

The Insolvency Act 1986

**Notice of move from  
administration to dissolution****2.35B**

Name of Company

M Realisations Limited  
(formerly Macnoll Limited)

Company number

03268645

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

(full name of court)

Court case number

3829 of 2012

We

Peter Saville  
Zolfo Cooper  
10 Fleet Place  
London  
EC4M 7RBSimon Freakley  
Zolfo Cooper  
10 Fleet Place  
London  
EC4M 7RBAnne O'Keefe  
Zolfo Cooper  
The Zenith Building  
26 Spring Gardens  
Manchester  
M2 1ABhaving been appointed administrators of M Realisations Limited (formerly Macnoll Limited),  
The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB

on 9 May 2012

by Barclays Bank Plc

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986  
apply

We attach a copy of the final progress report

Signed

  
Joint Administrator

Dated

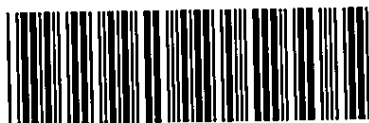
16.11.12

**Contact Details:**You do not have to give any contact  
information in the box opposite but if  
you do, it will help Companies House to  
contact you if there is a query on the  
formThe contact information that you give  
will be visible to searchers of the  
public recordKatie Wells  
Zolfo Cooper  
The Zenith Building  
26 Spring Gardens  
Manchester  
M2 1AB

Tel Number +44 (0) 161 838 4500

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

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COMPANIES HOUSE

# Joint Administrators' Final Progress Report for the period 9 May 2012 to 8 November 2012

M Realisations Limited  
BD Realisations Limited  
DLFS Realisations Limited  
IUK Realisations Limited  
L Realisations Limited and  
WMC Realisations Limited  
All in Administration  
(together the **Companies**)



COMPANIES HOUSE

16 November 2012

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## 1 Statutory information

- 1.1 Anne O'Keefe was appointed Joint Administrator of the Companies together with Peter Saville and Simon Freakley on 9 May 2012. The application for the appointments of the Joint Administrators was made by Barclays Bank PLC acting as Agents for American Greetings Corporation (AG).
- 1.2 The Administrations are being handled by Zolfo Cooper's Manchester office, situated at the Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.
- 1.3 The Companies were non-trading entities and were registered in the High Court of Justice. The full names, former names, registered numbers and court reference numbers for the Companies are set out below.

Company name	Former Company name	Registered Number	Court reference number
M Realisations Limited	Macnoll Limited	03268645	3829 of 2012
BD Realisations Limited	Birthdays Direct Limited	04733067	3808 of 2012
DLFS Realisations Limited	Debbie Lou's Friendship Stores Limited	02889329	3817 of 2012
IUK Realisations Limited	Inspirations (U.K.) Limited	02152630	3816 of 2012
L Realisations Limited	Lancedown Limited	01994060	3832 of 2012
WMC Realisations Limited	William McCracken Limited	01291631	3818 of 2012

- 1.4 The registered office of each of the Companies has changed to The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.
- 1.5 In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Joint Administrators are to be exercised by any or all of the Joint Administrators.

## 2 Joint Administrators' proposals

- 2.1 As advised in the Joint Administrators' Report and Statement of Proposals for Clinton Cards Plc and other group companies dated 29 June 2012 (the **Proposals**), the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
- rescuing the Companies as a going concern; or
  - achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration); or
  - realising property in order to make a distribution to one or more secured or preferential creditors
- 2.2 The proposals advised that the Joint Administrators were pursuing the third objective, for these Companies, namely realising property in order to make a distribution to one or more of the secured or preferential creditors.
- 2.3 As detailed in the Proposals, the appointment of the Joint Administrators was required over the entire group structure, (the **Group**), in order to secure the Group assets and minimise tax liabilities across the Group. Following investigations by the Joint Administrators it became apparent that there were no realisable assets within the Companies and therefore their Administrations will be finalised shortly. Further information on the Joint Administrators' exit is provided in section 7 of this report.

