,625
	(150,695)	(5,430,228)
Balance of floating charge assets	(30,561)	-
Total balance		-

Notes: The above is subject to small rounding differences.

ARL

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
Leasehold property	-	185,167
437,000 Intellectual property	-	2,450,000
627,158 Book debts ¹	-	178,469
Concession receipts	-	2,436
Bank interest	13	1,012
	13	2,817,085
Payments		
Administrators' fees	3,369	117,147
Legal fees and expenses	-	49,222
Agent's/valuer's fees	-	17,250
Concession commission	-	66,104
Insurance of assets	-	7,506
Bank charges	-	23
	(3,369)	(257,253)
Distributions		
Fixed chargeholder - Wells Fargo	-	507,827
Fixed chargeholder - Alteri	-	2,052,006
	-	(2,559,833)
Balance of fixed charge assets	(3,356)	-
Floating charge assets		
Receipts		
Book debts	-	212,488
Tax refund	-	7,835
Rates refund	-	7,590
Bank interest	10	4,755
Sundry receipts	56	1,191
Utility refund	-	8,101
Unclaimed dividends from the CVA	-	24,188
Trading surplus	-	578,364
	66	844,510
Payments		
Administrators' fees:		
General	2,240	48,346
Unsecured Creditors' Fund	-	13,704
Specific penalty bond	-	225
Travel and subsistence	-	192
Stationery and postage	-	2,858
Telephone charges	-	18
Printing and photocopying	-	87
Property agent's fees	-	2,889
Employee agent's costs	-	4,340
Insurance of assets	-	13,846
Legal fees and expenses	-	61,478
Debt collection costs	-	378
Agent's/valuer's fees	-	1,158
Concession commission	-	81,306
Corporation tax	-	1,144
Hypothec charges	-	10,000
Bank charges	-	212
	(2,240)	(242,181)
Distributions		
Floating charge creditor - Alteri	-	485,256
Unsecured creditors:		
Dividend - 0.22p/£, 23/03/2018	-	117,073
	-	(602,329)
Balance of floating charge assets	(2,173)	-
Total balance	(5,530)	-

Note: The above is subject to small rounding differences.

1 The collection of book debts were completed in the Administration. The overall recoveries were lower than anticipated as a significant amount of concession debts were disputed and ARL's records were not sufficient to take further legal action.

ARGP

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
Leasehold property	-	105,000
Intellectual property	-	37,500
Bank interest	9	256
715,703 Book debts ¹	-	431,111
	9	573,867
Payments		
Administrators' fees	2,184	25,087
Contribution to floating costs	-	28,311
Corporation tax	-	144
Insurance of assets	-	1,806
Legal fees and expenses	-	3,031
Agent's/valuer's fees	-	2,625
Concession commission	-	155,388
Bank charges	-	6
Sundry expenses	-	44
	(2,184)	(216,441)
Distributions		
Fixed chargeholder - Wells Fargo	-	275,723
Fixed chargeholder - Alteri	-	81,703
	-	(357,426)
Balance of fixed charge assets	(2,175)	-
Floating charge assets		
Receipts		
Contribution from fixed charge	-	28,311
Funding from secured creditor	-	250,000
Book debts	-	189,707
Tax refund	-	8
Rates refund	-	1,181
Bank interest	30	562
Sundry receipts	-	4,237
	30	474,006
Payments		
Trading deficit	-	408,893
Administrators' fees	7,352	7,352
Specific penalty bond	-	225
Stationery and postage	-	620
Photocopying and printing	-	3
Agent's/valuer's fees	-	201
Concession commission	-	40,243
Corporation tax	-	117
Insurance of assets	-	6,434
Legal fees and expenses	-	9,879
Bank charges	-	38
	(7,352)	(474,006)
Balance of floating charge assets	(7,322)	-
Total balance	(9,497)	-

Note: The above is subject to small rounding differences.

1 The collection of book debts were completed in the Administration. The overall recoveries were lower than anticipated as a significant amount of concession debts were disputed and ARGP's records were not sufficient to take further legal action.

