

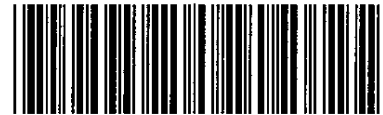
AM03

Notice of administrator's proposals



Companies House

WEDNESDAY



A913UHT7

A06

18/03/2020

#254

COMPANIES HOUSE

1 Company details

Company number 03074361

Company name in full Isle of Wight Care Limited

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

2 Administrator's name

Full forename(s) Andrew

Surname Fender

3 Administrator's address

Building name/number Sanderling House

Street Springbrook Lane

Earlswood

Post town Solihull

County/Region

Postcode B945SG

Country

4 Administrator's name ①

Full forename(s)

Surname

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

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

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

AM03

Notice of Administrator's Proposals

6

Statement of proposals



I attach a copy of the statement of proposals

7

Sign and date

Administrator's
Signature

Signature
X



X

Signature date

d 1

d 3

m 0

m 3

y 2

y 0

y 2

y 0

Birmingham Business and Property Courts Court

No.40 of 2020

Isle of Wight Care Limited - In Administration

THE ADMINISTRATOR'S PROPOSAL

**Andrew Fender
Administrator**

**Sanderlings LLP
Sanderling House
Springbrook Lane
Earlswood
Solihull
B94 5SG**

01564 700 052

info@sanderlings.co.uk

Contents

1. Executive Summary
2. The Administrator's Fees
3. The Administrator's Expenses
4. Proposed Work to be Undertaken
5. Other Information to Support the Proposed Fees
6. The Administrator's Discharge
7. Approval Process

Appendices

- I. The Statement of Proposals
- II. Charge-out Rates and Bases of Disbursements
- III. Breakdown of the Administrator's Time Costs to 6 March 2020
- IV. Information to Support the Administrator's Fee Proposal

Isle of Wight Care Limited - In Administration
The Administrator's Proposal

1. Executive Summary

- 1.1 This Proposal incorporates the Statement of the Administrator's Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act attached at Appendix I.
- 1.2 The business was established in June 1995 and the principal activity of the Company was medical nursing home activities, and traded from premises at Portland Lodge, 21 Landguard Manor Road, Shanklin, Isle of Wight, PO37 7HZ; and Capri, 48 St Johns Road, Sandown, Isle of Wight, PO36 8HE. On 20 January 2020, Andrew Fender was appointed Administrator of the Company by the QFCH of the Company.
- 1.3 As explained in more detail in the Statement of Proposals, the Administrator is currently pursuing the third statutory objective of realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.4 A summary of the current and anticipated future positions are detailed below.

Assets

Asset	Realisations to date	Anticipated future realisations	Total anticipated realisations
None	Nil	Nil	Nil

Expenses

Expense	Expense incurred to date	Anticipated further expense	Total anticipated expense
Administrator fees	2,510	27,720	30,230
Category 1 expenses	286	Nil	286
Category 2 expenses	375	Nil	375

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend
Secured creditor (fixed charge)	N/a	N/a
Secured creditor (floating charge)	Nil	Nil
Preferential creditors	Nil	Nil
Unsecured creditors	Nil	Nil

- 1.5 The Statement of Proposals at Appendix I provides explanations of the events leading to the Administration and the progress of the Administration to date, as well as other statutory information.
- 1.6 This Proposal provides more detailed information on the work that the Administrator anticipates they will undertake to complete the Administration together with their proposed basis of fees. To put this request into context, this Proposal provides further information on the Administrator's costs to date. It also explains other matters for creditors' consideration, such as the proposed timing of the Administrator's discharge on conclusion of the Administration.
- 1.7 Definitions of the terms used in this Proposal are provided in Appendix I together with all statutory information pertaining to the Company.

2. The Administrator Fees

- 2.1 The Administrator proposes to fix their fees on the following basis:

- the time properly given by the Administrator and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Sanderlings LLP at the time the work is performed (plus VAT);

2.2 Attached at Appendix III is a breakdown of the time costs incurred in the Administration to 6 March 2020. The Statement of Proposals provides an account of the work undertaken to date and Appendix IV provides a detailed list of work undertaken and proposed to be undertaken by the Administrator and their staff.

2.3 The charge-out rates of the Administrator and their staff are detailed in Appendix II. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and claims being agreed. The grades of staff instructed to assist in this matter and their key responsibilities include:

- Support Staff: maintenance of the creditors' contacts database, assisting with creditors' queries and routine correspondence
- Administrators: assisting in the realisation of assets, employee matters, liaising with creditors and debtors, preparing reports to creditors and other statutory matters, and managing the cashiering function
- Managers: on-site attendance, reviewing the Company's position and affairs, handling asset realisations, reviewing draft statutory reports to creditors and overseeing the tax and VAT aspects of the case

2.4 Creditors may access a Guide to Administrators' Fees at <http://www.sanderlings.co.uk/creditors-guides/administration.pdf> or a hard copy will be provided on request.

2.5 Further information is set out below and in the appendices to explain the future time costs that the Administrator anticipates incurring in this Administration.