### 3 Progress of the Administration

- 3.1 Attached at Appendix A are the Joint Administrators' Receipts and Payments Accounts for the period 9 May 2012 to 8 November 2012 for each of the Companies
- 3.2 As detailed in section 2, the Companies had no realisable assets and therefore the Joint Administrators have completed all statutory matters and finalised the tax position.
- 3.3 The Joint Administrators can also confirm that there are no costs which have been incurred but not yet paid for the Companies.

### 4 Investigations

- 4.1 The Joint 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 and Statement of Insolvency Practice 2 - Investigations by Office Holders in Administrations and Insolvent Liquidations. Based upon the outcome of the Joint Administrators' investigations, there were no matters identified that required further action in these Companies.

### 5 Joint Administrators' remuneration

- 5.1 The secured creditor approved that the basis of the Joint Administrators' remuneration be fixed by reference to the time properly spent by the Joint Administrators and their staff on matters arising in the Administrations
- 5.2 The Joint Administrators' time costs for the period 9 May 2012 to 8 November 2012 and the total amount of fees plus disbursements that have been drawn on account to date for each of the Companies are detailed below. No further fees will be drawn from any of the Companies.

Company	Time costs (£)	Number of hours	Average rate per hour (£)	Fees drawn (£)	Disbursements (£)
M Realisations Limited	4,721	16	295	4,721	33
BD Realisations Limited	5,340	18	298	5,340	33
DLFL Realisations Limited	4,412	15	296	4,412	32
IUK Realisations Limited	4,355	15	296	4,355	32
L Realisations Limited	4,409	15	294	4,409	32
WMC Realisations Limited	4,138	14	296	4,138	31

- 5.3 The secured creditor, AG, has funded the payment of the Joint Administrators' fees in each Administration
- 5.4 Attached at Appendix B are the Time Analyses for the period which provides details of the activity costs incurred by staff grade for each of the Companies
- 5.5 Principal areas of activity during the period are discussed in further detail below.
- **Administration and planning** - time has been incurred formulating and implementing the initial case strategies, complying with statutory duties and performing general administrative work. Case related treasury time is also recorded here.

- **Investigations** - time has been incurred carrying out investigations into the directors' conduct together with the Companies' dealings prior to the appointment of the Joint Administrators and the submission of a report to the Department for Business, Innovation and Skills pursuant to the Company Directors Disqualification Act 1986.
  - **Creditors** - time has been incurred notifying all creditors of the appointments and preparing statutory reports. Time has also been spent reporting to the secured creditor.
- 5.6 The Joint Administrators confirm that the only category 2 disbursement that has been drawn is in relation to photocopying. This is charged at the rate of ten pence per sheet.
- 5.7 Information in relation to the Joint Administrators' policy on staffing, the use of sub-contractors, disbursements and details of their current charge-out rates by staff grade is provided in Appendix C.

## 6 Outcome for creditors

### Secured creditor

- 6.1 Barclays Bank PLC acts as Security Agent for AG and holds fixed and floating charges dated 6 April 2011 and 7 November 2011. At the date of the appointments AG was owed approximately £35 million across the Group (excluding accrued interest and charges).
- 6.2 No distributions have been made to the secured creditor from the Companies.

### Preferential creditors

- 6.3 The Companies did not employ any staff and therefore no preferential claims have been received.

### Unsecured Creditors' Fund

- 6.4 Pursuant to section 176A of the Insolvency Act 1986, where there is a floating charge which post-dates 15 September 2003, the Joint Administrators are required to create a fund from the Companies' net property available for the benefit of unsecured creditors (**Unsecured Creditors' Fund**).
- 6.5 As the Companies granted a floating charge to the secured creditor after 15 September 2003, the Joint Administrators were required to create an Unsecured Creditors' Fund. The Joint Administrators confirm that there were insufficient funds to establish Unsecured Creditors' Fund in any of the Companies.

