

The Insolvency Act 1986

**Administrators' progress report**

<b>Name of Company</b>
Castlebeck Care (Teesdale) Limited

<b>Company number</b>
02050483

<b>In the</b>
High Court of Justice, Chancery Division, Companies Court
(full name of court)

<b>Court case number</b>
1618 of 2013

(a) Insert full name(s) and address(es) of administrator(s)

We (a)  
Joseph P McLean  
Grant Thornton UK LLP  
Earl Grey House  
75-85 Grey Street  
Newcastle Upon Tyne  
NE1 6EF

Daniel Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

David Dunckley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

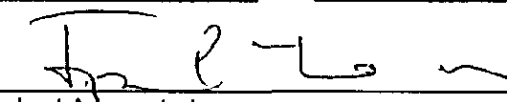
Joint administrators of the above company attach a progress report for the period

(b) Insert date

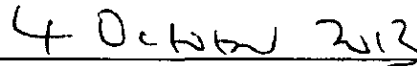
<b>From</b>
(b) 5 March 2013

<b>To</b>
(b) 4 September 2013

Signed

  
 Joint Administrator

Dated

  
 4 October 2013
**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 form

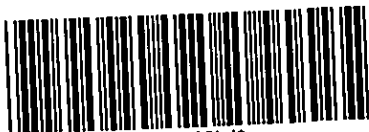
The contact information that you give will be visible to searchers of the

Grant Thornton UK LLP  
Earl Grey House  
75-85 Grey Street  
Newcastle Upon Tyne  
NE1 6EF

0191 261 2631

DX Number

DX Exchange



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05/10/2013

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COMPANIES HOUSE

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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

SATURDAY



Our Ref JMcL/ZLC/KLM/KZP/C01678/PP7

To the Creditors

4 October 2013

Dear Sirs

Recovery and Reorganisation

Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester M3 3EB

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**CB Care Limited**  
**Castlebeck Care Holdings Limited**  
**Castlebeck Care (Teesdale) Limited**  
**Castlebeck Group Limited**  
**Castlebeck Property Limited**  
**Castlebeck Property Holdings Limited**  
**Linear Care Limited**  
**All in Administration (together 'the Group')**  
**High Court of Justice, Chancery Division, Companies Court**  
**No 1617, 1618, 1619, 1620, 1621, 1622 of 2013**

**1 Introduction**

1.1 Following the appointment of Daniel Smith, David Dunkley, and I, as Joint Administrators of the Group by the directors on 5 March 2013, I now report on the progress of the Administrations to 4 September 2013 and attach

- Appendix A Forms 2 24B, together with accounts of our receipts and payments for the period from 5 March 2013 to 4 September 2013
- Appendix B a statement of the remuneration charged by the Joint Administrators in the period 5 March 2013 to 4 September 2013 and a statement of expenses incurred in the period
- Appendix C an analysis of my firm's time costs as required by Statement of Insolvency Practice 9
- Appendix D an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the Administrator (Rule 2 48A)
- Appendix E an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the Administrators' remuneration or expenses, if excessive (Rule 2 109)

1.2 Daniel Smith and David Dunkley are authorised by The Insolvency Practitioners Association to act as insolvency practitioners and I am authorised by The Institute of Chartered Accountants of Scotland

1.3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Joint Administrators are to be exercised by any or all of them

Chartered Accountants  
Member firm within Grant Thornton International Ltd  
Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: no 00307742. Registered office: Grant Thornton House, Milton Street, Euston Square, London NW1 2EP  
A list of members is available from our registered office

Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority

A list of persons not permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address

## **2 Statutory information**

2.1 The Group's statutory details are as follows

### **Registered number**

CB Care Limited ("CB Care")	05843078
Castlebeck Care Holdings Limited ("CBCH")	03540515
Castlebeck Care (Teesdale) Limited ("Teesdale")	02050483
Castlebeck Group Limited ("CBG")	04450369
Castlebeck Property Limited ("CBP")	05665543
Castlebeck Property Holdings Limited ("CBPH")	05887272
Linear Care Limited ("Linear")	07939705

### **Registered office**

c/o Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

## **3 Pre-appointment expenses**

3.1 In our proposals dated 26 April 2013 I advised that time costs of £36,500 had been incurred with the view to the Company entering Administration and the planning of the Administration to ensure that the care to patients and residents would not be interrupted. These time costs are being discussed with the secured creditors as they will be bearing these costs.

