

**2.30B**

The Insolvency Act 1986

**Notice of automatic end of administration**

Name of Company  Capital Workforce Development Limited	Company number  04160556
In the High Court of Justice, Chancery Division (full name of court)	Court case number 2013 of 2008

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

We (a)  
Christopher James Farrington  
Deloitte LLP  
1 Woodborough Road  
Nottingham  
NG1 3FG

Dominic Lee Zoong Wong  
Deloitte LLP  
Four Brindleyplace  
Birmingham  
B1 2HZ

Nicholas James Dargan  
Deloitte LLP  
Athene Place  
66 Shoe Lane  
London EC4A 3BQ

(b) Insert name and address of the registered office of the company

having been appointed administrator(s) of (b) Capital Workforce Development Limited c/o Deloitte LLP, 1 Woodborough Road, Nottingham, NG1 3FG

(c) Insert date of appointment

on (c) 11 March 2008  
by (d) the directors

(d) Insert name of appointor/applicant

hereby give notice that our appointment ceased to have effect on 10 September 2009

We attach a copy of the final progress report

Signed

Joint / Administrator(s)

Dated

10/9/09.

**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 register.

Christopher James Farrington  
Deloitte LLP  
1 Woodborough Road  
Nottingham  
NG1 3FG

0115 9500511

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**



<b>Capital Skills Limited</b>	<b>Court No. 2025 of 2008</b>
<b>Capital Workforce Development Limited</b>	<b>Court No. 2013 of 2008</b>
<b>Interactive Training Management Limited</b>	<b>Court No. 2028 of 2008</b>
<b>Quantica Selection Training Limited</b>	<b>Court No. 2023 of 2008</b>
<b>ASSA Training and Learning Limited</b>	<b>Court No. 2026 of 2008</b>
<b>IMS (UK) Limited</b>	<b>Court No. 2016 of 2008</b>
<b>Carter &amp; Carter Colleges Limited</b>	<b>Court No. 2022 of 2008</b>
<b>G.M.C. Consultants Limited</b>	<b>Court No. 2020 of 2008</b>
<b>Emtec (Specialised Services) Limited</b>	<b>Court No. 2241 of 2008</b>
<b>ALD Realisations Limited</b>	<b>Court No. 2021 of 2008</b>
<b>(formerly Retail Motor Industry Training Limited)</b>	

**(IN ADMINISTRATION)**

**FINAL PROGRESS REPORT TO CREDITORS  
PURSUANT TO RULE 2.110 OF THE INSOLVENCY RULES 1986**

**10 September 2009**

**This report has been prepared for the sole purpose of advising the Creditors. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by Creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.**

**The Administrators act as agents of the Companies and without personal liability**

**Nicholas James Dargan, Dominic Lee Zoong Wong  
And Christopher James Farrington  
Deloitte LLP  
1 Woodborough Road  
Nottingham  
NG1 3FG**

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## **APPENDICES**

- 1. Statutory information**
- 2. Summary of appointments**
- 3. Administrators' Receipts and Payments account**

## **ABBREVIATIONS**

For the purpose of this report the following abbreviations shall be used:

"The Act"	Insolvency Act 1986 (as amended)
"The Rules"	Insolvency Rules 1986 (as amended)
"the Administrators"	Nicholas James Dargan, Dominic Lee Zoong Wong and Christopher James Farrington
"the Companies"	The ten companies in Administration as listed on the cover page of this report (in singular each referred to as "the Company")
"the Group"	Carter & Carter Group plc and sixteen of its subsidiaries as listed in Appendix 2 of this report (over which we were appointed as Administrators on either 11 March 2008 or 14 March 2008).
"Deloitte"	Deloitte LLP

## **1. INTRODUCTION**

### **1.1 Introduction**

This report has been prepared in accordance with Rule 2.110 and Rule 2.47 of The Rules to provide creditors with a summary on the progress of the Administrations of the ten companies listed on the front page of this report ("the Companies").

A schedule of statutory information in respect of the Company indebted to you is attached at Appendix 1. A summary of the Administration and Liquidation appointments over all entities within the Group is set out at Appendix 2.

In view of the information already provided to creditors in our previous three reports, dated 1 May 2008, 8 October 2008 and 8 April 2009, we have not repeated the background information in respect of the Companies within this report.