## 7 Ending the Administration

- 7.1 The Joint Administrators will file notices together with their final progress report at court and with the Registrar of Companies for the dissolution of the Companies. The Joint Administrators will send copies of these documents to the Companies and their respective creditors. The appointments will end following the registration of the notices by the Registrar of Companies.

- 7 2 The Joint Administrators will be discharged from liability under paragraph 98 of schedule B1 of the Insolvency Act 1986 directly after their appointment as Joint Administrators ceases to have effect

## **8 Creditors' rights**

- 8 1 Within 21 days of the receipt of the report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors), may request in writing that the Joint Administrators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 8 2 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors), may, within eight weeks of receipt of this progress report, make an application to court on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or that the remuneration or the expenses incurred by the Joint Administrators as set out in this progress report are excessive

For and on behalf of  
The Companies



Anne O'Keefe  
Joint Administrator

Encs

## Receipts and Payments Account for the period 9 May 2012 to 8 November 2012

## Appendix A

### M Realisations Limited

	£
<b>Receipts</b>	
Contribution to costs	4,754
	<u>4,754</u>
<b>Payments</b>	
Joint Administrators' fees	4,721
Category 1 disbursements	
Specific bond penalty	30
Category 2 disbursements	
Internal photocopying	3
	<u>(4,754)</u>
<b>Balance</b>	<u>-</u>

### BD Realisations Limited

	£
<b>Receipts</b>	
Contribution to costs	5,373
	<u>5,373</u>
<b>Payments</b>	
Joint Administrators' fees	5,340
Category 1 disbursements	
Specific bond penalty	30
Category 2 disbursements	
Internal photocopying	3
	<u>(5,373)</u>
<b>Balance</b>	<u>-</u>

*Statement of Insolvency Practice 7 states the headings used in the receipts and payments account should follow those used in any prior statement of affairs (SOA) or estimated outcome statement*

*The SOA was provided by the Company's directors at the commencement of the Administration which did not provide any information of the assets and liabilities of the Companies and as such, a meaningful comparison to the SOA by category cannot be made*



## Receipts and Payments Account for the period 9 May 2012 to 8 November 2012 (cont'd)

## Appendix A

### DLFL Realisations Limited

	£
<b>Receipts</b>	
Contribution to costs	4,444
	<u>4,444</u>
<b>Payments</b>	
Joint Administrators' fees	4,412
Category 1 disbursements	
Specific bond penalty	30
Category 2 disbursements	
Internal photocopying	2
	<u>(4,444)</u>
<b>Balance</b>	<u>-</u>

### IUK Realisations Limited

	£
<b>Receipts</b>	
Contribution to costs	4,387
	<u>4,387</u>
<b>Payments</b>	
Joint Administrators' fees	4,355
Category 1 disbursements	
Specific bond penalty	30
Category 2 disbursements	
Internal photocopying	2
	<u>(4,387)</u>
<b>Balance</b>	<u>-</u>

*Statement of Insolvency Practice 7 states the headings used in the receipts and payments account should follow those used in any prior statement of affairs (SOA) or estimated outcome statement*

*The SOA was provided by the Company's directors at the commencement of the Administration which did not provide any information of the assets and liabilities of the Companies and as such, a meaningful comparison to the SOA by category cannot be made*

## Receipts and Payments Account for the period 9 May 2012 to 8 November 2012 (cont'd)

## Appendix A

### L Realisations Limited

	£
<b>Receipts</b>	
Contribution to costs	4,441
	<u>4,441</u>
<b>Payments</b>	
Joint Administrators' fees	4,409
Category 1 disbursements	
Specific bond penalty	30
Category 2 disbursements	
Internal photocopying	2
	<u>(4,441)</u>
<b>Balance</b>	<u>-</u>

### WMC Realisations Limited

	£
<b>Receipts</b>	
Contribution to costs	4,169
	<u>4,169</u>
<b>Payments</b>	
Joint Administrators' fees	4,138
Category 1 disbursements	
Specific bond penalty	30
Category 2 disbursements	
Internal photocopying	1
	<u>(4,169)</u>
<b>Balance</b>	<u>-</u>