## **4 Progress of the Administrations**

- 4.1 The objective of the Administrations, as set out in the Joint Administrators' proposals dated 26 April 2013, was to pursue the objective of realising assets for the benefit of the secured creditors.
- 4.2 Our strategy for achieving this objective was to continue to manage the business of the Company for so long as we believed it appropriate in attempting the more advantageous realisation of assets.
- 4.3 As advised in our proposals CB Care, CBCH and CBG are intermediate holding companies and do not trade. Linear was formed as a special purchase vehicle but no such investments have been made and, therefore, is dormant. CBP is also a dormant company.
- 4.4 Teesdale is the trading entity of the Group and owned the freeholds of 17 homes and the fixtures and fittings of 19 of the homes. CBPH owned the freeholds and fixtures and fittings of two homes, but did not trade.
- 4.5 Two certificates of title of the Group's properties indicated that CBCH owned these properties. We have been advised by management that although the title documents indicated that CBCH owned the properties, the Group's books and records indicated that Teesdale was the owning entity. Following discussions with our legal advisor it was agreed that the sale proceeds for the properties should be reflected in CBCH. Creditors should note, however, that due to these properties being subject to the Lenders' fixed charges (and

therefore the sale proceeds being due to the Lenders), this allocation will not affect the other creditors of either Teesdale or CBCH

#### **Assets**

##### **Property portfolio**

- 4 6 As advised in our proposals the business and assets of the Group (excluding book debts) were marketed for sale and a period of exclusivity was entered into with an interested party
- 4 7 I can advise that following this period of exclusivity the business and assets of the Group were sold to Danshell Healthcare Limited on 3 September 2013 for £27.75 million allocated as follows
- Freehold properties £13.500 million
  - Goodwill £13.458 million
  - Chattels £480,000
  - Motor vehicles £297,000
  - Stock £15,000
- 4 8 In addition, there is a deferred consideration due of £250,000 within 3 months of completion and a further consideration of between £250,000 and £1 million due within 16 months of completion depending on the occupancy levels at one of the homes. Total consideration will, therefore be between £28.25 million and £29 million. This level of realisation is in excess of the high valuation provided by the agent advising the Administrators
- 4 9 The proceeds from the sale of the business and assets have been split across the Group based on professional valuations but all goodwill has been allocated to Teesdale as it is this company which traded
- 4 10 The directors' statements of affairs, copies of which were provided with our proposals, illustrated combined figures for goodwill and the properties (and classified as freehold properties). As both these realisations are subject to the Lenders' fixed charges, the allocation of realisations between these categories will not affect any other class of creditor

##### **Trading costs**

- 4 11 The above result has been possible due to the Administrators continuing to trade the business for six months whilst a purchaser for the business and assets was identified
- 4 12 During this period the number of patients and residents fell from 216 to 178. We are aware of only one discharge being as a result of the Administration process with the remaining discharges being planned due to care pathway movements. Due to the uncertainty associated with the Administration process, however, the number of admissions has been low (11 over the six month period)
- 4 13 Due to the high fixed cost base of the Group, a trading loss has been incurred. This loss is still being finalised as we are waiting for invoices to be received from the various suppliers. In addition, the Administrators have incurred significant time costs during this period assisting Management and the Group's staff to ensure that the care to the patients and residents continued uninterrupted

- 4 14 Had a going concern sale not been achieved the level of realisations would have reduced significantly and significant costs incurred whilst the patients and residents were re-homed

#### **Book debts**

- 4 15 At the date of appointment Teesdale had book debts of £561,000 To date £512,775 has been collected For clarification, the remaining book debts were excluded from the sale of the business and assets and are subject to collection activity by the Administrators

#### **Prescribed Part**

- 4 16 Due to the expected quantum of the trading loss, it is not anticipated that there will be any return to the unsecured creditors in any of the Group companies by virtue of the Prescribed Part payment