As previously reported to creditors, there are no funds available to make a distribution to the unsecured creditors of any of the Companies.

### **1.2 Details of the appointment of the administrators**

We, Nicholas James Dargan of Deloitte LLP, Athene Place, 66 Shoe Lane, London, EC4A 3BQ; Dominic Lee Zoong Wong of Deloitte LLP, Four Brindleyplace, Birmingham B1 2HZ; and Christopher James Farrington of Deloitte LLP, 1 Woodborough Road, Nottingham, NG1 3FG, were appointed as Joint Administrators of Carter & Carter Group plc and fifteen subsidiaries detailed at Appendix 2 on 11 March 2008 by the High Court of Justice, Chancery Division, Companies Court, London, on application of the directors.

We were also appointed as Joint Administrators of Emtec (Specialised Services) Limited on 14 March 2008 by the High Court of Justice, Chancery Division, Companies Court, London, on application by the Company.

For the purposes of Paragraph 100(2) of Schedule B1 of the Act, the Joint Administrators confirm that we have been authorised to carry out all functions, duties and powers by any of us jointly and severally.

## **2. EXIT ROUTE**

### **2.1 Ten companies in Administration ("the Companies")**

Under the Enterprise Act 2002, all Administrations automatically come to an end after one year, unless an extension is granted by the court, or consent is obtained for an extension of up to six months from the secured creditors and preferential creditors (where they exist). The relevant consents were obtained in respect of the Companies, and the Administration Orders were extended by six months, until 10 September 2009 in respect of the Companies excluding Emtec (Specialised Services) Limited) and 13 September 2009 for Emtec (Specialised Services) Limited.

The Act and the Rules provide a variety of options regarding the possible exit routes for a company from Administration, including a Company Voluntary Arrangement, Liquidation or the dissolution of the company. Where there were insufficient assets to make a distribution to the unsecured creditors, our proposals to creditors included provision for the Company to exit Administration by way of dissolution under Paragraph 84 of Schedule B1 of the Insolvency Act 1986. There are no funds available to make a distribution to the Companies' unsecured creditors, consequently the Companies will be dissolved following the ending of the Administration Orders on 10 or 13 September 2009.

### **2.2 Other seven entities within the Group, which are now in Liquidation**

Where there were sufficient assets to make a distribution to unsecured creditors our proposals included provision for the relevant company to be placed into Creditors' Voluntary Liquidation. Following our review of the likely outcome for creditors across the Group in March 2009, we considered there may be funds available within these seven companies to pay a small distribution to their unsecured creditors under the Prescribed Part.

Nicholas James Dargan, Dominic Lee Zoong Wong and Christopher James Farrington were therefore appointed as Joint Liquidators of the following companies on 11 March 2009:

- Carter & Carter Group plc
- Carter & Carter Apprentice Learning Limited
- Quantica Training Limited
- Carter & Carter Limited
- NTP Limited
- Carter & Carter Employability and Skills Limited
- Constant Browning Edmonds Limited

The most up to date information on asset realisations and claims from the preferential creditors of these seven companies now indicates that there will be very small dividends available to their creditors under the Prescribed Part, except for Carter & Carter Group Plc, where the actual level of this Company's preferential creditors is higher than was anticipated and consequently there are no funds available under the Prescribed Part.

### **3. THE ADMINISTRATORS' PROPOSALS**

#### **3.1 Introduction**

As set out in our first report to creditors, dated 1 May 2008, the Joint Administrators achieved going concern sales to Newcastle College on a business and asset basis of the Group's Employability, CBE, Quantica and NTP divisions, together with the construction elements of the Group's ALD division. The intellectual property and goodwill of the Group's ReMIT Business was sold to another party, Ingleby (1776) Limited. Further asset disposals were subsequently achieved and detailed in our second and third reports to creditors.

In respect of the businesses not sold or transferred to new ownership, being the remainder of the ALD division, the Skills division and parts of the OSD division, the Administration period resulted in enhanced book debt recoveries (as compared to an immediate liquidation) and the orderly transition of learners to third parties.

Consequently, we have performed our functions in relation to the Companies with the objective set out in Paragraph 3(b), which is to achieve a better result for creditors than would have been obtained through an immediate liquidation of the Group.

