

The Insolvency Act 1986

Administrator's progress report

Name of Company

Chiltern Care Holdings UK Limited

Company number

03295752

In the

High Court of Justice, Chancery Division,
Companies Court

(full name of court)

Court case number

3247 of 2010

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

We (a)

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

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

From

To

(b) Insert date

(b) 6 March 2013

(b) 6 September 2013

Signed

Joint Administrator

Dated

18/10/13

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

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

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

DX Number

020 7184 4300
DX Exchange

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

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19/10/2013

#240

COMPANIES HOUSE



Our Ref DRS/PAM/KLM/EZF/M00168/
Your Ref

To the Creditors

16 October 2013

Dear Sirs

Recovery and Reorganisation

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

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www.grantthornton.co.uk

**Loyds Nursing Homes UK Limited, Churchill Court Propco Limited, Loyds Crown Chiltern Limited, Loyds Propco Holdco Limited, Crown Albany Care Limited, Chiltern Care Holdings Limited, Loyds Propco No. 1 Limited, Loyds Propco No. 2 Limited, Loyds Careco UK Limited
All in Administration (together "the Group")**

On 11 October 2014 the Court ordered that the Joint Administrators' term of office as Joint Administrators of the Group be extended in accordance with paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986 for a period of one year giving a revised date for the automatic termination of the administrations of 18 October 2014

I enclose a copy of the progress report to that was provided to the Court

Yours faithfully
for and on behalf of the Group

A handwritten signature in dark ink, appearing to read "Daniel Smith".

pf Daniel Smith
Joint Administrator

The affairs, business and property of the Group are being managed by Daniel Smith and David Dunckley, appointed as joint administrators on 19 April 2010

Chartered Accountants
Member firm within Grant Thornton International Ltd
Grant Thornton UK LLP is a limited liability partnership registered in England and Wales No OC307742 Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP
A list of members is available from our registered office

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

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address



Our Ref DRS/PAM/KLM/EZI/L00168B/

To the creditors

16 September 2013

Dear Sirs

**Loyds Nursing Homes UK Limited, Churchill Court Propco Limited,
Loyds Crown Chiltern Limited, Loyds Propco Holdco Limited, Crown
Albany Care Limited, Chiltern Care Holdings Limited, Loyds Propco
No. 1 Limited, Loyds Propco No. 2 Limited, Loyds Careco UK Limited
All in Administration (together "the Group")
In the High Court of Justice, Chancery Division, Companies Court: Cases
3238, 3246, 3252, 3251, 3243, 3247, 3242, 3249 & 3237 of 2010**

1 Introduction

- 1.1 Following my appointment as joint administrator of the Group with David Dunckley by the security trustee, The Royal Bank of Scotland plc (RBS), acting on behalf of the Senior Lenders on 19 April 2010, I now report on the progress of the administrations to 6 September 2013 and attach
- Appendix A, statutory information in respect of the Group
 - Appendix B, our receipts and payments for the period to 6 September 2013
 - Appendix C, an analysis of our time costs as required by Statement of Insolvency Practice 9
 - Appendix D, a statement of disbursements incurred to 6 September 2013
 - Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2.48A)
 - Appendix F, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses, if excessive (Rule 2.109)
- 1.2 Please note that we are both authorised by The Insolvency Practitioners Association to act as insolvency practitioners
- 1.3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them

Chartered Accountants

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

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address

2 Progress report

- 2.1 The parent company of the Group is Loyds Nursing Homes UK Limited, which has the following subsidiary companies

Churchill Court Propco Limited
Loyds Crown Chiltern Limited
Loyds Propco Holdco Limited
Crown Albany Care Limited
Chiltern Care Holdings Limited
Loyds Propco No 1 Limited
Loyds Propco No 2 Limited
Loyds Careco UK Limited

