

# LIQ03

## Notice of progress report in voluntary winding up



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[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 2 9 8 3 9 2 2

Company name in full Cedarhurst Lodge Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Colin

Surname Hardman

### 3 Liquidator's address

Building name/number 45 Gresham Street

Street

Post town London

County/Region

Postcode E C 2 V 7 B G

Country

### 4 Liquidator's name ①

Full forename(s) Henry Anthony

Surname Shinnars

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 45 Gresham Street

Street

Post town London

County/Region

Postcode E C 2 V 7 B G

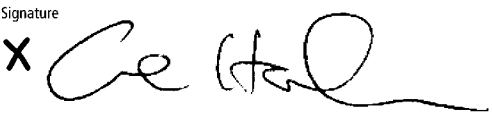
Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

<b>6</b>	<b>Period of progress report</b>															
From date	<sup>d</sup>	1	<sup>d</sup>	1	<sup>m</sup>	0	<sup>m</sup>	3	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	2
To date	<sup>d</sup>	1	<sup>d</sup>	0	<sup>m</sup>	0	<sup>m</sup>	3	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	3
<b>7</b>	<b>Progress report</b>															
<input checked="" type="checkbox"/> The progress report is attached																
<b>8</b>	<b>Sign and date</b>															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	<sup>d</sup>	0	<sup>d</sup>	9	<sup>m</sup>	0	<sup>m</sup>	5	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	3

# LIQ03

## Notice of progress report in voluntary winding up



### Presenter information

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

Contact name Sarah Lazarou

Company name Evelyn Partners LLP

Address 45 Gresham Street

Post town London

County/Region

Postcode EC2V 7BG

Country

DX

Telephone 020 7131 4000



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



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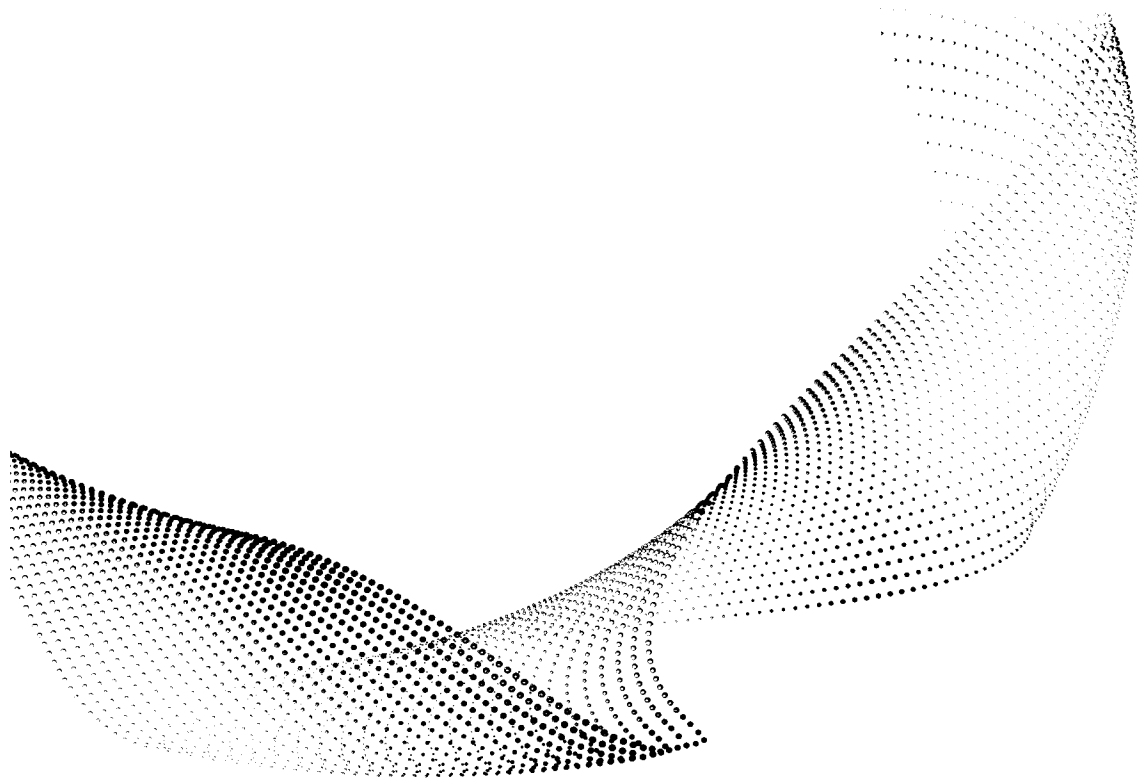
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



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Cedarhurst Lodge Limited  
Edgewater Lodge Limited  
Saintfield Limited  
Laudcare Limited  
(all in creditors' voluntary liquidation)  
("the Companies")

The joint liquidators' annual progress report for the period from 11 March 2022 to 10 March 2023 in respect of Cedarhurst Lodge Limited, Edgewater Lodge Limited and Saintfield Limited and for the period from 19 March 2022 to 18 March 2022 in respect of Laudcare Limited

9 May 2023

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# 1. Glossary

Abbreviation	Description
the Care Homes	Cedarhurst Lodge Care Home: Cedarhurst Road, Belfast BT8 7RH Edgewater Lodge Care Home: Seaview Suite, 4 Sunnydale Avenue, Donaghadee BT21 0LE Saintfield Care Home, 4 Old Saintfield Road, Belfast BT8 8EY Laudcare Limited: Blackwell Vale Care Home, Durdar Road, Carlisle, Cumbria CA2 4SE Stanshawes Care Home, 11 Stanshawes Drive, Yate, Bristol BS37 4ET Willoughby Grange Care Home, Willoughby Road, Boston, Lincolnshire PE21 9EG
the CE&S companies / CE&S	Cedarhurst Lodge Limited Edgewater Lodge Limited Saintfield Limited
the Companies	Cedarhurst Lodge Limited Edgewater Lodge Limited Saintfield Limited Laudcare Limited
the Directors	the registered directors of the companies as at the date of administration
ETR	Estimated to realise
FSHC	the Four Seasons Healthcare group
GT	Grant Thornton UK LLP
the GT liquidators	Daniel Smith and Oliver Haunch of Grant Thornton UK LLP, joint liquidators of Laudcare Limited
HMRC	His Majesty's Revenue and Customs
the Hollyblue homes	The care homes of CE&S and also the care homes of Laudcare Limited in respect of Blackwell Vale, Stanshawes and Willoughby Grange
the liquidators / joint liquidators of Cedarhurst Lodge Limited, Edgewater Lodge Limited and Saintfield Limited	Colin Hardman and Henry Anthony Shinnars of Evelyn Partners LLP
the liquidators/joint liquidators of Laudcare Limited	Colin Hardman and Henry Anthony Shinnars of Evelyn Partners LLP and Daniel Smith and Oliver Haunch of Grant Thornton UK LLP
the Landlords	Hollyblue Healthcare (Finance) Limited (formerly Hollyblue Healthcare (Ulster) Limited and Hollyblue Healthcare (Spring) Limited, (together, "the Hollyblue Homes")
the Loyds group	A group of companies being the landlord of the Loyds' homes noted below and a secured creditor of Laudcare Limited
the Loyds homes	Care homes known as 'Kingsmead', 'Ladymead', 'Oaktree' and 'Avonmead' forming the Loyds group portfolio and are being dealt with by the GT liquidators
operating agreements	Agreements with the Landlords, operators and sub-agents which enabled the Care Homes to continue operating in administration
QFCH(s) / the secured creditors	Qualifying Floating Charge Holder – a secured creditor who has the power to appoint an administrator, in these cases the QFCHs are:

- Hollyblue Healthcare (Spring) Limited Re. Laudcare Limited
- Hollyblue Healthcare (Finance) Limited (formerly Hollyblue Healthcare (Ulster) Limited) Re. Cedarhurst Lodge Limited, Edgewater Lodge Limited, and Saintfield Limited

Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
SIP	Statement of Insolvency Practice
SOA	Statement of Affairs
TUPE	Transfer of Undertakings (Protection of employment) Regulations 2006

## 2. Introduction and Summary

This report is our first progress report since our appointment as liquidators and covers the period from 11 March 2022 to 10 March 2023 in respect of CE&S and 19 March 2022 to 18 March 2023 in respect of Laudcare Limited.

By way of reminder, Colin Hardman and Henry Anthony Shinnars of Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG were appointed the joint liquidators of the CE&S Companies on 11 March 2022 and on 19 March 2022 in respect of Laudcare, following the Companies' exit from administration.