CC

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	8	711
	Concession receipts	-	5,140
		8	1,246,258
	Payments		
	Administrators' fees	1,843	53,660
	Legal fees and expenses	-	3,031
	Agent's/valuer's fees	-	18,188
	Insurance of assets	-	16,856
	Concession commission	-	211,527
	Contribution to floating account	-	253,551
	Bank charges	-	19
		(1,843)	(556,831)
	Distributions		
	Fixed chargeholder - Wells Fargo	-	389,427
	Fixed chargeholder - Alteri	-	300,000
		-	(689,427)
	Balance of fixed charge assets	(1,835)	-
	Floating charge assets		
	Receipts		
	Contribution from fixed account	-	253,551
	Book debts	-	181,537
	Contribution from Alteri	-	17,535
	Rates refund	-	15,840
	Sundry receipts	-	308
	Unclaimed dividends from the CVA	-	5,695
	Bank interest	3	775
		3	475,241
	Payments		
	Trading deficit	-	323,827
	Administrators' fees	769	769
	Special penalty bond	-	225
	Stationery and postage	-	2,081
	Debt collection fees	-	444
	Agent's/valuer's fees	-	1,604
	Employee claim processing costs	-	5,700
	Corporation tax	-	200
	Insurance of assets	-	21,428
	Concession commission	-	58,246
	Legal fees and expenses	-	60,615
	Bank charges	-	101
		(769)	(475,241)
	Balance of floating charge assets	(766)	-
	Total balance	(2,601)	-

Note: The above is subject to small rounding differences.

Appendix C. Administrators' fees

Fees

A copy of the R3 creditors' guide on Insolvency Practitioners' fees in Administrations can be downloaded from AlixPartners' creditor portal (<https://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 estimates provided in the Statement of Proposals were based on the time expected to be incurred during the Administrations. These estimates were approved by the secured creditors and, where applicable, the preferential creditors.

Fees totalling £964,338 have been drawn in respect of the Administrations of the Companies. A summary of the fees drawn can be found in the table below:

Company	Fixed charge fees £	Floating charge fees £	Unsecured Creditors' Fund fees £	Total fees drawn £
ARGL	283,697	384,201	30,375	698,273
ARL	117,147	48,346	13,704	179,197
ARGP	25,087	7,352	-	32,439
CCL	53,660	769	-	54,429
Total	479,591	440,668	44,079	964,338

Administrators' fee estimate

The fee estimate was originally provided when the basis of the Administrators' fees was approved. A copy of that estimate including the anticipated amount of work and the costs associated with it is set out below. Please note, the fee estimate does not include an estimate for fees in respect of the Unsecured Creditors' Fund.

ARGL

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

Since the above estimate was provided, the Administrators obtained further approval to bill an additional £76,400 from Alteri as the secured creditor in accordance with a separate fee agreement in April 2018. Please note that any fees drawn from the Unsecured Creditors' Fund does not require secured creditor approval.

ARL

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Trading	756	357	264,867
Realisation of assets	220	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

ARGP

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Trading	469	357	167,749
Realisation of assets	4	415	1,835
Administration (including statutory reporting)	73	463	33,196
Investigations	7	345	2,392
Creditors (claims and distribution)	47	367	17,345
Total	601	388	223,256

CCL

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 estimates were based on information available to the Administrators at the time the approval of their fee basis was sought.

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 costs incurred by area of activity, the average rate per hour and the time costs per activity category.

ARGL

The Administrators' time costs for the Period are £21,550. This represents 49 hours at an average rate of £443 per hour.

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	-	-	-	352,845
Realisation of assets	1	230	322	272,644
Administration (including statutory reporting)	47	450	20,986	512,711
Investigations	-	-	-	29,929
Creditors (claims and distribution)	1	405	243	49,866
Total	49	443	21,550	1,217,994

ARL

The Administrators' time costs for the Period are £11,167. This represents 27 hours at an average rate of £418 per hour.

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	-	-	-	230,524
Realisation of assets	7	488	2,980	65,656
Administration (including statutory reporting)	20	393	8,013	255,902
Investigations	-	-	-	2,980
Creditors (claims and distribution)	-	875	175	25,412
Total	27	418	11,167	580,473

ARGP

The Administrators' time costs for the Period are £6,463. This represents 18 hours at an average rate of £371 per hour.

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	-	-	-	176,208
Realisation of assets	1	416	167	39,451
Administration (including statutory reporting)	17	370	6,297	133,038
Investigations	-	-	-	2,291
Creditors (claims and distribution)	-	-	-	6,295
Total	18	371	6,463	357,282

CCL

The Administrators' time costs for the Period are £6,719. This represents 19 hours at an average rate of £371 per hour.

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	-	-	-	189,646
Realisation of assets	1	263	79	49,369
Administration (including statutory reporting)	18	373	6,640	144,413
Investigations	-	-	-	2,193
Creditors (claims and distribution)	-	-	-	5,019
Total	19	371	6,719	383,920

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, together with an explanation of why the work was undertaken are set out in Section 4.

The Administrators' time costs exceeded the fee estimates in all the Companies, with the exception of ARL. The Administrators are not seeking approval to draw further fees in excess of that already approved and the additional time will be written off.