- 2.2 At the date of our appointment, the Group held a freehold property portfolio. Since our appointment, three homes have been sold leaving a current portfolio of 61 homes which are leased to third party operators
- 2.3 To facilitate the sale of the portfolio the properties were transferred to newly formed subsidiary companies immediately following our appointment. These subsidiary companies are subject to inter-company interest bearing loan arrangements in respect of the consideration for the transferred properties
- 2.4 The Joint Administrators have continued to collect rents due from the properties within the subsidiary companies whilst marketing the portfolio. To date, c £34.4 million has been collected
- 2.5 Following our appointment in 2010, we commenced a marketing period during which a number of interested parties were identified for the Group's assets
- 2.6 However, at that time, 51 homes were leased to Southern Cross Care Homes plc (SCG). During this initial marketing process in 2010, it became clear that the financial situation of SCG was critical resulting in material uncertainty as to their ability to continue trading
- 2.7 As a result of this uncertainty, none of the interested parties were prepared to proceed with a purchase at a value that we considered acceptable
- 2.8 As documented in my previous progress reports, the financial position of SCG worsened to such an extent that they embarked on a solvent wind-down of their business. As part of this procedure all care homes were returned to landlords
- 2.9 Accordingly, I arranged for Four Seasons to take over the operation of the SCG homes from 1 November 2011. Four Seasons are now the tenant in all but 2 of the homes
- 2.10 For the former SCG homes transitioned to Four Seasons, we have agreed a rent level which is linked to the performance of the homes for the first five years of the agreement. At the end of the fifth year, we have the option of fixing the rent at a level, the formula for which has been agreed

- 2 11 During the transition process to Four Seasons, two homes were identified as being Limited Life Homes and subsequently closed. These homes have been sold since my last report realising funds of £555,000.

3 Future Strategy

- 3 1 During the second quarter of 2013, we discussed the strategy for the portfolio with the Senior Lenders. Following these discussions, we commenced a marketing process to investigate the appetite of purchasers for the portfolio.
- 3 2 During this process, we have approached a number of parties whom we considered may be interested in purchasing the portfolio.
- 3 3 A number of offers have been received which we are currently considering with the Senior Lenders and our professional advisors.
- 3 4 Given the sensitive nature of the negotiations currently being undertaken, I am unable to provide any further information at this stage as to the position with these discussions or whether this will lead to a disposal of the portfolio in the short-term.

4 Funding of the Administrations

- 4 1 At the time of the appointments, the Senior Lenders executed a funding agreement to meet the costs of the administrations. These funds are reimbursed from asset realisations.

5 Assets and Liabilities

- 5 1 The directors were requested to prepare a Statement of Affairs for the companies within the Group, but have not done so.
- 5 2 At the time of our appointment the Group's principal assets was its investments in freehold properties which are the subject of fixed charges in favour of the Group's Lenders.
- 5 3 The only floating charge realisation to date is £5,807 cash at bank. On present information it is unlikely that there will be any further floating charge realisations and accordingly it is unlikely that there will be a distribution to the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986.

Other assets noted in the companies' balance sheets

- 5 4 Accounts have been prepared to the date of the appointments and these identify that the sum due to Loyds Nursing Homes UK Limited in respect of the inter-company debtors at the time of appointment was £193m. Loyds Nursing Homes UK Limited has also invested in the subsidiary companies via its shareholdings. The book value of the shares was £5.2m.
- 5 5 These sums primarily represent the funds transferred to the property owning companies to fund the property acquisitions. The realisations of the inter-company debt is dependent upon the realisations of the freehold property held by the property owning companies.

Liabilities

Secured Creditors

- 5 6 RBS act as security trustee for the secured group of Lenders and hold valid fixed and floating charges dated 29 September 2005. The security is cross-collateralised over the assets of all of the companies within the Group. The total exposure at the time of appointment was £192.4m, split into various tranches. As disclosed in the receipts and payments accounts at Appendix B, c £31.5 million has been distributed to the Senior Lenders in payment of capital and interest.

Preferential Creditors

- 5 7 The Group has no known preferential creditors at the date of the appointments.

Unsecured Creditors

- 5 8 The principal unsecured liabilities, at the date of the appointments, as shown in the Group's accounts were as follows:

Arazim Investments Limited £14.6m

Braxton Holdings Limited £25.8m

- 5 9 Owing to the level of indebtedness of the Group to the Secured Lenders, there will be insufficient funds to enable a distribution to be paid to the unsecured creditors.
- 5 10 In addition, due to there being no significant floating charge assets, there will be no prescribed part of floating charge assets to be set aside for the benefit of unsecured creditors under Section 176A of the Insolvency Act 1986.