From 14 June 2022, we are operating under a single new brand and the firm's name has changed to Evelyn Partners LLP. Please note that this is a change to our brand only and that the services provided are unaffected. Please also be aware that we have recently changed our postal and registered office address to 45 Gresham Street, London EC2V 7BG.

The principal trading addresses of the Companies were as follows:

- Cedarhurst Lodge Limited: Cedarhurst Road, Belfast, BT8 7RH
- Edgewater Lodge Limited: Seaview Suite, 4 Sunnyside Avenue, Donaghadee, BT21 0LE
- Saintfield Limited: 4 Old Saintfield Road, Belfast, BT8 8EY
- Laudcare Limited: Blackwell Vale Care Home, Durdar Road, Carlisle, Cumbria CA2 4SE; Stanshawes Care Home, 11 Stanshawes Drive, Yate, Bristol BS37 4ET; Willoughby Grange Care Home, Willoughby Road, Boston, Lincolnshire, PE21 9EG.

The Companies' registered office is 45 Gresham Street, London, EC2V 7BG and the registered company numbers are as follows:

- Cedarhurst Lodge Limited: 02983922
- Edgewater Lodge Limited: 03085604
- Saintfield Limited: 02983919
- Laudcare Limited: 03245110

Creditors will be aware that we were appointed as the joint liquidators following exit from administration. Our final progress report in the administration covered the period ended 11 March 2022 in respect of CE&S and 10 March 2022 in respect of Laudcare Limited, from that date to the date of our appointment as the joint liquidators, nothing arose.

## 3. Realisation of assets

Attached at Appendix I is our receipts and payments account for the period from 11 March 2022 to 10 March 2023 in respect of CE&S and for the period 19 March 2022 to 18 March 2023 in respect of Laudcare Limited.

The receipts and payments account also includes a comparison with the directors' SOA values.

### 3.1 Transfer from Administration

The funds held in the administration estate bank accounts were subsequently transferred to the liquidation estates as follows:

	Fixed charge (£)	Floating charge (£)	Total (£)
Cedarhurst Lodge Limited	6,969.24	21,499.87	28,469.11
Edgewater Lodge Limited	989.21	24,148.68	25,137.89
Saintfield Limited	5,967.70	21,712.30	27,680
Laudcare Limited re. the Hollyblue homes	26,163.67	46,415.33	72,579
Laudcare Limited re. the Loyds homes	-	202,104.20	202,104.20

### 3.2 Bank Interest

Gross bank interest received in the period is as follows:

	Fixed charge (£)	Floating charge (£)	Total (£)
Cedarhurst Lodge Limited	56.62	174.00	230.62
Edgewater Lodge Limited	8.04	195.52	203.56
Saintfield Limited	48.48	175.73	424.91
Laudcare Limited re. the Hollyblue homes	212.55	376.43	588.98
Laudcare Limited re. the Loyds homes	-	-	-

### 3.3 VAT transferred from administration

The following VAT is due to be reclaimed relating to costs paid in the administrations:

	Fixed charge (£)	Floating charge (£)	Total (£)
Cedarhurst Lodge Limited	-	443.80	443.80
Edgewater Lodge Limited	-	346.10	346.10
Saintfield Limited	-	352.60	352.60
Laudcare Limited re. the Hollyblue homes	-	477.50	477.50
Laudcare Limited re. the Loyds homes	-	-	-



### 3.4 Assets still to be realised

#### VAT Receivable

In addition to the VAT set out above, there is also VAT to reclaim on costs paid in the liquidation as follows:

	Fixed charge (£)	Floating charge (£)	Total (£)
Cedarhurst Lodge Limited	-	786.26	786.26
Edgewater Lodge Limited	-	688.56	688.56
Saintfield Limited	-	695.06	695.06
Laudcare Limited re. the Hollyblue homes	-	819.96	819.96
Laudcare Limited re. the Loyds homes	-	-	-

#### Cedarhurst Lodge Limited and Saintfield Limited - Debts owed by FSHC

The Directors' SOA in respect of Cedarhurst Lodge Limited and Saintfield Limited reflect balances owed by entities within the FSHC group. However, the ETR values are listed as 'nil' as compared to the book values of £184,877 in Cedarhurst Lodge Limited and £570,290 in Saintfield Limited. One of these entities, Four Seasons Health Care Group Limited, entered into administration in August 2020 and subsequently moved into compulsory liquidation. The most recent progress report available states that dividend prospects to unsecured creditors is currently uncertain.

Some of the financial and accounting records have been provided by FSHC, albeit these do not specify the FSHC entity/entities which are liable for these balances. Whilst the records provided in respect of Cedarhurst Lodge Limited reflect the debtor balance of £184,877, a net creditor position of £62,609 is shown. This is indicated by further transactions of £120,736 increasing the debtor balance to £305,613 and a set-off of FSHC's creditor balance of £368,222.

The inter-company balances owed by FSHC remain under review, with legal advice being sought from Taylor Wessing LLP, who are also assisting the liquidators with ongoing matters set out in section 4 of this report.

#### Investigation matters

Further realisations anticipated have transpired from the administrators' investigations, details of which are provided at section 4 below.

## 4. Investigations

Under the Company Directors Disqualification Act 1986 we have a duty to make a submission to the Secretary of State for Business, Energy & Industrial Strategy, on the conduct of all those persons who were directors at the date of the administrations or who held office at any time during the three years immediately preceding insolvency.

We have complied with our duty in this regard during the preceding administrations. As all submissions are strictly confidential, we are unable to disclose their content.

As previously reported, reviews of the Companies' bank statements revealed transfers to FSHC prior to the administrators' appointment, in the period 1 September 2019 to 9 March 2020. These transfers are understood to have been completed by FSHC who carried out regular transfers as part of the Companies' general trading activities. The values of the transfers in question are as follows:

	£
Cedarhurst Lodge Limited	1,555,603
Edgewater Lodge Limited	1,318,470
Saintfield Limited	1,024,381
Laudcare Limited (excludes accounts relating to the Loyds' homes)	2,737,661

Formal correspondence is ongoing with FSHC in this regard.

The joint liquidators are continuing their investigations into the affairs of the Companies, the conduct of the directors prior to their appointment and transactions that occurred with the wider FSHC group.

## 5. Creditors

### 5.1 Secured Creditors

#### Laudcare Limited

Hollyblue Healthcare (Spring) Limited holds a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness was estimated at £557,128 for amounts relating to the Hollyblue homes. This amount did not include sums paid by this QFCH under the administration funding agreement or rent for the post-administration period, which has not been collected, and we previously reported in the administration that the total indebtedness was expected to be considerably higher. We have received a provisional claim in the sum of £1,176,725 broken down as follows:

	£
Rent	881,652
Administration Funding (Trading)	100,000
Funding of pre-administration costs	114,599
Funding of post-administration costs	80,474

The above values for unpaid rent relate to the period 1 October 2019 to 30 November 2020 in respect of Blackwell Vale and 1 October 2019 to 31 May 2020 in respect of Stanshawes and Willoughby Grange.

The comments provided with this claim states that the unpaid rent element includes and represents the net amounts remaining, following deductions made from the outstanding rents after the withdrawal (prior to the administration) of the deposit balances from the rent deposit accounts.

It is uncertain whether there will be a distribution to Hollyblue Healthcare (Spring) Limited, as this is dependent on any realisations being achieved in respect of the pre-administration transfers to FSHC, as set out as section 4 of this report.

As previously reported in administration, the liability to the second secured creditor, the Loyds group, was estimated at £421,585 for outstanding rent arrears accrued up to the date of administration in respect of the Loyds homes. This estimate does not include any amounts which may be due in respect of rent for the post-administration period, nor funding provided in the administration. The Loyds group's fixed charge security relates to the Loyds' homes only and not to the homes being dealt with by Evelyn Partners. Any return to the Loyds group will be subject to the realisations relating to the Loyds' homes. It is understood that the GT liquidators are reporting regularly to the Loyds group in this respect.

#### Cedarhurst Lodge Limited, Edgewater Lodge Limited & Saintfield Limited

Hollyblue Healthcare (Finance) Limited holds fixed and floating charges (assigned to this entity by Hollyblue Healthcare (Ulster) Limited – see previous reports in the administration) over the assets of the CE&S companies. The indebtedness estimated at the date of administration excluded any interest or other charges as may be applicable and did not include any loss of rent for the

post administration period, or any sums paid by this QFCH under the administration funding agreement. These estimates as compared to the provisional claims received are as follows:

	Estimates (£)	Provisional claim received (£)
Cedarhurst Lodge Limited	228,161	534,359
Edgewater Lodge Limited	277,633	646,593
Saintfield Limited	185,457	445,232

The annotations to these claims state the unpaid rent elements include and represent the net amounts remaining, following deductions made from the outstanding rents after the withdrawal (prior to the administrations) of the deposit balances from the rent deposit accounts.