#### **Liabilities**

##### **Secured creditors**

- 4 17 As previously advised the whole Group, excluding Linear, provided security to the Group's Lenders
- 4 18 The directors' statement of affairs indicate a debt due to the Lenders at the date of appointment of £217 million There is, therefore, no prospect of the Lenders being repaid in full
- 4 19 Following the completion of the sale a payment on account of £17 million was made to the Lenders

##### **Preferential creditors**

- 4 20 As part of the sale process all 835 members of Teesdale staff transferred under TUPE regulations to Danshell Healthcare Limited so there are no preferential creditors in this matter

##### **Unsecured creditors**

- 4 21 As advised above, no Prescribed Part payment to the unsecured creditors in any of the Group companies is currently anticipated There will, therefore, be no dividend to the unsecured creditors of any of the Group

#### **Other matters**

- 4 22 Prior to the appointment of the Joint Administrators, the Group was involved in various pieces of litigation, including in relation to the alleged abuse claims made by former residents of the Winterbourne View care home During the past 6 months, the Joint Administrators and their legal advisers have liaised with the various claimants and the Group's insurers in relation to these various pieces of litigation, with a view to ensuring, where possible, that any insurance which may be available to respond to the various claims, is preserved and protected for that purpose

#### **Ending of the Administrations**

- 4 23 In our proposals dated 26 April 2013, we advised that the Administrations will end by the companies entering into Creditors' Voluntary Liquidation, or if there are no monies available for unsecured creditors, by the dissolution of the companies As we do not expect there to

be a dividend to the unsecured creditors in any of the companies, it is likely the Administrations will end by the dissolutions of the companies

- 4.24 At present, it is not yet known if extensions to the Administrations will be required. Should an extension be required, the Lenders will be approached initially for a six month extension.

## 5 Joint Administrators' remuneration and expenses

- 5.1 Ordinarily the legislation provides that the creditors' committee, if appointed, should determine the basis of the Joint Administrators' remuneration, and if no committee is appointed, a resolution of creditors is required. In this Administration however, as no committee was appointed and, as we are of the opinion that there will be no funds available for the unsecured creditors, responsibility for the agreement of the Joint Administrators' remuneration and expenses falls upon the secured creditor. This is because it is this class of creditor that ultimately will bear these costs.
- 5.2 In accordance with Statement of Insolvency Practice (SIP 9), I attach at Appendix C a summary of the Administrators' time costs to 4 September 2013 by grade of staff and type of work. This shows total time costs as follows:

Company	Time Costs to Date £
CB Care Limited	74,771.50
Castlebeck Care Holdings Limited	13,372.70
Castlebeck Care (Teesdale) Limited	1,737,079.90
Castlebeck Group Limited	58,146.55
Castlebeck Property Limited	8,478.25
Castlebeck Property Holdings Limited	17,548.50
Linear Care Limited	9,005.50
<b>Total</b>	<b>1,918,402.90</b>

- 5.3 I can advise that to date no fees have been drawn in the Administrations. Our firm has drawn expenses of £16,280 in Teesdale as indicated in Appendix A and have further expenses to take in due course as set out in Appendix B.
- 5.4 Background information regarding the fees of Administrators can be found at [www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk) (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, we will supply this information by post on request. Time is charged in 6 minute units.
- 5.5 In addition to the Administrators' time costs, £220,000 (plus VAT) is due to Grant Thornton UK LLP Corporate Finance in relation to the contingency commission fee on sale of the business and assets. This fee will also be agreed with the Lenders.

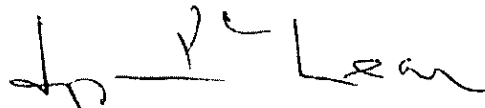
## **6 Other expenses incurred by the Joint Administrators**

6.1 Details of other expenses incurred in the period to 4 September 2013 are disclosed at Appendix B. You will note that these primarily relate to

- goods and services received in the trading period to 3 September 2013 but not invoiced or paid until after the period end
- legal costs both in relation to the sale of the business and assets, and trading, incurred during the period but invoiced after the period end
- our firm's time costs that have been incurred but not yet paid

I trust that the above will be of assistance to you but should you require any clarification please contact my colleague Philip Stephenson (T: 0191 2037791 E: philip.stephenson@ukgt.com)