3. The Administrator Expenses

3.1 The Administrator expenses may be divided into two categories:

- Category 1 expenses are costs that can be specifically identified as relating to the administration of the case. These are charged to the estate at cost with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums and properly reimbursed expenses. Legislation provides that administrators may discharge Category 1 expenses from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 expenses are costs that are also directly referable to the appointment in question but not to a payment to an independent third party. Payments may only be made in relation to Category 2 expenses after the relevant creditors have approved the bases of their calculation.

3.2 Appendix II provides details of the bases of Category 2 expenses that the Joint Administrators propose to recover from the insolvent estate.

4. Proposed Work to be Undertaken

4.1 Set out in Appendix IV is a detailed list of tasks that the Administrator proposes that they and their staff will undertake together with their estimates of the time these tasks will take to carry out in total. The most material tasks are summarised below.

Administration (including Statutory Reporting)

- 4.2** The Administrator is required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration, which ensures that the Administrator and their staff carry out their work to high professional standards.
- 4.3** Primarily, these tasks include:
- Meeting all statutory reporting and filing requirements, including 6-monthly reports, seeking an extension where necessary, and issuing a final report and notices;
 - Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
 - Maintaining case files, which must include records to show and explain the administration and any decisions made by the Administrator that materially affect the administration;
 - Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements; and
 - Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

Investigations

- 4.4** The Administrator examines the conduct of the Company and its directors prior to the Administration with two main objectives:
- To identify what assets are available for realising for the benefit of creditors, including any potential actions against directors or other parties, such as challenging transactions at an undervalue or preferences; and
 - To enable the Administrator to report to the Insolvency Service on the conduct of the directors so that the Insolvency Service may consider whether disqualification proceedings are appropriate ("CDDA" work).
- 4.5** In the early stages of the Administration, this work involves examining the Company's books and records, considering information received from creditors and the Company's accountants and seeking information from the Company's directors and other senior staff by means of questionnaires and/or interviews.
- 4.6** In the event that questionable transactions are identified, it may be necessary to conduct further investigations and instruct solicitors to assist in deciding the Administrator next steps in pursuing a recovery. If a potential recovery action is identified, it may be necessary to instruct professional agents in gathering evidence and in exploring further the existence and value of assets to target. If the Administrator encounters resistance in making a recovery, formal legal action may be appropriate.
- 4.7** In addition, if the Insolvency Service decides to proceed with a disqualification, the Administrator will be required to assist the Insolvency Service's investigators in their work, which may include providing the investigators with access to the Company's books and records and agreeing statements to be given in evidence of those proceedings.
- 4.8** At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in this work. The Fees and Expenses Estimates presented below

Isle of Wight Care Limited - In Administration
The Administrator's Proposal

reflect the anticipated work in identifying potential causes of action. If any are identified and the Administrator considers that additional work is required, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Realisation of assets

4.9 The Statement of Proposals summarises the work carried out by the Administrator to date in realising the Company's assets. The principal matters that require further work are:

- Reviewing the sale of business and assets in the pre-Administration period including freehold property;
- Reviewing and pursuing where applicable the Company's book debts, pre-appointment VAT/corporation tax refund, insurance claims;
- Establishing any sums due in respect of directors' loans/inter-company balances and pursuing settlement of these if applicable;

Creditors (claims and distributions)

4.10 As the Statement of Proposals explains, there a number of different classes of creditor involved in the Administration that require the Administrator attention. In particular, the Administrator anticipates conducting the following key tasks:

- Liaising with the secured creditors in relation to the sale of assets subject to their security;
- With the assistance of solicitors, examining the validity of the secured creditors' claims and, where relevant, paying distributions to the secured creditors;
- Assisting the employees to receive payments from the RPO and liaising with the RPO to agree its claim;
- Reviewing claims submitted by the tax departments and, where it is appropriate, examining the Company's records to appeal assessments or adjudicate on the Crown's claims;
- Responding to creditors' queries and logging their claims and supporting information;
- Maintaining the database as regards creditors' contact details and claims;
- Dealing with a creditors' committee, if one is appointed;
- Agreeing employee claims, calculating and paying a distribution to preferential creditors, if there are sufficient funds, and paying the subsequent PAYE/Nl deductions to HMRC;
- If a prescribed part dividend is to be paid in the Administration, adjudicating on all unsecured creditors' claims, including seeking further information where necessary; and
- Where relevant, calculating and paying the prescribed part dividend and dealing with unclaimed dividends.

5. Other Information to Support the Proposed Fees

5.1 Attached at Appendix IV is an estimate of the time that the Administrator envisages the above work will take to complete. Appendix IV also provides their estimate of the expenses that have been or are likely to be incurred.

5.2 Please note that the estimates have been provided on the assumptions given below. In the event that it proves necessary for the Administrator to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted Expenses Estimate. In the event that the Administrator incur time costs in excess of

Isle of Wight Care Limited - In Administration
The Administrator's Proposal

the Fees Estimate, they will only revert to the relevant creditors for approval if they propose to draw any fees in addition to those estimated from the insolvent estate.

5.3 In summary, the Administrator proposes that their fees be fixed on the basis of time costs and they estimate that they and their staff will spend time totalling £30,230 in conducting the tasks described. This estimate includes the time spent to date of £2,510, as described in Appendix III.