It remains uncertain whether there will be a distribution to this QFCH, as this is dependent on realisations being achieved in respect of the intercompany balances and the pre-administration cash sweeps by FSHC, as set out in section 4 of this report.

## 5.2 Prescribed Part

The Companies granted floating charges to the QFCHs between 6 February 1995 and 30 April 1997. Accordingly, there is no requirement to create a Prescribed Part fund out of the Companies' net floating charge property for unsecured creditors, as this requirement only applies to charges created after 15 September 2003.

## 5.3 Ordinary preferential creditors

No preferential claims have been received.

The Care Homes continued to trade in the preceding administration until the sales of the businesses were completed. The sales incorporated the requirement for the purchasers to take on the employee liabilities attributable under TUPE regulations. Accordingly, no preferential claims are anticipated.

The Directors' SOAs estimated preferential claims to be £88,806 (Cedarhurst Lodge Limited), £81,782 (Edgewater Lodge Limited), £43,007 (Saintfield Limited) and £290,751 (Laudcare Limited). Whilst the liquidators have not verified these amounts, the estimates relate to preferential liabilities that would have arisen had the Companies ceased trading and the staff made redundant.

## 5.4 Secondary preferential creditors

As from 1 December 2020, certain liabilities due to HMRC that arose after this date were given secondary preferential status. As the commencement date of the preceding administrations were prior to this date, HMRC do not have secondary preferential status.

## 5.5 Unsecured creditors

Total claims as per the directors' SOA were as follows:

	£
Cedarhurst Lodge Limited	499,678
Edgewater Lodge Limited	2,449,700
Saintfield Limited	80,688
Laudcare Limited	15,972,842

We have now received claims from HMRC in respect of the CE&S companies:

	£
Cedarhurst Lodge Limited	29,554.76
Edgewater Lodge Limited	20,750.17
Saintfield Limited	15,395.30

One trade and expense claim has been received for £48 in respect of Saintfield Limited.

The likelihood of a dividend to unsecured creditors is entirely dependent on whether the transfers to FSHC detailed at section 4 of this report are repaid to the liquidation estates, in addition to the final costs of the administrations, the subsequent liquidations, and the value of the secured creditors' final claims.

The former joint administrators hold a first charge in respect of their remuneration and expenses incurred during their appointment, on any assets over which they had custody or control immediately before the cessation of the administration pursuant to Paragraph 99(3)(a) of Sch B1 to the IA 1986.

We will not take steps to agree unsecured creditor claims unless it becomes clear that a dividend will be become available to unsecured creditors.

## 6. Unpaid Costs of the Administrations

The former joint administrators hold a first charge in respect of their remuneration and expenses incurred during their appointment, on any assets over which they had custody or control immediately before the cessation of the administrations pursuant to Paragraph 99(3)(a) of Sch B1 to the IA 1986. [This also applies to any assets held by the joint administrators which are subject to a floating charge pursuant to Paragraph 99(3)(b) of Sch B1 to the IA 1986, see also Paragraph 70 of Sch B1 to the IA 1986.]

### Unpaid Pre-Administration Costs – Evelyn Partners LLP

On 2 December 2020, the secured creditors (the QFCHs) approved that the following expenses which currently remain unpaid:

Disbursements	£
<u>Cedarhurst Lodge Limited:</u>	
Toll charge	3.10
*Mileage	79.76
<u>Edgewater Lodge Limited:</u>	
Toll charge	3.80
*Mileage	79.76
Subsistence	7.00
<u>Saintfield Limited:</u>	
Toll charge	3.10
*Mileage	79.76
<u>Laudcare Limited:</u>	
Toll charge	10.00
Parking	20.00
*Mileage	456.57
Train fare	633.34
Taxi	18.00

Hotel	144.17
Photocopying (at third party premises)	34.50
Subsistence	46.64
<b>Total Disbursements</b>	<b>1,619.50</b>

On 8 March 2022 the secured creditors approved the administrators' outstanding pre-appointment time costs totalling £15,564 and that these costs be apportioned equally between the Care Homes as follows:

- Cedarhurst Lodge Limited: £2,594
- Edgewater Lodge Limited: £2,594
- Saintfield Limited: £2,594
- Laudcare Limited (3 care homes): £7,782

The secured creditors approved the joint administrators' remuneration on a time cost basis, the totals of which are as follows:

	Revised estimate approved (£)	Amount paid in the administration (£)	Amount paid directly by the secured creditor (£)	Amount unpaid (£)
Cedarhurst Lodge Limited	130,252.61	54,149.61	73,300.52	2,802.48
Edgewater Lodge Limited	128,420.34	55,223.22	71,685.12	1,512.00
Saintfield Limited	130,072.21	56,051.30	71,936.68	2,084.23
Laudcare Limited	298,916.69	181,308.90	113,872.77	3,735.02

All of the figures set out above are net of VAT.

The unpaid amounts will be drawn from the liquidation estates.

The amounts paid directly by the secured creditor have been paid to Evelyn Partners LLP in the period of this report.

## 7. The joint liquidators' remuneration

### Evelyn Partners LLP

The basis of the liquidators' remuneration has not yet been fixed. It is not our intention to be remunerated from the estate funds. The funds currently held in respect of the Care Home estates are repayable to the secured creditors under the administration funding agreement. Any surplus remaining at the conclusion of the liquidations will be repayable to the secured creditors, to the extent of the amounts funded. It is currently our intention to seek our remuneration to be paid directly to our firm by the secured creditor, from those surplus funds, on repayment of the funds to them. Consequently, a fee estimate is not provided in this report.

For transparency and good practice, we set out below our time costs incurred in the reporting period:

Period	Total Hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
<b>11 March 2022 to 10 March 2023</b>				
Cedarhurst Lodge Limited	83.17	28,766.82	345.88	-
Edgewater Lodge Limited	72.43	25,637.71	353.97	-
Saintfield Limited	71.83	25,991.84	361.85	-

19 March 2022 to 18 March 2023

Laudcare Limited	98.50	33,320.05	338.27	-
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The above totals include the time spent by Evelyn Partners LLP's Corporate Tax department, whose time costs are shown separately at Appendix II.

Attached as Appendix II is a time analysis which provides details of the activity costs incurred by Evelyn Partners LLP staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the liquidators and their staff in attending to matters arising in the liquidation. Details of work carried out in the period are also included in the body of this report.

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include preparing and issuing statutory progress reports and filing those reports at Companies House.

A copy of 'A creditor's guide to liquidator's fees' can be downloaded free of charge from R3's website at the following address:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees/>

Alternatively, a hard copy is available on request, free of charge.

In common with many professional firms, our scale rates rise to cover annual inflationary cost increases (which readers will be aware have been particularly high of late) and accordingly our rates rose on average by approximately 7% with effect from 1 July 2022. Following a change to this firm's financial year-end, we have reviewed our charge-out rates again on 1 January 2023 and our rates have risen on average by approximately 5% with effect from 1 January 2023. This increase takes into account that only six months have passed since the date of the last increase to avoid prejudice to creditors and stakeholders. Rate reviews will now revert to being annual.

Details of Evelyn Partners LLP's charge out rates (including any changes during the period of this case) along with the policies in relation to the use of staff are provided at Appendix III.

We have no business or personal relationships with the parties who approve our fees.

We have no business or personal relationships with Taylor Wessing LLP who provide legal services to the liquidation where the relationship could give rise to a conflict of interest.

#### Laudcare Limited - Grant Thornton UK LLP

As previously advised under the administration process, the remuneration of the GT liquidators has been fixed. This was agreed between a third-party funder and the GT liquidators. As a result of the GT liquidators' remuneration being met directly by the third party and having no impact on the returns to the general body of creditors, the GT liquidators are unable to disclose the quantum of their time costs incurred, at the request of the third party.

## 8. The joint liquidators' expenses

The following table(s) provide details of our expenses. Expenses are amounts properly payable by us as the joint liquidators from the estate. The table(s) exclude(s) distributions to creditors. The table(s) also exclude(s) any potential tax liabilities that we may need to pay as a liquidation expense because the amounts becoming due will depend on the position at the end of the tax accounting period.

The table(s) should be read in conjunction with the receipts and payments account at Appendix I which shows expenses actually paid during the period and the total paid to date.

## **8.1 The GT liquidators' expenses – Laudcare Limited re. the Loyds homes**

Appendix IV provides details of all expenses and professional services rendered by the GT liquidators in respect of the Loyds Homes.