#### **3.2 Administrators' Proposals**

The Administrators' proposals, which were approved by the Group's creditors, were as follows:

1. they continue to manage the affairs and assets of the Companies, including (but not exclusive to) the continued trading operations of the Companies, collection of debts due to the Companies, completion of the sales of the remaining businesses and assets of the Companies where necessary, utilising realisations of assets where appropriate, settle any Administration expenses where such expenses are incurred for the purpose of the Administration and realise the remaining assets of the Companies; and
2. they continue with their enquiries into the conduct of the directors of the Companies and continue to assist any regulatory authorities with their investigations into the affairs of the Companies (to the extent required by law or other regulatory rules); and
3. they be authorised to agree the claims of the secured and preferential creditors against each of the Companies unless the Joint Administrators conclude, in their reasonable opinion, that a Company will have no assets available for distribution to that class of creditor; and



4. they be authorised to distribute funds to the secured and preferential creditors of each of the Companies as and when claims are agreed and funds permit; and
5. in the absence of a creditors' committee, the secured and preferential creditors (to the extent they exist) of each Company shall be asked to agree that the Joint Administrators' fees, in accordance with Rule 2.106(5A) of the Rules, by reference to the time given in attending to matters arising in the Administration for that Company; and
6. in the absence of a creditors' committee, that the creditors approve disbursements of the Joint Administrators to be drawn from the Company's assets at the Joint Administrators' discretion and that the Joint Administrators' disbursements for mileage be calculated by reference to mileage properly incurred by the Joint Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte LLP at the time when the mileage is incurred (presently up to 40p per mile); and
7. in the absence of a creditors' committee, the secured and preferential creditors (to the extent they exist) of each Company shall be asked to agree that the Joint Administrators be discharged from liability per Paragraph 98 of Schedule B1 of the Act, immediately upon the Joint Administrators' filing their final report to creditors; and
8. that the Joint Administrators be discharged from liability under the Administration per Paragraph 99 of Schedule B1 of the Act, immediately upon the Joint Administrators' filing their final report to creditors; and
9. if the Joint Administrators believe it to be appropriate for each Company they exit the Administration by way of a Creditors' Voluntary Liquidation and that Nicholas James Dargan, Dominic Lee Zoong Wong and Christopher James Farrington of Deloitte LLP will be the Joint Liquidators; or
10. if the Joint Administrators believe it to be appropriate for each Company they exit the Administration by way of dissolving the Company under Paragraph 84 of Schedule B1 of the Insolvency Act 1986.

### **3.3 Further Resolutions**

No creditors committee was formed in respect of any of the entities within the Group. Accordingly, approval was sought and obtained from the secured and preferential creditors (where relevant) of each company within the Group to the following resolutions:

1. That the Joint Administrators' remuneration be fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, calculated at the prevailing standard hourly charge out rates used by Deloitte LLP at the time when the work is performed.
2. The Joint Administrators be discharged from liability under the Administration per Paragraph 98 of Schedule B1 of the Insolvency Act 1986, immediately upon the Joint Administrators filing their final report to creditors.

## **4. JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

### **4.1 Introduction**

Attached at Appendix 3 is a Receipts and Payments account for the Company indebted to you covering the period from the date of our appointment as Administrators up to the date of expiry of the Administration Order, being either 10 September 2009 for the Companies except Emtec (Specialised Services) Limited or 13 September 2009 in the case of Emtec (Specialised Services) Limited.

We summarise below the main asset realisations across the Group since our previous report to creditors dated 8 April 2009.

### **4.2 Property**

#### **Six Hills, Melton Mowbray (Leasehold)**

You will recall from our previous reports that we had granted an option to an interested party to purchase the Group's leasehold interest in this last remaining property, during May 2008. However, completion of the sale was severely hindered by numerous issues, including the landlord's refusal to grant an assignment of the lease and the prospective purchaser's diminished appetite to complete the transaction in light of the subsequent downturn in the commercial property market.

Together with our solicitors, Lovells, we have been in protracted negotiations since May 2008 with the landlord, the prospective purchaser and the property's principal tenant (who had provided a rent guarantee to the landlord) in an effort to complete the sale. Ultimately, however, this proved impossible.

We have therefore concluded a transfer of the lease back to the main tenant in return for a legally binding waiver from them in respect of rental income received during the Administration from the current occupants of the site.