6 Extension of the administrations

- 6 1 Pursuant to paragraph 76(2)(b) of schedule B1, an initial request was made to the Secured Lender for a 6 month extension of my term of office as administrator of the Group. This was agreed by the Lenders giving a revised date of automatic termination of 18 October 2011.
- 6 2 A further extension of 24 months was then granted by the Court, giving a revised date for automatic termination of 18 October 2013.
- 6 3 The administrations are due to expire on 18 October 2013. However, as detailed in section 3 of this report, the Group's assets are yet to be realised in full.
- 6 4 Accordingly, the joint administrators are making an application to the Court to extend the administrations for a further 12 month period.
- 6 5 The primary reason for requesting the extensions of the time limit is to grant sufficient time for the continued realisation of the Group's assets.
- 6 6 If granted, the application for the extensions will give a revised automatic termination date of 18 October 2014.

7 Joint administrators' remuneration and expenses

- 7.1 As previously advised, where a meeting of creditors has not been convened and a creditors committee has not been formed, the approval of our remuneration will be provided by the Senior Lenders. Our fees for acting as joint administrators have been fixed by reference to time costs incurred by the administrators and their staff in attending to matters arising in the administration.
- 7.2 Total time costs for these administrations for the period from 19 April 2010 to 6 September 2013 are £2,303,910 of which £1,935,747 has been paid.
- 7.3 Background information regarding the fees of administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, we will supply this information by post on request. Time is charged in 6 minute units.
- 7.4 In addition to the above Grant Thornton UK LLP Corporate Finance was paid £300,000 in 2010 for the work carried out during the marketing process at that time. A further £300,000 has been invoiced by Grant Thornton UK LLP Corporate Finance for the work they have carried out in 2013 but currently remains unpaid.
- 7.5 These costs are in addition to our time costs detailed in Section 7.2 and have been authorised by the Senior Lenders.

8 Contact details

- 8.1 Please contact Jon Deverick (jon.n.deverick@uk.gt.com or 0207 728 2499) if you have any queries in respect of the above.

Yours faithfully
for and on behalf of the Group



Daniel Smith
Joint Administrator

Enc

The affairs, business and property of the Group are being managed by Daniel Smith and David Dunckley, appointed as joint administrators on 19 April 2010 and 31 January 2011 respectively.

Appendix A Statutory Information

Company	Loyds Nursing Homes UK Limited	Churchill Court Propco Limited	Loyds Crown Chiltern Limited	Loyds Propco Holdings Limited	Crown Albany Care Limited
Registered number	05320178	05316743	05309790	05372380	01654980
Date of incorporation	25 November 2014	07 April 2015	29 June 2015	22 February 2015	25 October 1998
Registered office	301 Finbury Square London EC2P 2YL	301 Finbury Square London EC2P 2YL	301 Finbury Square London EC2P 2YL	301 Finbury Square London EC2P 2YL	301 Finbury Square London EC2P 2YL
Shareholder	Beaxton Limited	Loyds Nursing Homes UK Limited	Loyds Nursing Homes UK Limited	Loyds Careco UK Limited	Loyds Crown Chiltern Limited
Issued share capital	1 ordinary share at £1	1 ordinary share at £1	15000 ordinary share at £1	40000 ordinary share at £10000	100 ordinary share at £100
Directors	J Munsterker J Recksteiner P Den Hollander J Casan	J Munsterker J Recksteiner P Den Hollander J Casan	J Munsterker J Recksteiner P Den Hollander J Casan	J Munsterker J Recksteiner P Den Hollander J Casan	J Munsterker J Recksteiner P Den Hollander J Casan