The following information in this section relates to expenses incurred by the liquidations of CE&S and of Laudcare Limited re. the Hollyblue homes.

## **8.2 Subcontractors**

We have not utilised the services of any subcontractors in this case.

## **8.3 Professional advisors**

The table at Appendix V provides our estimate of instructing professional advisors and discloses the costs incurred and paid in the period. We have also indicated the basis of our fee arrangement with them, which is subject to review on a regular basis.

On this assignment we have retained the professional services of Taylor Wessing LLP who were instructed in the preceding administrations. Taylor Wessing LLP continue to provide legal advice and assistance relating to the investigation matters, inter-company balances owed by FSHC and charges by FSHC relating to service charges in the administration trading period.

## **8.4 The joint liquidators' expenses**

Appendix VI includes expenses paid and/or incurred in the current period, together with future expense estimates.

## **8.5 Category 2 expenses**

No category 2 expenses have been incurred in the period and we do not envisage any such expenses being incurred.

## **8.6 Policies regarding use of third parties and expense recovery**

Appendix III provides details of Evelyn Partners LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

# **9. Outstanding matters**

The remaining actions to be concluded in the liquidations are as follows:

- Preparation and submission of corporation tax returns for the second year of the administration and first year of the liquidation;
- VAT return preparation and submissions;
- Obtaining tax clearance from HMRC;
- Collection of outstanding inter-company balances owed by FSHC;
- Repayment of the cash transfers to FSHC from the Companies' bank accounts immediately prior to entering into administration;
- Resolution of the matter regarding the charges previously claimed by FSHC for services in the trading and post-trading periods of the administrations;
- Returning any surplus funds to the secured creditors, in accordance with the funding agreements;
- Agreement of creditor claims and distributions to creditors in order of priority, should funds permit; and
- Closure of the liquidation, including preparing and issuing our final report.

## 10. Privacy and Data Protection

As part of our role as the joint liquidators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at [www.evelyn.com/rrsgdpr](http://www.evelyn.com/rrsgdpr). If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact Sarah Lazarou of our office if you believe this applies.

## 11. Creditors' rights

Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the joint liquidators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the liquidators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

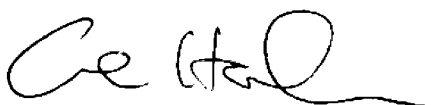
On a general note, if you have any comments or concerns in connection with our conduct, please contact Colin Hardman or Henry Anthony Shinnars in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London, EC2V 7BG or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

- i. Email: [insolvency.enquiryline@insolvency.gov.uk](mailto:insolvency.enquiryline@insolvency.gov.uk)
- ii. Telephone number: +44 300 678 0015
- iii. Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

## 12. Next report

We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation unless we have concluded matters prior to this, in which case we will write to all creditors with our final account, prior to vacating office.



**Colin Hardman and Henry Anthony Shinnars**

The joint liquidators of Cedarhurst Lodge Limited, Edgewater Lodge Limited, Saintfield Limited and Laudcare Limited

**Oliver Haunch and Daniel Smith**

The joint liquidators of Laudcare Limited



30 Finsbury Square, London, EC2A 1AG

Tel: 020 7383 5100

Date: 9 May 2023

Colin Hardman and Henry Anthony Shinnars have been appointed as the joint liquidators of Cedarhurst Lodge Limited, Edgewater Lodge Limited and Saintfield Limited on 11 March 2022 and as the joint liquidators of Laudcare Limited on 19 March 2022.

Oliver Haunch and Daniel Smith have been appointed as the joint liquidators of Laudcare Limited on 19 March 2022.

They act as agents and without personal liability.

Colin Hardman and Henry Anthony Shinnars are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales and are bound by their code of ethics. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: [www.evelyn.com/insolvency-licensing-bodies](http://www.evelyn.com/insolvency-licensing-bodies)

Daniel Robert Whiteley Smith and Oliver Haunch are authorised and licensed in the UK as insolvency practitioners by the Insolvency Practitioners Association and are bound by their code of ethics.

The joint liquidators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Evelyn Partners LLP may act as a processor on the instructions of the joint liquidators. Personal data will be kept secure and processed only for matters relating to the joint liquidators' appointment.

The Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at [www.evelyn.com/rrsgdpr](http://www.evelyn.com/rrsgdpr)

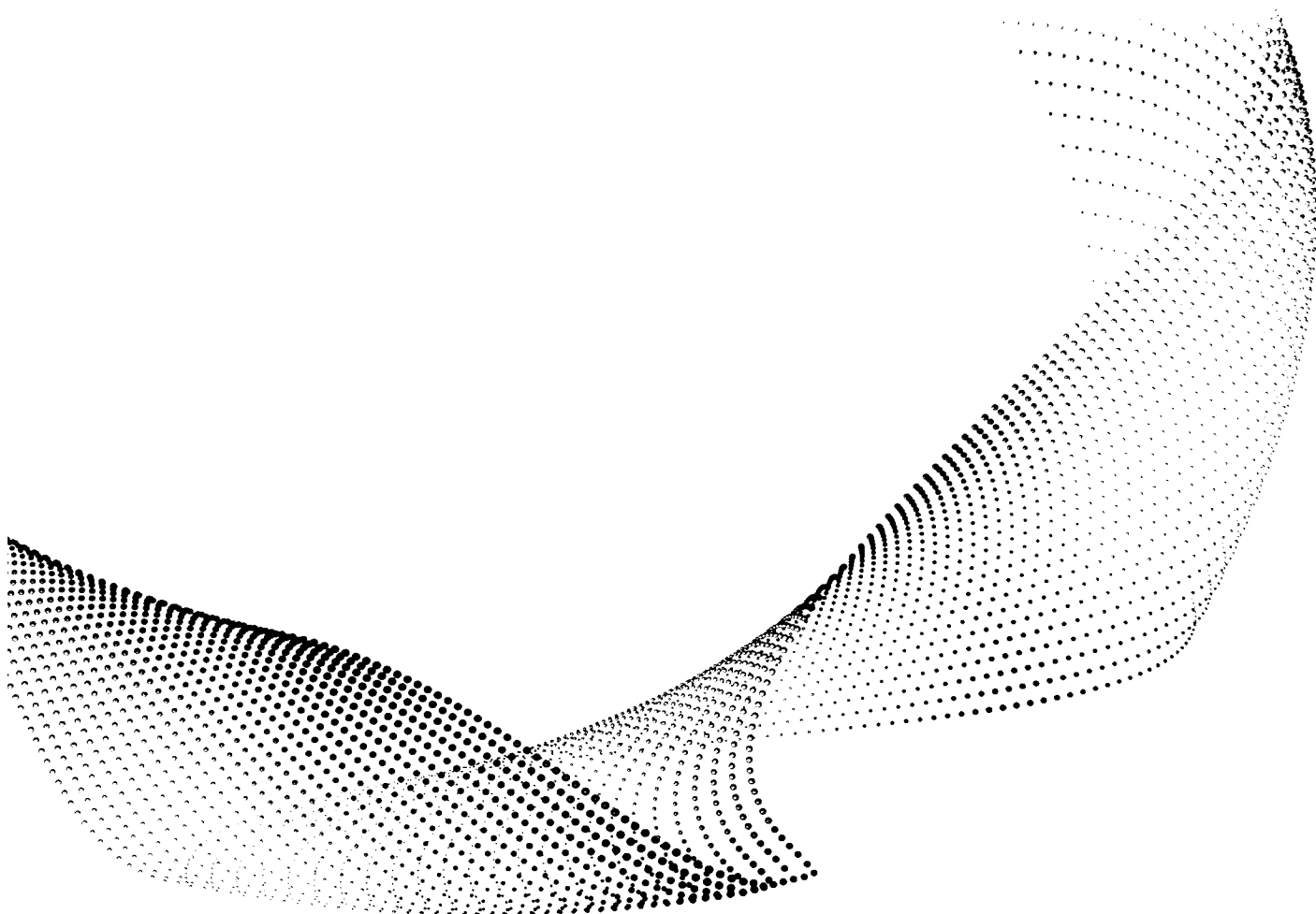
Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

The word partner is used to refer to a member of Evelyn Partners LLP. A list of members is available at the registered office

Evelyn Partners LLP is registered in England at 45 Gresham Street, London, EC2V 7BG No OC369631