5.4 The Fees and Expenses Estimates have been compiled on the assumptions set out below. Please note that these are assumptions only for the purposes of preparing the Estimates in accordance with the statutory provisions. It has been assumed that:

- investigations to the extent described above will be carried out;
- no exceptional work will need to be conducted in order to realise the remaining assets;
- there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by this Proposal; and
- there will be no need to extend the Administration.

5.5 On the basis of these assumptions, the Administrator does not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the Fees Estimate. However, in the event that the Administration does not proceed as envisaged, the Administrator will seek approval for any fees in addition to those estimated that they wish to draw from the insolvent estate.

6. The Administrator's Discharge

6.1 The Act requires that the timing of the Administrator's discharge from liability will be decided by the secured and preferential creditors (where applicable). The Administrator proposes that this discharge will take effect when their appointment ceases to have effect, unless the court specifies a time.

7. Approval Process

7.1 As explained above, the matters described in this Proposal are to be decided by the secured and preferential creditors (where applicable). Therefore, this information is provided to other creditors for information purposes only.

If any creditor has any queries in relation to the above, please do not hesitate to contact either of the Administrator or Edwin Lee, on 01564 700 052 or by email to info@sanderlings.co.uk.

Dated: 13 March 2020



Andrew Fender
Administrator

Andrew Fender was appointed Administrator of Isle of Wight Care Limited on 20 January 2020. The affairs, business and property of the Company are managed by the Administrator. The Administrator act as agent of the Company and contracts without personal liability.

Isle of Wight Care Limited - In Administration

**STATEMENT OF THE ADMINISTRATOR'S PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Appendix I
to the Administrator's Proposal**

Birmingham Business and Property Courts Court

No.40 of 2020

Isle of Wight Care Limited - In Administration

**STATEMENT OF THE ADMINISTRATOR'S PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Andrew Fender
Administrator**

**Sanderlings LLP
Sanderling House
Springbrook Lane
Earlswood
Solihull
B94 5SG**

01564 700 052

info@sanderlings.co.uk

Disclaimer Notice

This Statement of Proposals has been prepared by Andrew Fender, the Administrator of Isle of Wight Care Limited, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors included in this Statement of Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this document for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Administrator does not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.

The Administrator acts as agent for Isle of Wight Care Limited and contracts without personal liability. The appointment of the Administrator is personal to them and, to the fullest extent permitted by law, Sanderlings LLP does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.

All licensed Insolvency Practitioners of Sanderlings LLP are licensed in the UK to act as Insolvency Practitioners.

Isle of Wight Care Limited - In Administration
Statement of Administrator's Proposals

Contents

1. Introduction
2. Background to the Company
3. Events Leading to the Administration
4. The Purpose of the Administration
5. Management of the Company's Affairs since the Administrator's Appointment
6. The Statement of Affairs and the Outcome for Creditors
7. The Administrator's Fees
8. Approval of the Statement of Proposals
9. Summary of the Administrator's Statement of Proposals

Attachments

- A Definitions
- B Statutory Information
- C Director's Statement of Affairs as at 20 January 2020 and Creditors' Details
- D The Administrator's Receipts and Payments Account to 13 March 2020

Isle of Wight Care Limited - In Administration
Statement of Administrator's Proposals

1. Introduction

- 1.1 This Statement of Proposals is prepared pursuant to Schedule B1 of the Act in relation to the Company, the purposes of which are to provide creditors with a full update as to the present position and to set out the Administrator's proposals for achieving an Administration objective.
- 1.2 The Statement of Proposals also includes information required to be provided to creditors pursuant to the Rules. Definitions of the terms used in the Statement of Proposals are provided in Attachment A and statutory information pertaining to the Company is set out in Attachment B.
- 1.3 This Statement of Proposals is being delivered to creditors on 13 March 2020. The Administrator thinks that there is insufficient property for a distribution to the unsecured creditors other than by means of the prescribed part. Consequently and in accordance with Paragraph 52(1)(b) of Schedule B1 of the Act, creditors are not being asked to decide on the Administrator's proposals, although they may ask the Administrator to request such a decision. Please see section 8 for further details.

2. Background to the Company (provided by the director)

- 2.1 The business was established in June 1995 and the principal activity of the Company was medical nursing home activities, and traded from premises at Portland Lodge, 21 Landguard Manor Road, Shanklin, Isle of Wight, PO37 7HZ; and Capri, 48 St Johns Road, Sandown, Isle of Wight, PO36 8HE.
- 2.2 Creditors will be aware that the Company entered into a Company Voluntary Arrangement on 2 September 2014 and Andrew Fender was appointed as the Supervisor.
- 2.3 The Supervisor's Final Report dated 19 February 2020 provides further detail on the position in respect of the CVA. The director reports that after entering the CVA the Company managed to stabilise the business with placements from Isle of Wight Council, increasing as the threat of closure receded.
- 2.4 Staff turnover reduced as wages were paid on time. Monthly contributions to the CVA were made promptly and the only unexpected issue was the requirement by our bankers Lloyds to reduce our overdraft by £1000 per month.
- 2.5 We undertook a series of meetings with the council and various social services influencers and set to work on improving the environment for our residents. A series of ageing debts built up through 2016 as a result of placement procedures implemented by IoW Council. This put a considerable strain on our cashflow and whilst CVA contributions were maintained payments to HMRC fell into arrears.
- 2.6 Following the issue of a winding up petition by HMRC in July 2017 we managed to extract the outstanding fees from the council and the debt was met in full with the petition withdrawn.
- 2.7 Increased year on year CVA contributions were proving challenging, particularly as two of our major overheads, wages and power, increased significantly above the rate of inflation and coincided with financial pressures to local government meaning that room rates were capped. The significant increase to living wage and minimum wage affected not only us but the sector as a whole.
- 2.8 A social services audit in January 2018 was highly critical of the homes and we were placed under special scrutiny with a series of inspections and meetings over the