*Statement of Insolvency Practice 7 states the headings used in the receipts and payments account should follow those used in any prior statement of affairs (SOA) or estimated outcome statement*

*The SOA was provided by the Company's directors at the commencement of the Administration which did not provide any information of the assets and liabilities of the Companies and as such, a meaningful comparison to the SOA by category cannot be made*

## Time Analyses for the period 9 May 2012 to 8 November 2012

## Appendix B

### M Realisations Limited

	Employee grade (hours)				£	
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Average rate per hour
Administration and planning						
Strategy and control	0.1		0.6	-	0.7	225.50
Statutory duties	0.9		2.5	0.3	3.7	1,207.00
Case administration	0.4		0.8	0.5	1.7	510.50
Accounting and treasury	0.1		1.0	0.4	1.5	403.00
Internal documentation			0.2	0.6	0.8	146.00
Investigations						
Director conduct reports	0.2		1.1	1.1	2.4	575.50
Creditors						
Reporting to creditors	1.1		3.6	0.2	4.9	1,595.50
Unsecured creditors				0.2	0.2	30.00
Employees			0.1		0.1	28.00
<b>Totals</b>	<b>2.8</b>		<b>9.9</b>	<b>3.3</b>	<b>16.0</b>	<b>4,721.00</b>

### BD Realisations Limited

	Employee grade (hours)				£	
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Average rate per hour
Administration and planning						
Strategy and control	0.1		0.5		0.6	195.00
Statutory duties	0.9		2.7	0.3	3.9	1,263.00
Case administration	0.4		0.9	0.7	2.0	568.50
Accounting and treasury	0.1		0.7	0.8	1.6	346.50
Internal documentation			0.1	0.4	0.5	88.00
Investigations						
Director conduct reports	0.2		1.1	1.0	2.3	560.50
Creditors						
Reporting to creditors	1.1		3.6	0.2	4.9	1,595.50
Unsecured creditors				0.2	0.2	30.00
Employees	0.8		1.1		1.9	693.00
<b>Totals</b>	<b>3.6</b>		<b>10.7</b>	<b>3.6</b>	<b>17.9</b>	<b>5,340.00</b>

### DLFL Realisations Limited

	Employee grade (hours)				£	
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Average rate per hour
Administration and planning						
Strategy and control	0.1		0.5		0.6	195.00
Statutory duties	0.8		1.9	0.3	3.0	971.50
Case administration	0.5		0.8	0.5	1.8	555.50
Accounting and treasury	0.1		0.8	0.6	1.5	358.00
Internal documentation			0.1	0.3	0.4	73.00
Investigations						
Director conduct reports	0.2		1.1	1.0	2.3	560.50
Creditors						
Reporting to creditors	1.2		3.4	0.2	4.8	1,584.50
Secured creditors			0.2		0.2	56.00
Unsecured creditors				0.2	0.2	30.00
Employees			0.1		0.1	28.00
<b>Totals</b>	<b>2.9</b>		<b>8.9</b>	<b>3.1</b>	<b>14.9</b>	<b>4,412.00</b>

## Time Analyses for the period 9 May 2012 to 8 November 2012 (cont'd)

## Appendix B

### IUK Realisations Limited

	Employee grade (hours)				£	
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Average rate per Total cost hour
Administration and planning						
Strategy and control	0.1		0.5		0.6	195.00
Statutory duties	0.8		2.0	0.3	3.1	994.50
Case administration	0.4		0.8	0.5	1.7	510.50
Accounting and treasury	0.1		0.7	0.4	1.2	311.50
Internal documentation			0.1	0.3	0.4	73.00
Investigations						
Director conduct reports	0.2		1.2	1.0	2.4	588.50
Creditors						
Reporting to creditors	1.1		3.6	0.2	4.9	1,595.50
Unsecured creditors			0.1	0.2	0.3	58.00
Employees			0.1		0.1	28.00
<b>Totals</b>	<b>2.7</b>		<b>9.1</b>	<b>2.9</b>	<b>14.7</b>	<b>4,354.50</b>