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

# Appendices



# I      Receipts and payments accounts

**Cedarhurst Lodge Limited  
(In Liquidation)**

**Joint Liquidators' Summary of Receipts & Payments  
11/03/2022 To 10/03/2023**

S of A £	£	£
	SECURED ASSETS	
	Cash transfer from Admin. FCR	6,969.24
	Bank Interest FCR	56.62
		7,025.86
	SECURED CREDITORS	
(205,922.00)	Hollyblue Healthcare (Ulster) Limited	NIL
(38,027.00)	Knight Frank LLP	NIL
		NIL
	ASSET REALISATIONS	
1.00	Equipment, Plant & Machinery	NIL
2.00	Fixtures & Fittings	NIL
225,391.00	Book Debts	NIL
8.00	Cash at Bank	NIL
	Cash transfer from Admin. FLT.	21,499.87
	Bank Interest Gross	174.00
	VAT transfer from Admin.	443.80
1.00	Office & Computer Equipment	NIL
		22,117.67
	COST OF REALISATIONS	
	Legal Fees (1)	1,612.00
	Statutory Advertising	100.30
	Bank Charges	0.40
		(1,712.70)
	PREFERENTIAL CREDITORS	
(88,806.00)	Employees Wage Arrears & Holiday Pay	NIL
		NIL
	UNSECURED CREDITORS	
(32,181.00)	Trade & Expense Creditors	NIL
(22,354.00)	Employees	NIL
(368,222.00)	FSHC Group Limited	NIL
(46,526.00)	HMRC - PAYE/NIC	NIL
(25,272.00)	Accruals & Other Creditors	NIL
(5,123.00)	Consumer creditors	NIL
		NIL
	SHAREHOLDERS	
(440,002.00)	Ordinary Shareholders	NIL
		NIL
<b>(1,047,032.00)</b>		<b>27,430.83</b>
	REPRESENTED BY	
	VAT Receivable	786.26
	Clients Deposit FCR (Int Bear)	7,025.86
	Clients Deposit FLT (Int Bear)	19,618.71
		<b>27,430.83</b>

**Edgewater Lodge Limited**  
**(In Liquidation)**

**Joint Liquidators' Summary of Receipts & Payments**  
**11/03/2022 To 10/03/2023**

<b>S of A £</b>		<b>£</b>	<b>£</b>
	<b>SECURED ASSETS</b>		
	Cash Transfer from Admin. FCR.	989.21	
	Bank Interest FCR	8.04	
			997.25
	<b>SECURED CREDITORS</b>		
(205,114.00)	Hollyblue Healthcare (Ulster) Limited	NIL	
(46,272.00)	Knight Frank LLP	NIL	
			NIL
	<b>ASSET REALISATIONS</b>		
1.00	Equipment, Plant & Machinery	NIL	
96,627.00	Book Debts	NIL	
6,856.00	Cash at Bank	NIL	
	Cash transfer from Admin. FLT.	24,148.68	
	Bank Interest Gross	195.52	
	VAT from Administration	346.10	
2.00	Fixtures & Fittings	NIL	
1.00	Office & Computer Equipment	NIL	
1,230.00	Prepayments & Other Debtors	NIL	
			24,690.30
	<b>COST OF REALISATIONS</b>		
	Legal Fees (1)	1,612.00	
	Statutory Advertising	100.30	
	Bank Charges	0.40	
			(1,712.70)
	<b>PREFERENTIAL CREDITORS</b>		
(81,782.00)	Employees Wage Arrears and Holiday Pay	NIL	
			NIL
	<b>UNSECURED CREDITORS</b>		
(19,808.00)	Trade & Expense Creditors	NIL	
(18,068.00)	Employees	NIL	
(26,228.00)	Accruals & Other Creditors	NIL	
(43,047.00)	HMRC - PAYE/NIC	NIL	
(51.00)	Consumer creditors	NIL	
(1,343,478.00)	InterCo - FSHC (Central Services) Ltd	NIL	
(999,020.00)	InterCo - FSHC Group Limited	NIL	
			NIL
<b>(2,678,151.00)</b>			<b>23,974.85</b>
	<b>REPRESENTED BY</b>		
	VAT Receivable		688.56
	Clients Deposit FCR (Int Bear)		997.25
	Clients Deposit FLT (Int Bear)		22,289.04
			<b>23,974.85</b>

**Saintfield Limited**  
**(In Liquidation)**

**Joint Liquidators' Summary of Receipts & Payments**  
**11/03/2022 To 10/03/2023**

S of A £	£	£
	SECURED ASSETS	
	Cash transfer from Admin. FCR.	5,967.70
	Bank Interest FCR	48.48
		6,016.18
	ASSET REALISATIONS	
1.00	Equipment, Plant & Machinery	NIL
2.00	Fixtures & Fittings	NIL
102,583.00	Book Debts	NIL
1,480.00	Cash at Bank	NIL
	Cash transfer from Admin. FLT.	21,712.30
	Bank Interest Gross	175.73
	VAT Transfer from Administration	352.60
1.00	Office & Computer Equipment	NIL
		22,240.63
	COST OF REALISATIONS	
	Legal Fees (1)	1,612.00
	Statutory Advertising	100.30
	Bank Charges	0.40
		(1,712.70)
	PREFERENTIAL CREDITORS	
(43,007.00)	Employees Wage Arrears & Holiday Pay	NIL
		NIL
	FLOATING CHARGE CREDITORS	
(136,917.00)	Hollyblue Healthcare (Ulster) Limited	NIL
(30,910.00)	Knight Frank LLP	NIL
		NIL
	UNSECURED CREDITORS	
(17,028.00)	Trade & Expense Creditors	NIL
(18,185.00)	Employees	NIL
(28,948.00)	HMRC - PAYE/NIC	NIL
(16,527.00)	Accruals & Other Creditors	NIL
		NIL
<b>(187,455.00)</b>		<b>26,544.11</b>
	REPRESENTED BY	
	VAT Receivable	695.06
	Clients Deposit FCR (Int Bear)	6,016.18
	Clients Deposit FLT (Int Bear)	19,832.87
		<b>26,544.11</b>

**Laudcare Limited**  
**(Formerly trading as Blackwell Vale, Stanshawes and Willoughby Grange Care Homes)**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**  
**19/03/2022 To 18/03/2023**

	<b>S of A £</b>	<b>£</b>	<b>£</b>
	SECURED ASSETS		
	Cash transfer from Admin FCR	26,163.67	
	Bank Interest FCR	212.55	
			26,376.22
	ASSET REALISATIONS		
1.00	Equipment, Plant & Machinery	NIL	
2.00	Fixtures and Fittings	NIL	
434,656.00	Book Debts	NIL	
203,476.00	Cash at Bank	NIL	
	Cash transfer from Admin FLT	46,415.33	
	Bank Interest Gross	376.43	
	VAT Transfer from Administration	477.50	
1.00	Office & Computer Equipment	NIL	
1,500.00	Prepayments & Other Debtors	NIL	
			47,269.26
	COST OF REALISATIONS		
	Legal Fees (1)	1,612.00	
	Statutory Advertising	100.30	
	Bank Charges	0.40	
			(1,712.70)
	PREFERENTIAL CREDITORS		
(290,751.00)	Employees Wage Arrears & Holiday Pay	NIL	
			NIL
	FLOATING CHARGE CREDITORS		
(974,083.00)	Hollyblue Healthcare (Spring) Ltd	NIL	
(554,045.00)	Other Floating Charge Creditors	NIL	
			NIL
	UNSECURED CREDITORS		
(311,086.00)	Trade & Expense Creditors	NIL	
(189,253.00)	Employees	NIL	
(126,579.00)	Accruals & Other Creditors	NIL	
(178,002.00)	HMRC - PAYE/NIC	NIL	
(3,752,032.00)	InterCo - FSHC (Central Services) Ltd	NIL	
(11,243,608.00)	InterCo - FSHC Group Limited	NIL	
(172,282.00)	Consumer creditors	NIL	
			NIL
<b>(17,152,085.00)</b>			<b>71,932.78</b>
	REPRESENTED BY		
	VAT Receivable		819.96
	Clients Deposit FCR (Int Bear)		26,376.22
	Clients Deposit FLT (Int Bear)		44,736.60
			<b>71,932.78</b>

## Notes and further information required by SIP 7

- The liquidators' remuneration has not yet been approved.
- We have not yet sought approval of or drawn any other costs that would require the same approval as our remuneration.
- The only payments which have been made to us from outside of the estates are set out at section 6 of this report.
- Details of significant expenses paid are provided in the body of our report.
- Information concerning the liquidators' remuneration and expenses incurred is provided in the body of our report.
- Information concerning the ability to challenge the liquidators' remuneration and expenses of the liquidation is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is an expense of the liquidation and shown as irrecoverable VAT.