Isle of Wight Care Limited - In Administration
Statement of Administrator's Proposals

following months. New placements from the council were few and far between and occupancy levels fell away.

2.9 The reduction in income made the improvements required by the council even harder to achieve and we found ourselves in a vicious circle of lower occupancy, little available cash to improve standards to increase occupancy and no way of reducing costs other than our food bill.

2.10 The Company looked at raising additional finance but this was not possible. Having taken professional advice an offer was accepted for the business meaning that the homes could remain open thus avoiding considerable hardship for the residents. The director advises that the change of ownership took place in July 2019.

Overview of Financial Information

2.11 Extracts from the abbreviated, unaudited accounts from Companies House for the 12 months to 30 September 2018, to 30 September 2017 and to 30 September 2016 are shown below. Please note that this information has not been verified by the Administrator or by Sanderlings LLP.

Summary Balance Sheet

	Unaudited Accounts for year to 30.09.18 £	Unaudited Accounts for year to 30.09.17 £	Unaudited Accounts for year to 30.09.16 £
Tangible assets	262,611	262,611	262,611
Intangible assets	Nil	Nil	Nil
Fixed assets	262,611	262,611	262,611
Current Assets			
Debtors	57,279	57,279	57,279
Cash	11,494	9,479	33,924
	68,773	66,758	91,203
Liabilities			
Creditors <12m	(130,194)	(80,194)	(92,513)
Creditors >12m	(343,952)	(418,224)	(474,224)
Total Liabilities	(474,146)	(498,418)	(566,737)
Net Assets	(142,762)	(169,049)	(212,923)

2.12 Statutory information on the Company, including details of the Directors, Company Secretary, and Shareholders is provided at Attachment B.

3. Events leading to the Administration

3.1 Creditors will recall that the Company Voluntary Arrangement failed on 5 August 2019 and a Certificate of Non-Compliance was issued. The Supervisor subsequently presented a winding-up petition that was due to be heard on 22 January 2020.

3.2 In the meantime, on 20 January 2020, Andrew Fender was appointed Administrator of the Company following the filing of a Notice of Appointment by Venture Capital Europe Investments Ltd, the holder of a Qualifying Floating Charge.

- 3.3 For creditors' general information, the EU Regulation on insolvency proceedings applies in this case, and these proceedings are the main proceedings.

4. The Purpose of the Administration

- 4.1 The purpose of an Administration is set out in Schedule B1, Paragraph 3(1) of the Act. In short, this provides that an Administrator of a company must perform his functions with the objective of:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely to be achieved if the company were wound up (without first being in Administration), or
- realising property in order to make a distribution to one or more secured or preferential creditors.

- 4.2 These objectives form a hierarchy. The rescue of a company is the priority. If this is not possible, the Administrator seeks to achieve a better result for the creditors as a whole. In the event that this cannot be achieved, then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.

- 4.3 The Administrator would comment that the first objective is not achievable as the Administrator understands that the business and assets of the Company were sold to a third party in July 2019 and therefore the Company ceased trading.

- 4.4 *The second objective is normally achieved by means of a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation).* The Administrator would comment that the second objective is not achievable because the Company's business and assets have been sold and the Administrator does not believe that ordinary, unsecured creditors will receive a dividend (other than via the prescribed part) and, therefore, will not directly benefit.

- 4.5 The Administrator would comment that the third objective will be achieved through investigating the pre-Administration sale of business and assets and pursuing the recovery of all assets where applicable.

- 4.6 A detailed account of how the Administrator has sought to achieve the objective of the Administration is set out below.

5. Management of the Company's Affairs since the Administrator's Appointment

- 5.1 The Administrator is aware, as outlined above, that the Company's business and assets appear to have been sold to a third party with change of ownership taking place on 9 July 2019.

- 5.2 The director advises that there was no consideration for the sale on the basis that the new company took on the employees of the business including the accrued entitlements and liabilities of the contracts.

- 5.3 The Administrator is currently awaiting further information relating to this sale and is investigating the position to ensure there has been no detriment to creditors of the Company.

- 5.4 It is understood that the sale was to Isle of Wight Homecare Limited (company number: 11144151), which is an unconnected company on the basis of having different shareholders.