### L Realisations Limited

	Employee grade (hours)				£	
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Average rate per Total cost hour
Administration and planning						
Strategy and control	0.1		0.5		0.6	195.00
Statutory duties	0.8		2.0	0.3	3.1	999.50
Case administration	0.4		0.8	0.5	1.7	510.50
Accounting and treasury	0.1		0.8	0.6	1.5	361.00
Internal documentation			0.1	0.3	0.4	73.00
Investigations						
Director conduct reports	0.2		1.2	1.0	2.4	588.50
Creditors						
Reporting to creditors	1.1		3.6	0.2	4.9	1,595.50
Unsecured creditors			0.1	0.2	0.3	58.00
Employees			0.1		0.1	28.00
<b>Totals</b>	<b>2.7</b>		<b>9.2</b>	<b>3.1</b>	<b>15.0</b>	<b>4,409.00</b>

### WMC Realisations Limited

	Employee grade (hours)				£	
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Average rate per Total cost hour
Administration and planning						
Strategy and control	0.1		0.5		0.6	195.00
Statutory duties	0.8		1.7	0.3	2.8	905.50
Case administration	0.4		0.8	0.5	1.7	510.50
Accounting and treasury	0.1		0.8	0.6	1.5	361.00
Internal documentation			0.1	0.3	0.4	73.00
Investigations						
Director conduct reports	0.2		0.9	0.8	1.9	474.50
Creditors						
Reporting to creditors	1.1		3.3	0.2	4.6	1,504.00
Unsecured creditors			0.1	0.2	0.3	58.00
Employees			0.2		0.2	56.00
<b>Totals</b>	<b>2.7</b>		<b>8.4</b>	<b>2.9</b>	<b>14.0</b>	<b>4,137.50</b>

## Additional information in relation to the Joint Administrators' remuneration pursuant to Statement of Insolvency Practice 9

## Appendix C

### 1 Policy

Detailed below is Zolfo Cooper's policy in relation to.

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

#### 1.1 Staff allocation and the use of sub-contractors

The Joint 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 Partner, a Senior Associate, an Associate and an Analyst. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Joint Administrators' charge-out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, time spent by treasury in relation to specific tasks on an assignment is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution

#### 1.2 Professional advisors

On this assignment the Joint Administrators have used the professional advisors listed below. The Joint 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
Freshfields Bruckhaus Deringer LLP (legal advice)	Hourly rate and disbursements

The Joint 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 arrangement with them

#### 1.3 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 Joint Administrators and their staff will also be chargeable.

Category 2 disbursements do require prior approval by creditors before they are paid. Any incurred in this case have been drawn in accordance with the Joint Administrators' proposals, which approved category 2 disbursements as follows.

- Photocopying - charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying
- Printing - charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour
- Business mileage for staff travel, charged at the rate of 45 pence per mile.

## 2 Charge-out rates

A schedule of Zolfo Cooper charge-out rates for this assignment effective from 1 January 2011 is detailed below. Time is charged by case staff in units of six minutes

Description	£
<b>Partner/director</b>	
Partner 1*	575
Partner 2*	520
Director	450
<b>Senior associate</b>	
Senior associate 1*	410
Senior associate 2*	370
<b>Associate/analyst</b>	
Associate	305
Analyst*	280
<b>Junior analyst and support staff</b>	
Junior analyst*	150
Senior treasury associate	220
Treasury associate	150
Treasury analyst	95
Support	80

**\*Key**

*Partner 1 - partners with three or more years' experience at partner level*

*Partner 2 - partners with fewer than three years' experience at partner level*

*Senior associate 1 - staff with two or more years' experience at Senior Associate level*

*Senior associate 2 - staff with fewer than two years' experience at Senior Associate level*

*Analyst - staff with more than one year's experience at Analyst level*

*Junior analyst - first year analysts*