Laudcare Limited Re. the Loyds Homes

Receipts and payments account to 18 March 2023

Laudcare Limited **Re. the Loyds Homes**  
(In Liquidation)  
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 19/03/2022 To 18/03/2023 £	From 19/03/2022 To 18/03/2023 £
ASSET REALISATIONS		
Admin/Receivers Surplus	202,104.20	202,104.20
	<u>202,104.20</u>	<u>202,104.20</u>
COST OF REALISATIONS		
Repayment of Secured Lenders Loan	79,527.20	79,527.20
VAT irrecoverable	60,924.91	60,924.91
	<u>(140,452.11)</u>	<u>(140,452.11)</u>
	<u>61,652.09</u>	<u>61,652.09</u>
REPRESENTED BY		
Floating Current Account		66,671.56
VAT on Purchases		(5,019.47)
		<u>61,652.09</u>

Note:

## Notes and further information required by SIP 7

- The liquidators' remuneration has not yet been approved.
- We have not yet sought approval of or drawn any other costs that would require the same approval as our remuneration.
- The only payments which have been made to us from outside of the estates are set out at section 6 of this report.
- Details of significant expenses paid are provided in the body of our report.
- Information concerning the liquidators' remuneration and expenses incurred is provided in the body of our report.
- Information concerning the ability to challenge the liquidators' remuneration and expenses of the liquidation is provided in our report.
- Bank accounts are not interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is an expense of the liquidation and shown as irrecoverable VAT.

## **II Time analysis for the period – Evelyn Partners LLP**

From 11 March 2022 to 10 March 2023

## Cedarhurst Lodge Limited

	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
<b>Administration &amp; planning</b>								
Statutory & Regulatory	-	-	1.02	0.50	-	1.52	478.92	315.76
Case administration	2.05	0.63	19.90	36.05	-	58.63	18,949.26	323.19
Post appointment AML	-	-	-	0.08	-	0.08	22.49	269.99
Sub-total Administration & planning	2.05	0.63	20.92	36.63	-	60.23	19,450.67	322.93
<b>Investigations</b>								
Records and investigations	-	-	-	0.17	-	0.17	48.32	290.04
Sub-total Investigations	-	-	-	0.17	-	0.17	48.32	290.04
<b>Realisation of assets</b>								
Tax assets	-	-	-	1.67	-	1.67	451.65	271.00
Business sale	-	-	-	0.08	-	0.08	23.59	283.19
Legal actions (civil recoveries)	-	-	0.53	0.25	-	0.78	250.74	320.11
Sub-total Realisation of assets	-	-	0.53	2.00	-	2.53	725.98	286.59
<b>Creditors</b>								
Chargeholders	-	-	1.07	-	-	1.07	357.34	335.00
Employees, Pensions & RPS	-	-	-	1.50	-	1.50	405.00	270.00
Unsecured creditors (exc. Staff)	-	-	-	0.42	-	0.42	112.51	270.00
Sub-total Creditors	-	-	1.07	1.92	-	2.98	874.85	293.24
Total of all hours	2.05	0.63	22.52	40.72	-	65.92		
Total of all £	1,298.13	322.14	8,183.24	11,296.31	-		21,099.82	
Average rate	633.30	508.59	363.43	277.45	-			320.08
<b>Time undertaken by non insolvency teams</b>								
Business Tax	1.00	-	16.25	-	-	17.25	7,667.00	444.46
Total hours (non insolvency teams)	1.00	-	16.25	-	-	17.25		
Total £ (non insolvency teams)	962.00	-	6,705.00	-	-		7,667.00	
Average rate £/hr (non insolvency teams)	962.00	-	412.62	-	-			444.46
<b>Grand total hours</b>	<b>3.05</b>	<b>0.63</b>	<b>38.77</b>	<b>40.72</b>	<b>-</b>	<b>83.17</b>		
<b>Grand total £</b>	<b>2,260.13</b>	<b>322.14</b>	<b>14,888.24</b>	<b>11,296.31</b>	<b>-</b>		<b>28,766.82</b>	
<b>Average rate £/hr (all staff)</b>	<b>741.07</b>	<b>508.59</b>	<b>384.05</b>	<b>277.45</b>	<b>-</b>			<b>345.88</b>

From 11 March 2022 to 10 March 2023

## Edgewater Lodge Limited

	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
<b>Administration &amp; planning</b>								
Statutory & Regulatory	-	-	1.08	0.58	-	1.67	523.73	314.25
Case administration	1.63	0.58	20.35	25.37	-	47.93	15,872.99	331.15
Sub-total Administration & planning	1.63	0.58	21.43	25.95	-	49.60	16,396.72	330.58
<b>Investigations</b>								
Records and investigations	-	-	-	0.25	-	0.25	72.48	290.04
Sub-total Investigations	-	-	-	0.25	-	0.25	72.48	290.04
<b>Realisation of assets</b>								
Tax assets	-	-	-	2.25	-	2.25	609.14	270.74
Business sale	-	-	-	0.08	-	0.08	23.59	283.19
Legal actions (civil recoveries)	-	-	0.58	0.17	-	0.75	244.61	326.10
Sub-total Realisation of assets	-	-	0.58	2.50	-	3.08	877.34	284.55
<b>Creditors</b>								
Chargeholders	-	-	0.83	-	-	0.83	279.16	335.01
Employees, Pensions & RPS	-	-	-	1.25	-	1.25	337.50	270.00
Unsecured creditors (exc. Staff)	-	-	-	0.42	-	0.42	112.51	270.00
Sub-total Creditors	-	-	0.83	1.67	-	2.50	729.17	291.67
Total of all hours	1.63	0.58	22.85	30.37	-	55.43		
Total of all £	1,036.81	303.52	8,290.10	8,445.28	-		18,075.71	
Average rate	634.83	520.26	362.80	278.12	-			326.10
<b>Time undertaken by non insolvency teams</b>								
Business Tax	1.00	-	16.00	-	-	17.00	7,562.00	444.82
Total hours (non insolvency teams)	1.00	-	16.00	-	-	17.00		
Total £ (non insolvency teams)	962.00	-	6,600.00	-	-		7,562.00	
Average rate £/hr (non insolvency teams)	962.00	-	412.50	-	-			444.82
<b>Grand total hours</b>	<b>2.63</b>	<b>0.58</b>	<b>38.85</b>	<b>30.37</b>	<b>-</b>	<b>72.43</b>		
<b>Grand total £</b>	<b>1,998.81</b>	<b>303.52</b>	<b>14,890.10</b>	<b>8,445.28</b>	<b>-</b>		<b>25,637.71</b>	
<b>Average rate £/hr (all staff)</b>	<b>759.08</b>	<b>520.26</b>	<b>383.27</b>	<b>278.12</b>	<b>-</b>			<b>353.97</b>

From 11 March 2022 to 10 March 2023

## Saintfield Limited

	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
<b>Administration &amp; planning</b>								
Statutory & Regulatory	-	-	1.07	0.50	-	1.57	495.67	316.38
Case administration	2.30	0.72	21.37	22.55	-	46.93	16,004.35	341.01
Post appointment AML	-	-	-	0.25	-	0.25	67.50	270.00
Sub-total Administration & planning	2.30	0.72	22.43	23.30	-	48.75	16,567.52	339.85
<b>Investigations</b>								
Records and investigations	-	-	-	0.17	-	0.17	48.32	290.04
Sub-total Investigations	-	-	-	0.17	-	0.17	48.32	290.04
<b>Realisation of assets</b>								
Tax assets	-	-	-	1.92	-	1.92	517.48	270.00
Business sale	-	-	-	0.08	-	0.08	23.59	283.19
Legal actions (civil recoveries)	-	-	0.50	-	-	0.50	171.67	343.34
Sub-total Realisation of assets	-	-	0.50	2.00	-	2.50	712.74	285.11
<b>Creditors</b>								
Chargeholders	-	-	0.75	-	-	0.75	251.25	335.00
Unsecured creditors (exc. Staff)	-	-	-	1.67	-	1.67	450.01	270.00
Sub-total Creditors	-	-	0.75	1.67	-	2.42	701.26	290.17
Total of all hours	2.30	0.72	23.68	27.13	-	53.83		
Total of all £	1,456.67	359.54	8,634.90	7,578.73	-		18,029.84	
Average rate	633.36	501.59	364.60	279.33	-			334.94
<b>Time undertaken by non insolvency teams</b>								
Business Tax	1.00	-	17.00	-	-	18.00	7,962.00	442.33
Total hours (non insolvency teams)	1.00	-	17.00	-	-	18.00		
Total £ (non insolvency teams)	962.00	-	7,000.00	-	-		7,962.00	
Average rate £/hr (non insolvency teams)	962.00	-	411.76	-	-			442.33
<b>Grand total hours</b>	<b>3.30</b>	<b>0.72</b>	<b>40.68</b>	<b>27.13</b>	<b>-</b>	<b>71.83</b>		
<b>Grand total £</b>	<b>2,418.67</b>	<b>359.54</b>	<b>15,634.90</b>	<b>7,578.73</b>	<b>-</b>		<b>25,991.84</b>	
<b>Average rate £/hr (all staff)</b>	<b>732.95</b>	<b>501.59</b>	<b>384.31</b>	<b>279.33</b>	<b>-</b>			<b>361.85</b>