**Isle of Wight Care Limited - In Administration
Statement of Administrator's Proposals**

Investigation into the Company's Affairs Prior to the Administration

- 5.5 The Administrator is undertaking a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a conduct report to be submitted in respect of Company directors in office at the commencement of the Administration and any who resigned in the three years prior to the Administration.
- 5.6 Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Administrator as soon as they are able.

6. The Statement of Affairs and the Outcome for Creditors

- 6.1 A Statement of Affairs as at 20 January 2020 has been submitted by the Directors of the Company, a copy of which is attached at Attachment C.
- 6.2 In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration (including agents, legal and other professional fees).
- 6.3 The Administrator has not carried out any work of the nature of an audit on the information.

Secured creditors

- 6.4 The Company granted fixed and floating charges to Venture Capital Europe Investments Limited on 1 February 2018 and 19 December 2018, including legal mortgages over the properties at Capri Rest Home and Portland Lodge.
- 6.5 It is understood the legal mortgages were discharged when the properties were sold however the director has advised that the secured creditor is owed £300,000. It is not anticipated that the secured creditor will be paid within the Administration.

Preferential claims

- 6.6 It is understood all employees were transferred with the sale of business and assets as outlined above in which case there will be no preferential claims in the Administration.
- 6.7 The director has advised that all pension contributions were paid up to date at the cessation of trading and therefore it is not anticipated that there will be claim in this regard.

6.8 Prescribed Part / Unsecured creditors

- 6.9 Section 176A of the Act requires Administrators to make a prescribed part of the company's net property, which is the balance remaining after discharging the preferential claims but before paying the floating charge-holder, available for the satisfaction of unsecured debts.
- 6.10 It is unlikely that there will be sufficient realisations to discharge the costs of the Administration in full and therefore the Administrator envisages that there will be no resulting net property from which to deduct a prescribed part.

Isle of Wight Care Limited - In Administration
Statement of Administrator's Proposals

6.11 The Administrator does not propose to make an application to court under Section 176A(5) of the Act to disapply the prescribed part provisions, because in any event it is anticipated that the net property will be less than £10,000.

6.12 As demonstrated in the Director's Statement of Affairs attached at Attachment C, on the basis of the known assets as well as the costs incurred to date and the estimated further costs to be incurred in bringing the Administration to a conclusion, it is anticipated that there will be insufficient funds to pay a distribution to unsecured creditors.

6.13 Attached at Attachment D is the Administrator's receipts and payments account for the period to 13 March 2020.

7. The Administrator's Fees

7.1 The Administrator proposes to be remunerated on the basis of the time properly given by the Administrator and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Sanderlings LLP at the time the work is performed (plus VAT);

7.2 The Administrator will seek approval for the basis of their fees from the secured creditor, unless a Creditors' Committee is established.

7.3 Information to support the proposed basis of the Administrator's fees is provided in the Administrator's Proposal, to which this Statement of Proposals forms an appendix.

8. Approval of the Statement of Proposals

8.1 As explained above, the Administrator thinks that the Company has insufficient property to enable a distribution to be made to unsecured creditors (other than by virtue of Section 176A(2)(a) of the Act). Therefore, pursuant to Paragraph 52(1)(b) of Schedule B1 of the Act, the Administrator is not required to seek creditors' approval of the Statement of Proposals.

8.2 Notwithstanding this, the Administrator shall be required to seek a creditors' decision on whether to approve the Statement of Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debts. Such request must be delivered to the Administrator within 8 business days from the date on which the Statement of Proposals was delivered. Security must be given for the expenses of seeking such a decision.

8.3 If no decision is requested, the Statement of Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules.

9. Summary of the Administrator's Proposals

9.1 The Statement of Proposals is summarised below.

9.2 In order to achieve the purpose of the Administration, the Administrator formally proposes to creditors that:

- the Administrator continues to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they sell the Company's remaining assets at such time and on such terms as they consider appropriate;

Isle of Wight Care Limited - In Administration
Statement of Administrator's Proposals

- (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - (iii) they do all such things and generally exercise all their powers as Administrator as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
- the Administrator make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
 - the Administrator ends the Administration in one of the following ways, appropriate to the circumstances of the case at the time:
 - (i) in the event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
 - (ii) however, in the unlikely event that the Administrator thinks that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Andrew Fender will be appointed Liquidator and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved; or
 - (iii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Administrator may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Andrew Fender may ask the court that they be appointed Liquidator, to act either jointly or separately in undertaking their duties as Liquidator.

Dated: 13 March 2020



Andrew Fender
Administrator

Isle of Wight Care Limited - In Administration
Statement of Administrator's Proposals

Andrew Fender was appointed Administrator of Isle of Wight Care Limited on 20 January 2020. The affairs, business and property of the Company are managed by the Administrator. The Administrator acts as agent of the Company and contracts without personal liability.