Company	Chiltern Care Holdings Limited	Loyds Propco No 1 Limited	Loyds Propco No 2 Limited	Loyds Careco UK Limited
Registered number	3295752	05372227	05309019	05296598
Date of incorporation	25 December 1996	22 February 2015	24 March 2015	25 November 2014
Registered office	301 Finbury Square London EC2P 2YL	301 Finbury Square London EC2P 2YL	301 Finbury Square London EC2P 2YL	301 Finbury Square London EC2P 2YL
Shareholder	Loyds Crown Chiltern Limited	Loyds Propco Holdings Limited	Loyds Nursing Homes UK Limited	Loyds Nursing Homes UK Limited
Issued share capital	100 ordinary share at £100	40000 ordinary share at £1	1 ordinary share at £1	40190000 ordinary share at £1000000 total nominal value
Directors	J Munsterker J Recksteiner P Den Hollander J Casan	J Munsterker J Recksteiner P Den Hollander J Casan	J Munsterker J Recksteiner P Den Hollander J Casan	J Munsterker J Recksteiner P Den Hollander J Casan

**Loyds Nursing Homes UK Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
RECEIPTS	£	£
Loan - Loyds Propco No 1 Limited	1,381,027 70	17,076,794 68
Loan - Loyds Propco No 2 Limited	40,292 35	1,284,339 66
Loan - Churchill Court Propco Limited	(516 27)	294,840 68
Loan - Loyds Crown Chiltern Limited	337,412 40	823,370 36
Interest - Loyds Propco No 1 Limited	1,446,021 12	10,637,265 39
Interest - Loyds Propco No 2 Limited	73,514 30	864,606 93
Interest - Churchill Court Propco Limited	15,976 51	202,710 19
Interest - Loyds Crown Chiltern Limited	25,473 04	381,827 29
Cash at Bank	-	5,769 09
Bank Interest	17 00	38 25
	<u>3,319,218 16</u>	<u>31,571,562 53</u>
PAYMENTS		
Joint Administrators' Fees	15,028 14	47,424 08
Legal Fees	-	42,675 79
Law Debenture	-	4,466 67
Statutory Advertising	-	90 71
Professional Fees	-	3,833 33
Irrecoverable VAT	3,002 10	17,733 76
Bank fees	500 00	500 00
Capital - Senior Lenders	1,583,939 24	17,680,872 01
Capital - Hedge Counter Party	155,746 70	1,681,749 04
Interest - Senior Lenders	1,473,572 36	11,388,498 45
Interest - Hedge Counter Party	87,412 62	697,911 35
	<u>3,319,201 16</u>	<u>31,565,755 20</u>
Balance in hand	<u>17 00</u>	<u>5,807.33</u>

**Churchill Court Propco Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
RECEIPTS	£	£
Loan - Bruchmen No 5 Limited	24,482 88	420,785 86
Interest - Bruchmen No 5 Limited	15,976 51	202,710 19
	<u>40,459 39</u>	<u>623,496 05</u>
 PAYMENTS		
Joint Administrators' Fees	13,967 63	44,077 47
Legal Fees	4,119 30	51,270 97
Law Debenture	1,833 33	6,300 00
Data Room Costs	-	113 17
Statutory Advertising	-	90 71
Professional Fees	916 44	4,749 77
Bordereaux	-	5 33
Irrecoverable VAT	4,162 45	19,337 77
Loan - Loyds Nursing Homes UK Limited	(516 27)	294,840 68
Interest - Loyds Nursing Homes UK Limited	15,976 51	202,710 18
	<u>40,459 39</u>	<u>623,496 05</u>
 Balance in hand	<u>-</u>	<u>(0.00)</u>

**Loyds Crown Chiltern Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
RECEIPTS	£	£
Loan - Crown Albany Care Limited	10,426 69	516,921 34
Loan - Chiltern Care Holdings Limited	335,000 00	391,613 44
Interest - Crown Albany Care Limited	25,473 04	345,058 61
Interest - Chiltern Care Holdings Limited	-	36,768 68
	<u>370,899 73</u>	<u>1,290,362 07</u>
PAYMENTS		
Joint Administrators' Fees	6,679 88	21,079 60
Legal Fees	-	42,675 79
Law Debenture	-	4,466 67
Statutory Advertising	-	90 71
Professional Fees	-	3,833 33
Irrecoverable VAT	1,334 41	13,018 32
Loan - Loyds Nursing Homes UK Limited	337,412 40	823,370 36
Interest - Loyds Nursing Homes UK Limited	25,473 04	381,827 29
	<u>370,899 73</u>	<u>1,290,362 08</u>
Balance in hand	<u>-</u>	<u>(0 00)</u>