From 19 March 2022 to 18 March 2023

## Laudcare Limited

	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
<b>Administration &amp; planning</b>								
Statutory & Regulatory	-	-	-	0.50	-	0.50	138.33	276.66
Case administration	3.37	0.65	25.37	25.45	-	54.83	18,778.89	342.48
Post appointment AML	-	-	0.85	0.25	-	1.10	427.90	389.00
Joint and former office holders	-	-	1.73	0.33	-	2.07	809.04	391.48
Sub-total Administration & planning	3.37	0.65	27.95	26.53	-	58.50	20,154.16	344.52
<b>Investigations</b>								
Records and investigations	-	-	-	0.08	-	0.08	24.16	290.04
Sub-total Investigations	-	-	-	0.08	-	0.08	24.16	290.04
<b>Realisation of assets</b>								
Tax assets	-	-	-	1.50	-	1.50	405.00	270.00
Business sale	0.10	-	-	0.08	-	0.18	83.59	456.03
Legal actions (civil recoveries)	1.85	-	1.67	-	-	3.52	1,804.34	513.08
Sub-total Realisation of assets	1.95	-	1.67	1.58	-	5.20	2,292.93	440.95
<b>Creditors</b>								
Chargeholders	-	-	1.07	-	-	1.07	357.34	335.00
Employees, Pensions & RPS	-	-	1.07	-	-	1.07	452.28	424.00
Unsecured creditors (exc. Staff)	-	-	-	1.17	-	1.17	315.01	270.00
Sub-total Creditors	-	-	2.13	1.17	-	3.30	1,124.63	340.79
<b>Total of all hours</b>								
	5.32	0.65	31.75	29.37	-	67.08		
<b>Total of all £</b>								
	3,433.79	329.87	11,657.45	8,174.77	-		23,595.88	
<b>Average rate</b>								
	645.87	507.41	367.16	278.38	-			351.76
<b>Time undertaken by non insolvency teams</b>								
Business Tax	1.00	-	14.25	16.17	-	31.42	9,724.17	309.49
<b>Total hours (non insolvency teams)</b>								
	1.00	-	14.25	16.17	-	31.42		
<b>Total £ (non insolvency teams)</b>								
	962.00	-	5,915.00	2,847.17	-		9,724.17	
<b>Average rate £/hr (non insolvency teams)</b>								
	962.00	-	415.09	176.08	-			309.49
<b>Grand total hours</b>								
	6.32	0.65	46.00	45.54	-	98.50		
<b>Grand total £</b>								
	4,395.79	329.87	17,572.45	11,021.94	-		33,320.05	
<b>Average rate £/hr (all staff)</b>								
	695.92	507.41	382.01	242.05	-			338.27



## Explanation of major work activities undertaken

### Administration, Planning & Statutory

This section of the analysis encompasses the cost of the office holders and their staff in complying with their statutory obligations and internal compliance requirements and general duties. Whilst this work is not considered to have added financial benefit for creditors, this work was required for compliance, case progression and maintenance purposes. This work included the following:

**Statutory & Regulatory:** Statutory filings at Companies House relating to the liquidators' appointment.

### Case Administration:

- Case setup on IPS, case filing and maintenance. Completion of case checklists, diary lines and six-monthly review forms to ensure compliance and case progression. Case strategy planning, internal meetings, discussions and general case progression Insolvency bordereau monitoring.
- Cashiering including: setting up, maintaining and managing the liquidation estate cash books and bank accounts, processing invoices for expenses of the liquidations, issuing payments, preparing journal forms and deposit forms, in respect of funds received and reconciling the receipts and payment accounts.
- Reviews for corporation tax returns due for the final administration periods and reviewing VAT positions. Liaising with the Corporate Tax department re. the preparation and submission of the corporation tax computations and returns for the first year of the administrations (time spent on this work has also been recorded under the heading 'Tax Assets' but the time charged has been split between the categories and is not duplicated).
- Liaising internally and with the secured creditor and Taylor Wessing in respect of investigation matters (where the time has not been recorded under the 'investigations' or 'realisation of assets' categories below.)
- In the case of Laudcare Limited only, corresponding with the joint administrators, providing and receiving updates and case strategy planning.
- All other general administrative tasks which may not specifically fall within one of the categories specified below.

**Post-appointment AML:** Liaising with case staff and client on boarding department re. AML refresh required. Start completing AML refresh, reviewing initial approved AML packs.

### Investigations

Investigations include work carried out as a consequence of the obligations placed upon us to investigate the Companies' affairs. The work undertaken is that described in SIP2 and SIP4 which govern both the investigations of the Companies' failure and also examine the conduct of the directors.

Work in this category has predominantly related to the pre-administration cash sweeps to FSHC, including liaising with solicitors and the GT liquidators and seeking to obtain information required from relevant parties.

Whilst this work is not considered to have added financial benefit for creditors as yet, it is considered that some of this work may later add financial benefit the estates.

### Realisation of assets

This section is in relation to the realisation of the Companies' assets, which is broken down by asset category in the body of this report. This work has not yet added financial benefit to the estate by way of financial recoveries, but it is considered it may do in the future in respect of the ongoing legal actions. In addition to the work undertaken relating to the realisations set out at section 3 of this report, further work undertaken in this category has included the following:

- Tax assets – Reviews for corporation tax returns due for the final administration periods, reviewing VAT positions and calls to HMRC. Liaising with the Corporate Tax department re. the corporation tax computations and returns for the first year of the administrations (time spent on this work has also been recorded under the heading 'case administration' but the time charged has been split between the categories and is not duplicated).

- Business Sale – reviewing schedule of unpaid costs charged by FSHC relating to the trading period and liaising internally in this respect.
- Legal actions – work relating to the pre-administration cash sweeps to FSHC, including liaising with the secured creditor, solicitors and the GT liquidators, and seeking to obtain information required from relevant parties ((time spent on this work has also been recorded under the category 'investigations' but the time charged has been split between the categories and is not duplicated).

### **Creditors**

Whilst this work is mostly not considered to have added financial benefit for creditors, this work was required for compliance and case progression, also forming part of the liquidators' duties. Some of this work, such as the provision of regular updates and corresponding with the secured creditor, has been required to review and to discuss funding requirements, including potential further funding of payments outside of the estate. The majority of the work in this category has included liaising with the secured creditors', providing regular updates, discussing specific key matters and financial positions with the estates. Proof of debt forms were also received from HMRC in respect of CE&S and have been recorded on the schedule of unsecured creditors.

### **Corporate Tax**

Whilst this work is not considered to have added financial benefit for creditors, this work was required for compliance, also forming part of the liquidators' duties. The Corporate Tax department of Evelyn Partners undertook work relating to the preparation and submission of the corporation tax returns, computations and related correspondence to HMRC, which required reviews of the Companies' accounts relating to the pre-administration periods, together with financial information provided to them by the liquidators in respect of asset sales and realisations achieved in the administrations, as well as providing advice to the liquidators in respect of these tax matters and liaising with the liquidators as required.

# III Staffing, charging, subcontractor and advisor policies and charge out rates

## Introduction

Detailed below are:

- Evelyn Partner LLP's policy in relation to:
  - Staff allocation and the use of subcontractors
  - Professional advisers
  - Expense recovery
- Evelyn Partners LLP's current charge out rates

## Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director or consultant as joint office-holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the case (including our cashiers, support and secretarial staff) charge time directly to the assignment and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. Time up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1 minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

This case is predominantly being conducted from the London office.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in Appendix V.

## Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and

- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

## Expenses

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also, chargeable will be any properly reimbursed expenses incurred by Evelyn Partners LLP personnel in connection with the case.

Category 2 expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Evelyn Partners LLP's policy is to recover only one type of Category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Details of any Category 2 expenses incurred and/or recovered in the period covered by this report are set out in the body of this report.

## Charge out rates

The rates applicable to this appointment are set out below. Changes to the charge out rates during the period of this report were applied with effect from 1 July 2022 and 1 January 2023.