Isle of Wight Care Limited - In Administration**DEFINITIONS**

The Act	The Insolvency Act 1986
The Rules	the Insolvency (England & Wales) Rules 2016
The Statement of Proposals	The Statement of the Administrator's Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Administrator	Andrew Fender
The Company	Isle of Wight Care Limited - In Administration
The Court	Birmingham Business and Property Courts
EBIT	Earnings before interest and tax
SPA	Sale & Purchase Agreement
RPO	The Redundancy Payments Office
HMRC	HM Revenue & Customs
ROT	Retention of Title
EOS	Estimated Outcome Statement
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice (England & Wales)
TUPE	Transfer of Undertakings (Protection of Employment) Regulations

Isle of Wight Care Limited - In Administration**STATUTORY INFORMATION**

Company Name	Isle of Wight Care Limited - In Administration
Trading Name(s)	Portland Lodge Capri Rest Home
Proceedings	In Administration
Court	Birmingham Business and Property Courts
Court Reference	40 of 2020
Date of Appointment	20 January 2020
Administrator	Andrew Fender Sanderling House Springbrook Lane Earlswood Solihull B94 5SG
Former Registered Office Address	71-75 Shelton Street London WC2H 9JQ
Company Number	03074361
Incorporation Date	30 June 1995
Company Secretary	N/a
Appointment by	Venture Capital Europe Investments Limited, 71- 75 Shelton Street, Covent Garden, London, WC2H 9JQ
Directors at date of Appointment	Arthur Rodney Trott
Director's Shareholdings	85 out of 100 Ordinary £1 shares

ATTACHMENT C

Isle of Wight Care Limited - In Administration

**DIRECTOR'S STATEMENT OF AFFAIRS AS AT 20 JANUARY 2020 AND CREDITORS'
DETAILS**

Statement of affairs

Name of Company

Company number

Isle of Wight Care Limited

03074361

In the High Court of Justice
Birmingham Business & Property Courts

Court Case Number
40 of 2020

Insert name and
address of registered
office of the company

Statement as to the affairs of (a)
Isle of Wight Care Limited, 71-75 Shelton Street, London, WC2H 9JQ

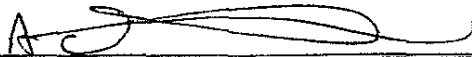
on (b) 20 January 2020, the date that the company entered administration.

Statement of Truth

Insert date

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 20 January 2020 the date that the company entered administration.

Full name ANDREW CHARLES HINDOULTON

Signed 

Dated 20 - 02 - 20

Summary of Assets

ets

Book Value £	Estimated to Realise £
--------------	------------------------

ets subject to a fixed charge:

NIL

ets subject to a floating charge:

NIL

charged assets:

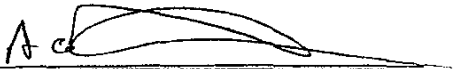
NIL

plus from assets subject to a fixed charge

NIL

imated total assets available for preferential creditors

Signature



Date

20/02/20

- Summary of liabilities

Estimated to Realise £

Estimated total assets available for preferential creditors
(carried from page A)

Liabilities

Preferential creditors:

Total Preferential Claim

Estimated deficiency / surplus as regards preferential creditors:

Estimated total assets available for floating charge holders

Assets secured by floating charges

NIL

(300,000)

Estimated deficiency/surplus of assets after floating charges

Total assets available to unsecured creditors

Unsecured non-preferential claims (excluding any shortfall to floating charge holders)

(362,283)

Estimated surplus / deficiency as regards non-preferential
creditors

Issued and called up capital

Ordinary

(100) ~~100~~

(100)

Estimated total deficiency / surplus as regards members

(662,383)

Signature A C [Signature]

Date 20/02/20

B - COMPANY CREDITORS

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession.

Name of creditor or claimant	Address (with postcode)	Creditor Type	Amount of debt	Details of any security held by creditor	Date security given	Value of security
ISLE OF WIGHT COUNCIL	PO BOX 338 NEWPORT	UNSECURED	292.00	—		
	1-D-W PO 30 9EP					
ISLE OF WIGHT NHS TRUST	PO BOX 338 NEWPORT	UNSECURED	11192.87	—		
BUSINESS STEEL	WY3 LWC					
	7 LOCESIDE VILL EDINBURGH	UNSECURED	1720.29			
	EN 12 9DW					
HMC HE PNEUMIC	WOODMINGTON BN7 12 4SE	UNSECURED	134069.24			
CVA CREDITORS	AS ATTACHED SCHEDULE	UNSECURED	215008.14			
Totals			362282.54			

* Denotes a Creditor claiming Retention of Title

Signature  Date 20.02.20

Isle of Wight Care Limited - Voluntary Arrangement


Name		Agreed
AH Accountancy Services	259 Chester Rd Helsby WAG 0AN	18,000.00
British Gas Trading Ltd	C/o Moon Beaver Solicitors 260 Avenue West Skyline 120 Braintree CM77 7AA	18,446.37
Care Quality Commission	Phoenix House Topcliffe Lane Tingley Wakefield WF3 1WE	2,590.64
Eon UK	Trinity House 2 Burton Street Nottingham NG1 4BX	13,273.26
HMRC	VAS, Dorrington Bridge House, Barrington Road, Worthing BN12 4SE	111,718.36
Isle of Wight Council (Council Tax)	County Hall, High Street Newport Isle of Wight PO30 1UD	1,951.86
Isle of Wight Council (Legal Services - Portland)	County Hall, High Street Newport Isle of Wight PO30 1UD	15,088.44
Isle of Wight Council (Legal Services - Capri)	County Hall, High Street Newport Isle of Wight PO30 1UD	18,416.91
MFA Accountants Ltd	MFA Accountants Ltd 3 Holly Gardens Southampton SO30 3RU	1,584.70
Peninsula Business Services Ltd	Peninsula Business Services 2 Cheetham Hill Road Manchester M4 4FB	8,503.20
Southern Water	Southern Water Services PO Box 41 Worthing BN13 3NZ	332.00
SRCL Ltd	SRCL Limited Indigo House Sussex Avenue Leeds LS10 2LF	5,102.40
Total		215,008.14