Yours faithfully,  
for and on behalf of the Group



Joseph P McLean  
Joint Administrator

The affairs, business and property of the Group are being managed by Daniel Smith, David Dunckley, and Joseph P McLean, appointed as Joint Administrators on 5 March 2013

Enc

# A Abstract of the Administrators' receipts and payments

Castlebeck Care (Teesdale) Limited - In Administration

Receipts and payments account as at 4 September 2013

	Statement of affairs / £	Fixed Charge / £	Floating Charge / £	Total / £
<b>RECEIPTS</b>				
Realisations				
Freehold properties	18 825 000	10 052,199	-	10,052,199
Goodwill / intellectual property		13 458 161		13,458,161
Chateaux	140 000		447 373	447,373
Stock			15,000	15 000
Motor vehicles	140 000		312,831	312 831
Book Debts	505 000		512 775	512,775
Other	29,000			
Trading				
Sales			12,581,259	12 581,259
Cash at Bank			100 000	100 000
Bank Interest		260	1,359	1 619
Resident Monies			178 441	178 441
Sundries			1 383	1 383
	19 639,000	23,510 620	14,150,420	37,661 040
<b>PAYMENTS</b>				
Trading				
Purchases		-	448 645	448 645
Subscriptions			12 057	12,057
Client/Resident Contribution			783	783
Rents			65 494	65 494
Council Tax & Rates			39 052	39 052
Heat & Light			150 460	150,460
Accommodation & Travel			42 604	42,604
Telephone			39,990	39 990
Employment Agencies			984 189	984 189
Insurance			320 275	320 275
Interim management / Professional Fees			858 146	858,146
Bank Charges			91 663	91 663
Training			103 995	103 995
Rental/Lease/HP Payments			10 727	10,727
Rental to CBPH			1,080,000	1 080 000
IT Services & Support			84 912	84 912
Repairs & Maintenance			200 307	200,307
Petty Cash			351,096	351,096
Property Expenses			166 044	166 044
Vehicle Running Costs			55 011	55 011
Resident Activities			13 223	13 223
Stationery			3,050	3,050
Postages		-	5 620	5,620
PAYE/NI		-	2 457 555	2,457 555
Net Wages		-	7,219,427	7 219,427
Other Payroll Deductions			387 257	387 257
Licenses		-	1 738	1 738
Pre Appointment Trading Costs			575 686	575 686
Sundry Trading Costs			1 933	1,933
Trading Costs (To Be Reallocated)			897 700	897 700
Trading Creditors (To Be Reallocated)			5 682	5,682
Other				
Joint Administrators' Expenses			16 280	16 280
Agents Fees			4 660	4 660
Legal Fees			253,207	253,207
Statutory Advertising			254	254
VAT irrecoverable			442,672	442 672
			17,391 394	17,391,394
Balances		23,510,620	(3,240,973)	20,269,647
<b>REPRESENTED BY</b>				
Administration Account		23 510 620	(3 440,330)	20 070 290
Resident Monies Account			199 357	199 357
Balances		23,510 620	(3,240,973)	20,269,647



## CB Property Holdings Limited - In Administration

## Receipts and payments account as at 4 September 2013

	Statement of affairs / £	Fixed Charge / £	Floating Charge / £	Total / £
<b>RECEIPTS</b>				
<b>Realisations</b>				
Freehold properties	7 600,000	2 200,490	-	2,200,490
Chattels	20,000		32,635	32,635
Rental income		1,080,000	-	1,080 000
Bank interest		24	-	24
		3,280,514	32 635	3,313 149
<b>PAYMENTS</b>				
			-	
<b>Balances</b>		<b>3,280,514</b>	<b>32,635</b>	<b>3,313,149</b>

## Castlebeck Care Holdings Limited - In Administration

## Receipts and payments account as at 4 September 2013

	Statement of affairs / £	Fixed Charge / £	Floating Charge / £	Total / £
<b>RECEIPTS</b>				
<b>Realisations</b>				
Freehold properties		1,247,311	-	1,247,311
Bank interest		14		14
	-	1,247,325		1 247 325
<b>PAYMENTS</b>				
			-	
<b>Balances</b>		<b>1,247,325</b>		<b>1,247,325</b>