### **4.3 Book Debts, Work in Progress, Accrued Income & Trading Income**

We are pleased to report that we have made further recoveries of approximately £306k across the Group since our last report. These additional receipts bring total debtor realisations to £7.9m across the Group. No further debtor realisations are expected.

#### **4.4 Taxation Matters**

Deloitte's taxation specialists formulated and agreed with HM Revenue & Customs a terminal loss relief claim of approximately £403k. Set against this receipt will be a Corporation Tax charge of approximately £291k in respect of income earned during the Administrations and Liquidations. The Companies have a number of small corporation tax liabilities remaining to be agreed and settled with HM Revenue & Customs. These small corporation tax liabilities will be settled on the Companies' behalf from funds retained for this purpose.

#### **4.5 Other assets**

Our agents, GVA Grimley, have realised approximately £65k from the disposal of the final tangible assets (being kitchen equipment uplifted from the Group's former leasehold premises), and these monies will be remitted to us in the near future.

## **5. DISTRIBUTIONS TO CREDITORS**

### **5.1 Secured creditors**

The Group's secured debt as at 11 March 2008 comprised a £50m term loan, a £70m revolving credit facility and a £15m working capital facility.

The Group had provided a composite guarantee and debenture dated 9 December 2006 which included first fixed charge security over shares, intangible assets and property and first floating charges over all other property and assets, including plant, machinery, equipment and debtors.

At the date of our appointment the secured creditors, being Bank of Scotland, Lloyds TSB, and Barclays Bank, were owed a total of £134.9m.

To date the Group has repaid approximately £27.3m to the secured creditors. We estimate that the companies in liquidation may repay a further £2.7m to secured creditors, bringing the total sum recovered to £30m. Consequently, the secured creditors will suffer a total loss against their lending of approximately £105m.

### **5.2 Preferential Claims**

The Companies that are now exiting Administration have no preferential creditors.

### **5.3 Prescribed Part**

As stated in Section 1.1 above, there are no funds available to make a distribution under the Prescribed Part to the unsecured creditors of any of the Companies.

### **5.4 Unsecured Creditors**

As set out in Section 5.1 above, there are insufficient funds available to repay the secured creditors in full. Consequently, there will not be any funds available to pay a dividend to the unsecured creditors of the Companies.

## **6. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS**

### **6.1 Investigations**

As part of our statutory duties as Administrators we have to consider the conduct of the directors of each of the Companies and the causes of the Companies' failure, and submit our confidential report to the Department of Business, Enterprise and Regulatory Reform.

Our statutory report has been submitted.

### **6.2 Connected Party Transactions**

We are not aware of any connected party transactions which have been carried out on other than an arm's length basis.

### **6.3 EC Regulations**

The Joint Administrators are required under the Insolvency Rules 1986 to state whether, and if so the extent to which, the above regulations apply to the Administrations. In this particular case the Companies Council Regulation (EU) No 1346/2000 will apply in respect of the Administrations and these proceedings will be main proceedings as provided by Article 3(1) of the aforesaid Regulation.

## **7. JOINT ADMINISTRATORS' FEES AND OTHER PROFESSIONAL COSTS**

### **7.1 Joint Administrators' Fees**

In accordance with Rule 2.106(5A) of The Rules, in the absence of a creditors' committee, the Administrators sought and obtained approval of our fees and expenses from the Group's secured and preferential creditors. The Joint Administrators' remuneration has been fixed by reference to the time properly given by us and our staff in attending to matters arising in the Administrations, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed. We have drawn no remuneration or expenses from the ten Companies that are now exiting Administration.

### **7.2 Other professional costs**

As previously reported, we instructed solicitors, Lovells LLP, who are experienced in dealing with company Administration Orders, to advise us on various legal matters. In addition, GVA Grimley, an experienced firm of property advisors and chattel agents, were instructed to market for sale the Group's freehold and long leasehold properties, and to provide valuation advice with regard to the Group's property portfolio. They were also instructed to undertake inventories and valuations and assist us with disposal of stock, plant and equipment, fixtures and fittings and other chattel assets where appropriate.

The professional costs paid to date by the Group to Lovells and GVA Grimley are summarised in the table below. All professional costs are reviewed before payment is approved.