ASD 20-02-20

D - COMPANY MEMBERS

Name of shareholder or member	Address (with postcode)	Type of share	Nominal value	No. of shares	Amount per share called up	Total
ARTHAIR TRUST	WATSON CLARKS, 1766 BAY	OLD	£1	85	£1	185
CHRYSTIE BASINBY	29 NEWCOMEN RD, SANDHURST	OLD	£1	15	£1	15

P036 8NZ

Signature 

Date 20-02-20

Isle of Wight Care Limited
Schedule of Secured Creditors

Secured Creditors

Secured creditor's name and address	Amount of claim (estimated)	Details of security	Date security was given	Value of security (per Statement of Affairs)
Venture Capital Europe Investments Ltd, 71-75 Shelton Street, Covent Garden, London, EC2H 9JQ	£300,000	Fixed and Floating Charge	01.02.18 and 19.12.18	Nil

Isle of Wight Care Limited - In Administration

THE ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT TO 13 MARCH 2020

Isle of Wight Care Limited - In Administration
Receipts and Payments Account from 20 January 2020 to 13 March 2020

<u>Receipts</u>	£
None	Nil
	<hr/>
	-
	<hr/>
<u>Payments</u>	
None	Nil
	<hr/>
	-
	<hr/>
<u>Closing Balance</u>	<u>0.00</u>

Where funds are held, they are held in an Interest Bearing Account

Isle of Wight Care Limited - In Administration

CHARGE-OUT RATES AND BASES OF DISBURSEMENTS

Fees

The fees of the Trustee/Liquidator/Supervisor/Administrator (appointed IP) are fixed by reference to time properly spent by the appointed IP and his staff in attending to all matters arising in the Bankruptcy/Liquidation/Voluntary Arrangement/Administration (case) unless otherwise agreed with the creditors. The appointed IP and his staff charge time to all insolvency cases in units of 6 minutes. The Trustee/Liquidator/Supervisor/Administrator reserves the right to charge interest at a rate of 2% above bank base rate on unrecovered work in progress.

The charge-out rates for the various categories of staff are as follows:-

	Charge Out Rate per Hour £
Appointed Partner (Trustee, Supervisor, Liquidator, Administrator, Administrative Receiver)	480
Partner/Senior Manager	350
Manager	250
Case Administrator	200
Support staff (only to be chargeable for periods of 1 hour or more)	110
Junior	50

Standard Activity	Examples of Work
Statutory Compliance, administration & planning	Statutory reporting and compliance, compliance with other regulatory requirements case planning, administrative set up, appointment notification, maintenance of records, SIP 2 review, CDDA reports, Investigating antecedent transactions
Investigations	Identifying, securing, insuring assets, Retention of title, Debt collection
Realisation of assets	Property, business and asset sales
Trading	Management of operations, accounting for trading, on going employee issues
Creditors	Communication with creditors, Creditors' claims (including employees and other preferential creditors)

Disbursements - Category 2 Disbursements

In dealing with the case, the appointed IP will incur expenses and disbursements that are recoverable from the assets available in the case in accordance with the Insolvency (England and Wales) Rules 2016 where appropriate (e.g. Rule 3.51 in Administrations and Rule 6.42 in CVLs). In addition to out of pocket expenditure, the appointed IP will also recover shared or allocated costs. These may be referred to as category 2 disbursements. Where applicable, such category 2 type disbursements are calculated as follows: -

Expense Type	Basis of Charge
For all official stationery, printing postage and telephone charges, including notices to creditors and contributories in respect of the first meetings of creditors and contributories:	(i) for a number of creditors and Contributories not exceeding 25, £175 (ii) for every additional 10 creditors and contributories or part thereof, £40
Where any other meetings of creditors or contributories are held, for summoning and holding the meetings and for statutory circulars:	(iii) for a number of creditors and Contributories not exceeding 25, £155 (iv) for every additional 10 creditors and contributories or part thereof, £20

All other expenses and disbursements are recovered as follows:

Expense Type	Basis of Charge
Room Hire (for each statutory meeting of creditors)	£175.00 per meeting
Mileage	35-95p per mile
Company search costs	£45 per search
Storage of company books and records	£2.50 per box per quarter*

* Where funds permit, a charge for storage of boxes for 12 months after closure of the case is made to cover storage costs until such time as destruction of the records is permitted. Minimum charge of £200 to cover administration.
Should any creditor require further clarification in respect of fees or expenses, then please contact the appointed IP or case manager as identified in the correspondence concerning the case in question.