**Loyds Propco Holdco Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
	£	£
RECEIPTS		
	<u> </u>	<u> </u>
	<u> -</u>	<u> -</u>
PAYMENTS		
	<u> </u>	<u> </u>
	<u> -</u>	<u> -</u>
Balance in hand	<u> -</u>	<u> -</u>

**Crown Albany Care Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
RECEIPTS	£	£
Loan - Bruchmen No 6 Limited	39,269 73	651,885 04
Interest - Bruchmen No 6 Limited	25,473 04	345,058 61
	<u>64,742 77</u>	<u>996,943 65</u>
PAYMENTS		
Joint Administrators' Fees	14,178 23	44,742 05
Legal Fees	6,567 83	57,550 69
Law Debenture	1,833 33	6,300 00
Data Room Costs	-	210 04
Statutory Advertising	-	90 71
Professional Fees	1,461 18	5,294 51
Bordereaux	-	9 89
Irrecoverable VAT	4,802 47	20,765 82
Loan - Loyds Crown Chiltern Limited	10,426 69	516,921 34
Interest - Loyds Crown Chiltern Limited	25,473 04	345,058 60
	<u>64,742 77</u>	<u>996,943 65</u>
Balance in hand	<u>0 00</u>	<u>0 00</u>

**Chiltern Care Holdings Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
RECEIPTS	£	£
Loan - Bruchmen No 7 Limited	335,000 00	391,613 44
Interest - Bruchmen No 7 Limited	-	36,768 68
	<u>335,000 00</u>	<u>428,382 12</u>
PAYMENTS		
Loan - Loyds Crown Chiltern Limited	335,000 00	391,613 44
Interest - Loyds Crown Chiltern Limited	-	36,768 68
	<u>335,000 00</u>	<u>428,382 12</u>
Balance in hand	<u>-</u>	<u>-</u>

**Loyds Propco No. 1 Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
RECEIPTS	£	£
Loan - Bruchmen No 1 Limited	639,269 57	6,903,656 32
Loan - Bruchmen No 2 Limited	900,163 43	6,291,353 24
Loan - Bruchmen No 3 Limited	647,316 56	6,053,292 07
Interest - Bruchmen No 1 Limited	484,961 77	3,381,230 89
Interest - Bruchmen No 2 Limited	487,850 11	3,626,740 01
Interest - Bruchmen No 3 Limited	473,209 24	3,629,294 50
	<u>3,632,770 68</u>	<u>29,885,567 02</u>
PAYMENTS		
Joint Administrators' Fees	412,646 44	1,302,182 86
Legal Fees	206,339 44	464,516 67
Law Debenture	5,500 01	9,966 68
Data Room Costs	-	5,448 84
Statutory Advertising	-	90 71
Professional Fees	-	3,833 33
Bordereaux	-	256 60
Insurance	-	242 58
Agents Fees	47,080 45	50,330 45
Irrecoverable VAT	134,155 51	334,638 20
Loan - Loyds Nursing Homes UK Limited	1,381,027 70	17,076,794 71
Interest - Loyds Nursing Homes UK Limited	1,446,021 12	10,637,265 39
	<u>3,632,770 68</u>	<u>29,885,567 02</u>
Balance in hand	<u>-</u>	<u>(0.00)</u>

**Loyds Propco No. 2 Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
RECEIPTS	£	£
Loan - Bruchmen No 4 Limited	112,892 32	1,527,295 53
Interest - Bruchmen No 4 Limited	73,514 30	864,606 93
	<u>186,406 62</u>	<u>2,391,902 47</u>
 PAYMENTS		
Joint Administrators' Fees	35,507 03	112,049 05
Legal Fees	18,954 54	78,575 65
Law Debenture	1,833 33	6,300 00
Data Room Costs	-	428 45
Statutory Advertising	-	90 71
Professional Fees	4,216 92	8,050 25
Bordereaux	-	20 18
Irrecoverable VAT	12,088 15	37,441 58
Loan - Loyds Nursing Homes UK Limited	40,292 35	1,284,339 66
Interest - Loyds Nursing Homes UK Limited	73,514 30	864,606 93
	<u>186,406 62</u>	<u>2,391,902 47</u>
 Balance in hand	 <u>-</u>	 <u>0 00</u>