## B Remuneration charged and expenses incurred by the Administrators in the period

	Charged/incurred in period 5 March 2013 to 4 September 2013	Of which paid to 4 September 2013
	£'000	£'000
Trading expenses	17,589	16,299
Joint Administrators' fees		
Time costs	1,918	-
Expenses	21	16
Professional fees		
Piele Consulting	44	37
KPMG LLP	18	18
Legal fees		
Denton UKMFA LLP	250	84
Brodies LLP	10	10
Bond Dickinson LLP	104	103
RadcliffesLeBrasseur	43	39
Burness Paull & Williamsons LLP	17	17
Agents/valuers		
GVA	7	5
Insurance	320	320

## C SIP 9 information

### Introduction

The following information is provided in connection with the Administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

### Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as below. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

	From 5 March 2013
	£
Partners up to	655
Managers up to	455
Administrators up to	320
Assistants and support staff up to	275

### Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

**CB Care Limited - In Administration**  
Transaction period 05/03/2013 to 04/09/2013

	Partner		Manager		Administators / Support staff		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning Creditors	43.60	28,558.00	80.85	32,675.00	20.46	5,626.50	144.71	66,859.50
Hiatus period			2.87	1,168.00			2.87	1,168.00
Investigations			2.00	880.00	75	20,625	2.75	10,862.50
Realisation of Assets	45	29,475	6.71	2,668.00	9.80	2,695.00	10.42	5,657.75
Trading								
<b>Total</b>	<b>44.05</b>	<b>28,852.75</b>	<b>91.49</b>	<b>37,391.00</b>	<b>31.01</b>	<b>8,527.75</b>	<b>166.55</b>	<b>74,771.50</b>
								<b>448.94</b>

**Castlebeck Care Holdings Limited - In Administration**  
Transaction period 05/03/2013 to 04/09/2013

	Partner		Manager		Administators / Support staff		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning Creditors	8.6	5,338.25	2.90	1,222.50	12.35	3,396.25	23.40	9,957.00
Hiatus period								
Investigations			3.33	1,381.85	25	6,875	3.56	1,450.70
Realisation of Assets								
Trading	3.00	1,965.00					3.00	1,965.00
<b>Total</b>	<b>11.15</b>	<b>7,303.25</b>	<b>6.23</b>	<b>2,604.45</b>	<b>12.60</b>	<b>3,465.00</b>	<b>29.98</b>	<b>13,372.70</b>
								<b>446.05</b>

### Castlebeck Care (Teesdale) Limited - In Administration

Transaction period 05/03/2013 to 04/09/2013

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	225.64	147,794.20	655.00	787.49	347,560.00	441.39	328.46	90,326.50	275.00	1,341.59	585,710.70	436.58
Creditors	100	655.00	655.00	45.70	17,531.75	383.63	58.55	6,012.5	275.00	105.25	34,288.00	325.78
Hiatus period												
Investigations	7.00	4,585.00	655.00	2.83	1,88.25	409.28	5.25	4,83.75	275.00	25.08	9,937.00	396.21
Realisation of Assets	98.55	64,550.25	655.00	77.36	31,691.60	409.66	473.75	100,281.25	275.00	649.66	226,523.10	348.68
Trading	294.00	82,570.00	655.00	369.57	149,716.60	405.11	1,957.58	538,334.50	275.00	2,621.15	880,621.10	335.97
Total	626.19	410,154.45	655.00	1,262.95	547,688.20	426.90	2,833.69	779,237.25	275.00	4,742.73	1,737,079.90	366.26

### Castlebeck Group Limited - In Administration

Transaction period 05/03/2013 to 04/09/2013

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	57.50	37,662.50	655.00	3.23	1,628.00	360.00	12.85	3,533.75	275.00	73.58	42,359.05	575.69
Creditors												
Hiatus period												
Investigations				2.58	1,047.00	405.81	25	68.75	275.00	2.83	1,15.75	394.26
Realisation of Assets	5.35	3,504.25	655.00				2.50	688	275.00	7.85	4,917.5	533.98
Trading	16.00	10,480.00	655.00							15.00	10,480.00	655.00
Total	78.85	51,646.75	655.00	5.81	2,209.80	380.34	15.60	4,290.00	275.00	100.26	58,146.55	579.96