<b>Evelyn Partners LLP</b>	<b>London office</b>
<b>Restructuring &amp; Recovery Services</b>	
<b>Charge out rates as at 1 July 2021</b>	<b>£/hr</b>
Partner	590-610
Director / Associate Director	395-530
Managers	290-430
Other professional staff	130-280
Support & secretarial staff	100-120

<b>Evelyn Partners LLP</b>	<b>London office</b>
<b>Restructuring &amp; Recovery Services</b>	
<b>Charge out rates as at 1 July 2022</b>	<b>£/hr</b>
Partner	650-670
Director / Associate Director	420-570

Managers	280-460
Other professional staff	205-300
Support & secretarial staff	100-120

<b>Evelyn Partners LLP</b>	<b>London</b>	<b>London</b>
<b>Restructuring &amp; Recovery Services</b>	<b>complex</b>	<b>standard</b>
<b>Charge out rates from 1 January 2023</b>	<b>£/hr</b>	<b>£/hr</b>
Partner	870-890	700-720
Director / Associate Director	560-760	440-610
Managers	430-630	340-500
Other professional staff	210-360	160-290
Support & secretarial staff	120-140	100-120

## Notes

- Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof.
- It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
- The firm's cashiering function is centralised and London rates apply. Up to 31 July 2020 the cashiering function time is incorporated within 'Other professional staff' rates. Following a change to our time reporting software, from 1 August 2020 the cashiering function time continues to be reported according to the seniority of staff undertaking the work in our time analyses and is split between 'Other professional staff', 'Managers' and 'Associate Director'.
- Partner includes a Consultant acting as an office-holder or in an equivalent role.

<b>Evelyn Partners LLP</b>	<b>London</b>
<b>Corporate Tax</b>	<b>Office</b>
<b>Charge out rates from 1 January 2022</b>	<b>£/hr</b>
Partner / Director	590-950
Associate Director	430-535
Managers	230-460
Other professional staff	105-245
Support & secretarial staff	60-75

<b>Evelyn Partners LLP</b>	<b>London</b>
<b>Forensics</b>	<b>Office</b>
<b>Charge out rates from 1 July 2019</b>	<b>£/hr</b>
Partner / Director	470
Associate Director	-
Managers	320-410
Other professional staff	240
Support & secretarial staff	-

<b>Evelyn Partners LLP</b>	<b>London</b>
<b>Financial Services / CASS</b>	<b>Office</b>
<b>Charge out rates from 1 July 2019</b>	<b>£/hr</b>
Partner / Director	500
Associate Director	330
Managers	270
Other professional staff	135
Support & secretarial staff	82

#### IV The GT liquidators' expenses – Laudcare Limited re. the Loyds homes

Trans date	Activity desc	Amount	Description
27/05/2022	Legal, Professional & Subscriptions	20.00	Howden Invoce V22X6469/676156/LRH
		<b>20.00</b>	

## V Professional advisers

Name of professional advisor	Basis of fee arrangement	Company	Costs incurred in current period £	Estimates for future £	Anticipated future totals £	Costs paid in current period £	Total costs outstanding at period end £
Taylor Wessing LLP Re. legal advice set out at section 8.3 of this report	Hourly rate and expenses	Cedarhurst Lodge Limited	478.50	Uncertain*	Uncertain*	1,612.00	478.50**
		Edgewater Lodge Limited	478.50	Uncertain*	Uncertain*	1,612.00	478.50**
		Saintfield Limited	478.50	Uncertain*	Uncertain*	1,612.00	478.50**
		Laudcare Limited re. the Hollyblue homes	478.50	Uncertain*	Uncertain*	1,612.00	478.50**

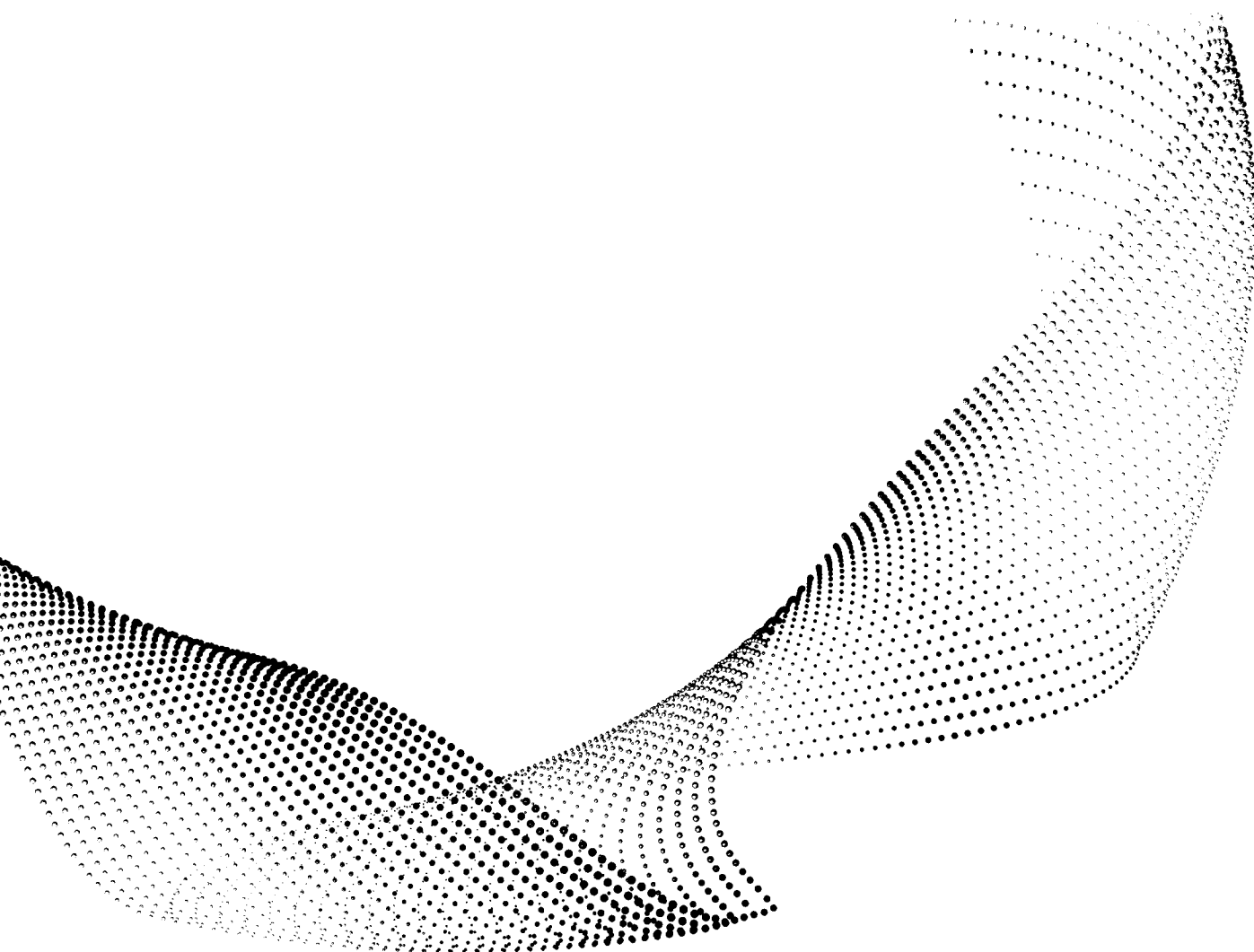
\*Due to the nature of the matters in which Taylor Wessing are instructed, it is not possible to estimate their future costs, as this could differ substantially depending on whether or not it proves necessary to bring proceedings against FSHC for example.

\*\*The outstanding costs are the balances of unbilled WIP incurred in the reporting period but have not been invoiced in the period.



## VI The joint liquidators' expenses

Description	Company	Costs incurred in current period £	Estimates for future £	Anticipated future totals £	Costs paid in current period £	Total costs outstanding at period end £
Statutory Advertising	Cedarhurst Lodge Limited	100.30	-	100.30	100.30	-
	Edgewater Lodge Limited	100.30	-	100.30	100.30	-
	Saintfield Limited	100.30	-	100.30	100.30	-
	Laudcare Limited re. the Hollyblue homes	100.30	-	100.30	100.30	-



[www.evelynpartners.com](http://www.evelynpartners.com)

Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

Evelyn Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities and is registered in England at 45 Gresham Street, London, EC2V 7BG. No. OC369631.

CLA Evelyn Partners Limited is registered to carry on audit work and regulated by the Institute of Chartered Accountants in England and Wales for a range of Investment business activities.

**evelyn**  
PARTNERS