**Loyds Careco UK Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
From 19 April 2010 to 6 September 2013**

	Period from 06/03/13 to 06/09/13	Period from 19/04/10 to 06/09/13
RECEIPTS	£	£
	_____	_____
	_____	_____
PAYMENTS		
	_____	_____
	_____	_____
Balance in hand	_____	_____

Appendix C

Statement of Insolvency Practice 9 analysis of our time costs

Introduction

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

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

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

	From 01/07/10	From 01/07/11	From 01/07/12	From 01/07/13
	£	£	£	£
Partners up to	535	560	580	600
Managers up to	405	425	440	455
Administrators up to	285	300	310	310
Assistants and support staff up to	195	205	210	210

Disbursements

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

Time cost analysis from 19 April 2010 to 31 August 2013

Loyds Nursing Homes UK Ltd

	Partner	Manager	Executive	Administrator	Total	Avg Hrly Rate
	Hrs	Hrs	Hrs	Hrs	Hrs	£
Administration and Planning	4.76	19.46	62.54	33.67	120.43	31,615.83
Creditors			8.80	0.70	9.50	2,297.50
Hiatus period						
Investigations	0.12	0.82	0.40	0.55	1.89	517.83
Realisation of Assets			10.20		10.20	2,678.00
Trading		9.80	21.35	30.20	61.35	13,371.75
Total	4.88	30.08	103.29	65.12	203.37	50,480.91
						248.22

Loyds Careco UK Ltd

	Partner	Manager	Executive	Administrator	Total	Avg Hrly Rate
	Hrs	Hrs	Hrs	Hrs	Hrs	£
Administration and Planning	4.76	15.16	24.08	13.17	57.18	17,239.36
Creditors			0.20	0.70	0.90	141.00
Hiatus period						
Investigations	0.12	0.82	0.40	2.15	3.49	749.83
Realisation of Assets			1.00		1.00	239.00
Trading		1.50	0.20	0.30	2.00	596.00
Total	4.88	17.48	25.89	16.32	64.57	18,965.19
						293.72

Loyds Propco No 2 Ltd

[illegible]

Churchill Court Propco Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	4.76	3,003.24	15.86	5,787.62	23.94	6,728.86	13.32	1,925.41	57.88	17,445.13
Creditors	2.28	1,270.39	9.84	3,850.91	0.49	111.53	0.77	98.98	13.38	5,331.81
Hiatus period										
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	2.15	307.28	3.49	749.83
Realisation of Assets	0.95	549.95	2.39	871.60	1.47	343.87	0.69	93.24	5.50	1,858.66
Trading	13.67	7,772.87	44.00	16,713.87	12.83	3,225.32	6.57	915.93	77.07	28,627.99
Total	21.78	12,660.64	72.91	27,500.35	39.13	10,511.58	23.50	3,340.84	157.32	54,013.42

Time cost analysis from 19 April 2010 to 31 August 2013

Loyds Crown Chiltern Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	4.76	3,003.24	15.16	5,550.85	24.34	6,838.36	15.12	2,194.91	59.38	17,587.36
Creditors	-	-	-	-	0.30	75.00	0.70	91.00	1.00	166.00
Hiatus period	-	-	-	-	-	-	-	-	-	-
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	2.15	307.28	3.49	749.83
Realisation of Assets	-	-	-	-	1.00	239.00	-	-	1.00	239.00
Trading	-	-	6.60	2,226.00	4.85	1,277.75	4.00	601.50	15.45	4,105.25
Total	4.88	3,067.44	22.58	8,053.20	30.89	8,532.11	21.97	3,194.69	80.32	22,847.44

Loyds Propco Holdco Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	4.76	3,003.24	15.16	5,550.85	23.74	6,675.36	13.17	1,901.91	56.83	17,131.36
Creditors	-	-	-	-	0.30	75.00	0.70	91.00	1.00	166.00
Hiatus period	-	-	-	-	-	-	-	-	-	-
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	2.05	292.78	3.39	735.33
Realisation of Assets	-	-	1.40	476.00	1.00	239.00	-	-	2.40	715.00
Trading	-	-	1.50	495.00	0.20	44.00	0.30	57.00	2.00	596.00
Total	4.88	3,067.44	18.88	6,798.20	25.64	7,135.36	16.22	2,342.69	65.62	19,343.69