### Castlebeck Property Limited - In Administration

Transaction period 05/03/2013 to 04/09/2013

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	565	3,700.75	655.00	190	722.50	380.26	1295	3,561.25	275.00	2050	7,984.50	389.49
Creditors												
Hiatus period												
Investigations				100	425.00	425.00	25	68.75	275.00	125	493.75	395.00
Realisation of Assets												
Trading												
<b>Total</b>	<b>565</b>	<b>3,700.75</b>	<b>655.00</b>	<b>290</b>	<b>1,147.50</b>	<b>395.69</b>	<b>1320</b>	<b>3,630.00</b>	<b>275.00</b>	<b>2175</b>	<b>8,478.25</b>	<b>389.80</b>

### Castlebeck Property Holdings Limited - In Administration

Transaction period 05/03/2013 to 04/09/2013

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	140	9,432.00	655.00	65	2,637.50	425.00	976	5,434.00	275.00	4031	17,479.75	433.63
Creditors												
Hiatus period												
Investigations							25	68.75	275.00	25	68.75	275.00
Realisation of Assets												
Trading												
<b>Total</b>	<b>140</b>	<b>9,432.00</b>	<b>655.00</b>	<b>65</b>	<b>2,637.50</b>	<b>425.00</b>	<b>2001</b>	<b>5,502.75</b>	<b>275.00</b>	<b>4056</b>	<b>17,548.50</b>	<b>432.66</b>

**Linear Care Limited - In Administration**

Transaction period 05/03/2013 to 04/09/2013

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg Hrlly Rate	Hrs	£	Avg Hrlly Rate	Hrs	£	Avg Hrlly Rate	Hrs	£	Avg Hrlly Rate
Administration and Planning - Creditors	535	4,6925	655 00	190	722 50	380 26	12 55	3 45125	275 00	20 80	8 333 00	400 625
Hiatus period							40	10 00		40	10 00	275
Investigations				100	425 00	425 00	50	137 50	275 00	150	562 50	375
Realisation of Assets												
Trading												
<b>Total</b>	<b>635</b>	<b>4,159 25</b>	<b>655 00</b>	<b>290</b>	<b>1,147 50</b>	<b>395 69</b>	<b>13 45</b>	<b>3 688 75</b>	<b>275 00</b>	<b>22 70</b>	<b>9 003 50</b>	<b>396 72</b>

## D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the Administrator

### Rule 2.48A

- (1) If
  - (a) within 21 days of receipt of a progress report under Rule 2.47 -
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
  - (a) providing all of the information asked for, or
  - (b) so far as the administrator considers that
    - (i) the time or cost of preparation of the information would be excessive, or
    - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
    - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
  - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
  - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just



## E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

### Rule 2 109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
  - (a) the remuneration charged by the administrator,
  - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
  - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
  - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
  - (b) an order fixing the basis of remuneration at a reduced rate or amount
  - (c) an order changing the basis of remuneration
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
  - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

The Insolvency Act 1986

**Administrators' progress report**

Name of Company
Castlebeck Care (Teesdale) Limited

Company number
02050483

In the
High Court of Justice, Chancery Division, Companies Court
(full name of court)

Court case number
1618 of 2013

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)  
Joseph P McLean  
Grant Thornton UK LLP  
Earl Grey House  
75-85 Grey Street  
Newcastle Upon Tyne  
NE1 6EF

Daniel Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

David Dunckley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

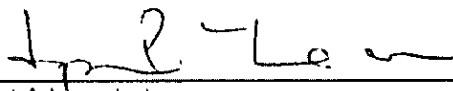
Joint administrators of the above company attach a progress report for the period

(b) Insert date

From
(b) 5 March 2013

To
(b) 4 September 2013

Signed

  
Joint Administrator

Dated

4 October 2013

The Insolvency Act 1986

**Administrators' progress report**

Name of Company
Castlebeck Care Holdings Limited

Company number
03540515

In the
High Court of Justice, Chancery Division, Companies Court
(full name of court)

Court case number
1619 of 2013

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)  
Joseph P McLean  
Grant Thornton UK LLP  
Earl Grey House  
75-85 Grey Street  
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NE1 6EF