<b>Name of lawyer/agent</b>	<b>Fees and Expenses (£)</b>
Lovells LLP	966,987
GVA Grimley	240,000
<b>Total</b>	<b>1,206,987</b>

**Capital Workforce Development Limited  
In Administration**

**Statutory Information**

**Company Number:** 4160556  
**Date of Incorporation:** 14/02/2001  
**Previous Name/s:** West London Workforce Development Limited  
Date Changed: 16/01/2007  
**Trading Names:** None

**Share Capital:**

**Authorised** Private Company Limited by Guarantee Without Share Capital - each member to contribute £1

**Allotted, called up and fully paid** 2 subscriber members

**Directors:** Rodney Westhead

**Company Secretary:** Mr Martin Purvis

**Shareholders** Capital Learning Services Limited

**Bankers** Barclays Bank plc  
6<sup>th</sup> Floor  
1 Churchill Place  
Canary Wharf  
London  
E14 5HP

Bank of Scotland  
155 Bishopsgate  
London

Lloyds TSB  
1<sup>st</sup> Floor, 48 Chiswell Street  
London  
EC1Y 4XX

**Auditors** KPMG Audit Plc  
1 The Embankment  
Leeds  
LS1 4DW

**Registered Office:** 1 Woodborough Road, Nottingham, NG1 3FG



**Former Registered Office:**

Ruddington Fields Business Park  
Mere Way  
Ruddington  
Nottinghamshire  
NG11 6JZ

**Trading Address:**

c/o Carter & Carter Group PLC, Ruddington  
Fields Business Park, Mere Way, Ruddington,  
Nottinghamshire, NG11 6JZ

**Court Reference:**

2013 of 2008, High Court of Justice, Chancery  
Division

## **Appendix 2**

### **Summary of Appointments**

#### **Subsidiary companies placed into Administration on 11 March 2008**

- 1** Carter & Carter Apprentice Learning Limited
- 2** Retail Motor Industry Training Limited
- 3** Capital Skills Limited
- 4** Capital Workforce Development Limited
- 5** Interactive Training Management Limited
- 6** Quantica Selection Training Limited
- 7** Quantica Training Limited
- 8** Carter & Carter Limited
- 9** NTP Limited
- 10** Carter & Carter Employability and Skills Limited
- 11** ASSA Training and Learning Limited
- 12** IMS (UK) Limited
- 13** Constant Browning Edmonds limited
- 14** Carter & Carter Colleges Limited
- 15** G.M.C Consultants Limited
- 16** Carter & Carter Group plc

#### **Subsidiary companies placed into Administration on 14 March 2008**

- 17** Emtec (Specialised Services) Limited

#### **The following companies were placed in Liquidation on 11 March 2009**

- Carter & Carter Apprentice Learning Limited
- Quantica Training Limited
- Carter & Carter Limited
- NTP Limited
- Carter & Carter Employability and Skills Limited
- Constant Browning Edmonds limited
- Carter & Carter Group plc

Capital Workforce Development Limited  
In Administration  
Joint Administrators' Abstract of Receipts and Payments  
to 10 September 2009

Appendix 3

	From 11 March 2008 to 10 September 2008	From 11 September 2008 to 10 March 2009	From 11 March 2009 to 10 September 2009	From 11 March 2008 to 10 September 2009
	Total (£)	Total (£)	Total (£)	Total (£)
<b>RECEIPTS</b>				
Cash at Bank	22,341	-	-	22,341
Rent	4,711	-	-	4,711
Bank Interest Gross	508	419	73	1,000
Rates Refunds	291	-	-	291
	<u>27,852</u>	<u>419</u>	<u>73</u>	<u>28,344</u>
<b>PAYMENTS</b>				
CAPA Commission	-	102	-	102
Stationery	-	141	-	141
Bank Charges	1	1	-	2
Irrecoverable VAT	-	-	39	39
Group Recharge	-	-	28,061	28,061
	<u>1</u>	<u>244</u>	<u>28,099</u>	<u>28,344</u>
Balance	<u>27,851</u>	<u>176</u>	<u>(28,027)</u>	<u>-</u>
<b>MADE UP AS FOLLOWS</b>				
VAT Receivable	-	42	(42)	-
IB Current A/C	27,851	133	(27,984)	-
	<u>27,851</u>	<u>176</u>	<u>(28,027)</u>	<u>-</u>

Notes:

- A. All funds are banked on an interest bearing account.  
B. The company is registered for VAT and the above receipts and payments are shown net of VAT.