Time cost analysis from 19 April 2010 to 31 August 2013

Crown Albany Care Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	4.76	3,003.24	15.86	5,787.62	24.54	6,899.86	15.87	2,307.16	61.03	17,997.88
Creditors	2.33	1,298.25	9.84	3,850.91	0.49	111.53	0.77	98.98	13.43	5,359.67
Hiatus period										
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	2.15	307.28	3.49	749.83
Realisation of Assets	0.95	549.95	2.39	871.60	2.47	611.37	0.69	93.24	6.50	2,126.16
Trading	13.67	7,772.87	44.30	16,812.87	15.53	3,977.32	6.62	920.93	80.12	29,483.99
Total	21.83	12,688.50	73.21	27,599.35	43.43	11,702.08	26.10	3,727.59	164.57	55,717.53

Chiltern Care Holdings Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	4.76	3,003.24	15.86	5,787.62	24.04	6,747.86	15.27	2,215.66	59.93	17,754.38
Creditors	2.33	1,298.25	9.84	3,850.91	0.49	111.53	0.77	98.98	13.43	5,359.67
Hiatus period										
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	2.15	307.28	3.49	749.83
Realisation of Assets	0.95	549.95	2.39	871.60	1.57	371.37	0.69	93.24	5.60	1,886.16
Trading	13.67	7,772.87	44.40	16,849.87	12.28	3,083.57	7.42	1,039.43	77.77	28,745.74
Total	21.83	12,688.50	73.31	27,636.35	38.78	10,416.33	26.30	3,754.59	160.22	54,495.78

Time cost analysis from 19 April 2010 to 31 August 2013

Loyds Propco No 1 Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	4.76	3,003.24	15.86	5,787.62	36.69	10,117.02	33.87	5,038.90	91.18	23,946.78
Creditors	118.60	66,145.50	560.69	219,501.96	10.90	2,157.28	4.53	545.66	694.72	288,350.40
Hiatus period										
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	2.15	307.28	3.49	749.83
Realisation of Assets	69.28	41,599.33	259.01	98,599.07	32.46	7,472.28	28.34	3,690.80	389.09	151,361.48
Trading	779.16	443,053.43	2,155.28	833,677.43	440.02	106,835.29	124.40	14,447.81	3,498.86	1,398,013.96
Total	971.92	553,865.70	2,991.66	1,157,842.43	520.47	126,683.87	193.29	24,030.45	4,677.34	1,862,422.45

Loyds Securities No 14 Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	2.74	1,620.27	13.67	4,976.80	25.09	7,042.36	12.31	1,767.83	53.80	15,407.25
Creditors					0.30	75.00	0.70	91.00	1.00	166.00
Hiatus period										
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	2.15	307.28	3.48	749.83
Realisation of Assets			0.70	238.00					0.70	238.00
Trading			1.20	396.00	0.20	44.00	0.30	57.00	1.70	497.00
Total	2.86	1,684.47	16.39	5,687.15	25.99	7,263.36	15.45	2,223.10	60.68	17,058.08

Appendix D

Statement of Disbursements Incurred to 6 September 2013

Introduction

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

An Overview of the Case

Please refer to the main body of the report

Grant Thornton UK LLP's Charging and Disbursement Recovery Policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade. Support staff (i.e. secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

Category 2 Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates.

Narrative Description of Work Carried Out

Please refer to the main body of the report

Category 2 Disbursements

For your information, I provide a summary of my out of pocket expenses incurred to 6 September 2013 on the following page

Appendix E - An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the Administrators

Rule 2.48A

If (a) within 21 days of receipt of a progress report under Rule 2.47—

- (i) a secured creditor, or
- (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor,

makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

- (2) The administrator complies with this paragraph by either (a) providing all of the information asked for, or (b) so far as the administrator considers that (i) the time or cost of preparation of the information would be excessive, or

- (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
- (iii) the administrator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1).

And the court may make such order as it thinks just

- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just

Appendix F - An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the Joint Administrators' fees if excessive

Rule 2 109

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