Daniel Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

David Dunckley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

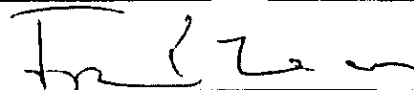
Joint administrators of the above company attach a progress report for the period

(b) Insert date

From
(b) 5 March 2013

To
(b) 4 September 2013

Signed

  
Joint Administrator

Dated

4 October 2013

The Insolvency Act 1986

**Administrators' progress report**

Name of Company
Castlebeck Group Limited

Company number
04450369

In the
High Court of Justice, Chancery Division, Companies Court
(full name of court)

Court case number
1622 of 2013

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)

Joseph P McLean  
Grant Thornton UK LLP  
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NE1 6EF

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Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

David Dunckley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

Joint administrators of the above company attach a progress report for the period

From

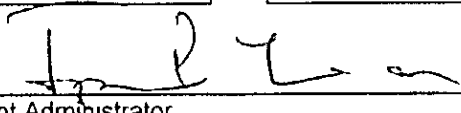
To

(b) Insert date

(b) 5 March 2013

(b) 4 September 2013

Signed

  
 Joint Administrator

Dated

4 October 2013

The Insolvency Act 1986

**Administrators' progress report**

Name of Company
Castlebeck Property Holdings Limited

Company number
05887272

In the
High Court of Justice, Chancery Division, Companies Court
(full name of court)

Court case number
1620 of 2013

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)  
Joseph P McLean  
Grant Thornton UK LLP  
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Daniel Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

David Dunckley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

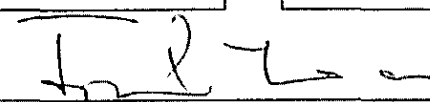
Joint administrators of the above company attach a progress report for the period

(b) Insert date

From
(b) 5 March 2013

To
(b) 4 September 2013

Signed

  
Joint Administrator

Dated

4 October 2013

The Insolvency Act 1986

**Administrators' progress report**

Name of Company
Castlebeck Property Limited

Company number
05665543

In the
High Court of Justice, Chancery Division, Companies Court
(full name of court)

Court case number
1616 of 2013

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)  
Joseph P McLean  
Grant Thornton UK LLP  
Earl Grey House  
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30 Finsbury Square  
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David Duncley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
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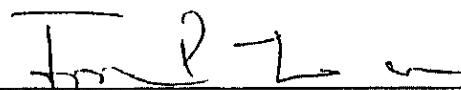
Joint administrators of the above company attach a progress report for the period

(b) Insert date

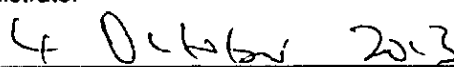
From
(b) 5 March 2013

To
(b) 4 September 2013

Signed

  
Joint Administrator

Dated



The Insolvency Act 1986

**Administrators' progress report**

Name of Company
CB Care Limited

Company number
05843078

In the
High Court of Justice, Chancery Division, Companies Court
(full name of court)

Court case number
1621 of 2013

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)  
Joseph P McLean  
Grant Thornton UK LLP  
Earl Grey House  
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NE1 6EF

Daniel Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
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David Dunckley  
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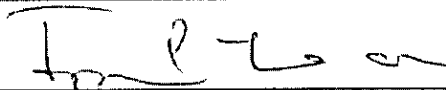
Joint administrators of the above company attach a progress report for the period

From
(b) 5 March 2013

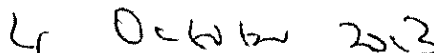
To
(b) 4 September 2013

(b) Insert date

Signed

  
Joint Administrator

Dated

  
4 October 2013

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Linear Care Limited

Company number

07939705

In the

High Court of Justice, Chancery Division,  
Companies Court

(full name of court)

Court case number

1617 of 2013

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)

Joseph P McLean  
Grant Thornton UK LLP  
Earl Grey House  
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NE1 6EFDaniel Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YUDavid Dunckley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

Joint administrators of the above company attach a progress report for the period

From

To

(b) Insert date

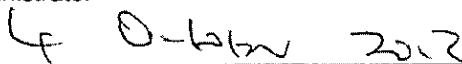
(b) 5 March 2013

(b) 4 September 2013

Signed

  
Joint Administrator

Dated

  
4 October 2013