INFORMATION

Within 21 days of receipt of this progress report a creditor may request that I provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the creditors (including that creditor) or the permission of the court. You also have a right to challenge my remuneration and expenses.
I am obligated to provide the requested information within 14 days, unless I consider that the time or cost involved in preparing the information would be excessive, or disclosure would be prejudicial to the conduct of the proceedings or might be expected to lead to violence against any person, or I am subject to an obligation of confidentiality in relation to the information requested, in which case I must give the reasons for not providing the information.
Any creditor may apply to the court within 21 days of my refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information. As an insolvency practitioner I am bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

A guide to fees is available on request or at: www.icaew.com/en/technical/insolvency/creditors-guides - Updated 1 January 2020

Isle of Wight Care Limited - In Administration

BREAKDOWN OF THE ADMINISTRATOR'S TIME COSTS TO 6 MARCH 2020

Sanderlings**TIME & CHARGEOUT SUMMARIES**

Isle Of Wight Care Ltd - Post Admin

To 06/03/2020

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	0.00	0.00	1.00	9.80	10.80	2,310.00	213.89
Creditors	0.00	0.00	0.40	0.30	0.70	200.00	285.71
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	0.00	0.00	490.00	2,020.00		2,510.00	
Total Hours	0.00	0.00	1.40	10.10	11.50		
Average Rate	0.00	0.00	350.00	200.00			

Isle of Wight Care Limited - In Administration

INFORMATION TO SUPPORT THE ADMINISTRATOR'S FEE PROPOSAL

Details of the work I propose to undertake:-	Time anticipated in hours (charged in 6 minute units)		Cost £
Compliance matters and cashing, including but not limited to calculation and payment of the Bordereau liability and monitoring the Bordereau level, preparation and submission of statutory returns and statutory requirements for advertising, reviewing ethical, anti-money laundering and anti-bribery safeguards, completion of post appointment formalities, bank account administration, periodic reviews and updating checklists, preparation and documentation for creditor decisions, proposals reports and 6 month reports and associated compliance requirements, final report and formalities at completion of the Administration	Administrator	9.0	4,320
	Other Senior Professional	4.0	1,400
	Case Administrator	26.0	5,200
	Junior	5.0	250
Case planning and discussions regarding strategies to be pursued, meetings with staff, directors and advisors to consider the practical, technical and legal aspects of the case	Administrator	1.0	480
	Other Senior Professional	1.0	350
	Case Administrator	4.0	800
Realisation of assets to include potential Cash at Bank and reviewing the previous sale of the business and assets including communication with agents and third parties, reviewing other potential assets such as directors' loan accounts and Company's debtors together with associated transactions, correspondence and communication regarding Hire Purchase assets and Retention of Title claims if applicable, review of records in respect of any potential claims for intellectual property, VAT, corporation tax, insurance, and any inter-company accounts	Administrator	8.0	3,840
	Other Senior Professional	2.0	700
	Case Administrator	15.0	3,000
Communication with creditors including dealing with all enquiries, any applicable employee claims, to include where appropriate communication with former staff, the Redundancy Payments Service and pension scheme administrators, as well as agreement of claims and distribution of funds if appropriate, review of correspondence, receipt of Proofs of Debt, consideration of HMRC correspondence, tax liabilities and requirements as to compliance, agreement of unsecured claims and distribution of Prescribed Part fund if appropriate, seeking advice on the validity of the secured creditor's claim and distribution of funds where applicable	Administrator	3.0	1,440
	Other Senior Professional	1.0	350
	Case Administrator	12.0	2,400
	Junior	6.0	300
Completion of duties in respect of the Company Directors Disqualification legislation and investigation of company's affairs, including recovery of books and records, information from third party sources such as bank statements, review of secured creditors and the validity of security, review and comparison of the last available set of accounts against the Statement of Affairs. Review of records and bank statements for at least the last 12 months, looking for any anomalous payments, analysing the position of creditors including hire purchase and Crown liabilities. Consideration as to whether any antecedent transactions have occurred, such as preference or transactions at undervalue, liaising with solicitors in this regard, and reviewing questionnaires and information submitted by directors and creditors. Submission of findings to the Insolvency Service. Investigation of specific matters including the Company's tax position and transactions involving dividends and directors' loan accounts	Administrator	5.0	2,400
	Other Senior Professional	0.0	0
	Case Administrator	14.0	2,800
	Junior	4.0	200
Estimate total maximum fees to be charged			30,230

Expenses Estimate for Isle of Wight Care Limited

Below are the expenses estimates in respect of category 1 direct expenses and category 2 indirect expenses which will have an element of shared or allocated costs.

My estimate for my category 1 expenses for the period of the case is £286.65.

My estimate for my category 2 expenses for the period of the case is £375.00 and I am seeking a resolution for approval of the basis of calculation of these expenses.

Expenses Category 1	Basis	Estimate of total £
Advertising	Fixed	86.65
Bonding	Fixed	70.00
VisionBlue/INSOLV fee	Fixed	110.00
Anti-money laundering check	Calculated per search	20.00
Total		286.65

Expenses Category 2	Basis	Estimate of total £
Stationery / printing / postage / telephone	Fixed	175.00
Storage	Estimated cost	200.00
Total		375.00