Appendix D. Expenses of the Administrations

In accordance with Statement of Insolvency Practice 9, expenses are any payments from the estate which are neither an administrator's fee nor a distribution to a creditor or member. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Category 1 expenses are payments to persons providing a service who are not an associate of the administrator. Category 1 expenses may include external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel, external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by the Administrators and their staff.

Category 1 expenses incurred by third parties

The estimate of anticipated category 1 expenses which will be incurred by third parties during the course of the Administration was provided 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	37,000	4,000	-	6,500
Alteri Agency Investments Limited	300,000	340,000	190,000	170,000
Travers Smith LLP	750	750	750	750
Olswang LLP	255	255	255	255
Gooch Cuncliffe Whale LLP	100,000	22,500	21,250	85,500
Willis Towers Watson Limited	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

An analysis of the actual costs paid to third parties during the course of the Administrations is provided below.

ARGL

	Paid in prior periods £	Paid in the Period £	Incurred but not paid £	Total cost £
Legal costs	195,365	-	-	195,365
Agent's fees	233,384	-	-	233,384
Employee agent's fees	61,785	-	-	61,785
Insurance	5,469	-	-	5,469
Debtor collection costs	1,160	-	-	1,160
Total	497,163	-	-	497,163

ARL

	Paid in prior periods £	Paid in the Period £	Incurred but not paid £	Total cost £
Legal costs	110,700	-	-	110,700
Agent's fees	18,408	-	-	18,408
Employee agent's fees	4,340	-	-	4,340
Insurance	21,352	-	-	21,352
Property holding costs	2,889	-	-	2,889
Debtor collection costs	378	-	-	378
Total	158,067	-	-	158,067

ARGP

	Paid in prior periods £	Paid in the Period £	Incurred but not paid £	Total cost £
Legal costs	12,910	-	-	12,910
Agent's fees	2,826	-	-	2,826
Insurance	8,240	-	-	8,240
Total	23,976	-	-	23,976

CCL

	Paid in prior periods £	Paid in the Period £	Incurred but not paid £	Total cost £
Legal costs	63,646	-	-	63,646
Agent's fees	19,792	-	-	19,792
Employee agent's fees	5,700	-	-	5,700
Insurance	38,284	-	-	38,284
Debtor collection costs	444	-	-	444
Total	127,866	-	-	127,866

Category 1 expenses incurred by the Administrators

The estimate of anticipated incidental expenses which will be incurred by the Administrators during the course of the Administration was provided in the Proposals; a copy of that estimate is set out below. The actual expenses may be found in the Receipts and Payments Accounts at Appendix B.

	ARGL	ARL	ARGP	CCL
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 2 expenses

Category 2 expenses are payments to associates of an administrator or which have an element of shared costs and may consist of:

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

Approval to draw category 2 expenses has been given by the secured creditors and, where applicable, the preferential creditors on 26 October 2016 and £571 has been drawn during the course of the Administrations.

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

Policy

Detailed below is AlixPartners's policy in relation to:

- staff allocation and the use of sub-contractors; and
- professional advisors.

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 one or more members of staff at each of the grades detailed in the charge-out rate schedule overleaf. 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.

With regard to support staff, time spent by their treasury department 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 have been 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	71,825
Debt collection	Consultiam Property Limited	20% of recoveries	1,604
Debt Collection	PHD Property Advisory Limited	20% of recoveries	3,053
Agent's/valuer's fees	CAPA	20% of recoveries	7,304

Professional advisors

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

Name of professional advisor	Basis of fee arrangement
Squire Patton Boggs LLP (legal advice)	Hourly rates and expenses
Willis Towers Watson Limited (insurance)	Risk based premium
Gooch Cuncliffe Whale LLP (property agent)	Percentage of realisations (7.5%)
Alteri Agency Investments Limited (retail agent)	Daily rate and element of fixed cost
Hilco Appraisal Limited (valuation and disposal advice)	Hourly rates and expenses
Olswang LLP (legal advice)	Hourly rates and expenses
MBM Commercial (legal advice)	Hourly rates and expenses

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 assignment and the basis of their fee arrangements with them.

Charge-out rates

A schedule of AlixPartners' hourly charge-out rates for these assignments effective from 1 January 2023 is detailed below, together with the rates charged prior to that date. Time is charged by the appointees and case staff in units of six minutes.

Description	Rates from 1 January 2023 £	Rates pre 1 January 2023 £
Managing director	850	805
Partner	810	N/A
Director	770	710
Senior vice president	645	595
Vice president	475-590	435-540
Consultant	275-405	245-360
Treasury and support	210-335	190-310