

The Insolvency Act 1986

Administrators' progress report

Name of Company
Castlebeck Group Limited

Company number
04450369

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

Court case number
1622 of 2013

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

We (a)

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

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

David J Dunckley
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30 Finsbury Square
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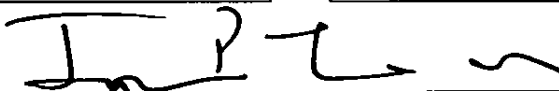
administrators of the above company attach a progress report for the period

(b) Insert date

From
(b) 5 September 2013

To
(b) 12 February 2014

Signed


Joint Administrator

Dated

14-3-14

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

Grant Thornton UK LLP
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T 0191 261 2631

DX Number

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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15/03/2014

#197

COMPANIES HOUSE



Our Ref JMc/PWS/SB/C01678/C01679/C01680/C01681/C01683/PF7

To the Secured Creditor

12 February 2014

Dear Sirs

Recovery and Reorganisation

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CB Care Limited
Castlebeck Care (Teesdale) Limited
Castlebeck Care Holdings Limited
Castlebeck Property Holdings Limited
Castlebeck Group Limited
All in Administration (together 'the Group')
High Court of Justice, Chancery Division, Companies Court
Nos 1617, 1618, 1619, 1620, and 1622 of 2013

1 Introduction

- 1.1 Following the appointment of my partners, Daniel Smith, David J Dunckley, and I, as Joint Administrators of the Group by the directors on 5 March 2013, I now report on the progress of the Administrations to 12 February 2014 and attach:
- Appendix A Form 2.24B, together with an account of our receipts and payments for the period from 5 September 2013 to 12 February 2014 and also for the whole Administration to date
 - Appendix B a statement of the remuneration charged by the Joint Administrators in the period 5 September 2013 to 12 February 2014 and a statement of expenses incurred in the period
 - Appendix C an analysis of our firm's time costs as required by Statement of Insolvency Practice 9
 - Appendix D an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the Administrator (Rule 2.48A)
 - Appendix E an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the Administrators' remuneration or expenses, if excessive (Rule 2.109)
- 1.2 Daniel Smith and David J Dunckley are authorised by the Insolvency Practitioners Association and I am authorised by The Institute of Chartered Accountants of Scotland 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 Joint Administrators are to be exercised by any or all of them

Chartered Accountants

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
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2 Statutory information

2.1 The Group's statutory details are as follows:

Registered number	
CB Care Limited ("CB Care")	05843078
Castlebeck Care (Teesdale) Limited ("Teesdale")	02050483
Castlebeck Care Holdings Limited ("CBCH")	03540515
Castlebeck Property Holdings Limited ("CBPH")	05887272
Castlebeck Group Limited ("CBG")	04450369

Registered office	c/o Grant Thornton UK LLP 4 Hardman Square Spinningfields Manchester M3 3EB
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3 Pre-appointment expenses

- 3.1 In our proposals dated 26 April 2013 we advised that time costs of £36,500 had been incurred with the view to the Group entering Administration and the planning of the Administrations to ensure that the care to patients and residents would not be interrupted. These time costs were discussed with the secured creditors and on 18 December 2013 we obtained approval for the payment of these time costs

4 Progress of the Administrations

- 4.1 The objective of the Administrations, as set out in the Joint Administrators' proposals dated 26 April 2013, was to pursue the objective of realising assets for the benefit of the secured creditors
- 4.2 Our strategy for achieving these objectives was to continue to manage the business of the Group for so long as we believed it appropriate in attempting the more advantageous realisation of assets
- 4.3 As advised in our proposals CB Care, CBCH and CBG are intermediate holding companies and do not trade.

Assets

Property portfolio

- 4.4 As advised in our report dated 4 October 2013, the business and assets of the Group were sold to Danshell Healthcare Limited (Danshell) on 3 September 2013. In addition to the sales proceeds, deferred consideration of £250,000 was due within three months of completion and further consideration of between £250,000 and £1 million is due within 16 months of completion depending on the occupancy levels at one of the homes
- 4.5 We can advise that the first payment of deferred consideration of £250,000 has been received.

Trading costs

- 4 6 Following the sale of the business and assets to Danshell on 3 September 2013, we have been finalising the trading period of the Administration. This process continues as there still remains trading receipts to collect (circa £90,000) and we are still receiving invoices from suppliers, although the number of these invoices has reduced significantly.

Book debts

- 4 7 At the date of our appointment Teesdale had book debts of £561,000. To date £514,132 has been collected. The remaining book debts are subject to collection activity by the Administrators.

Prescribed Part

- 4 8 Due to the expected quantum of trading losses, it is not anticipated that there will be any return to the unsecured creditors in any of the Group companies by virtue of the Prescribed Part payment.

Liabilities

Secured creditors

- 4 9 As previously advised the whole Group provided security to the Group's lenders.
- 4 10 The directors' statement of affairs indicate a debt due to the Lenders at the date of appointment of £217 million. There is, therefore, no prospect of the Lenders being repaid in full.
- 4 11 To date £19 million has been paid to the Lenders on account.

Preferential creditors

- 4 12 As previously advised, as part of the sale process all 835 members of Teesdale staff transferred under TUPE regulations to Danshell. There are, therefore, no preferential creditor claims in this matter.

Unsecured creditors

- 4 13 As advised above, no Prescribed Part payment to the unsecured creditors in any of the Group companies is currently anticipated. There will, therefore, be no dividend available to be paid to any unsecured creditors within the Group.

Other matters

- 4 14 There are over 25 ongoing insurance claims against the Group, which relate both prior to our appointment, and during the Administrations. These claims include some sensitive issues but in the main we are content for them to be processed by insurers, with assistance being provided as required. In addition, the position in relation to the Winterbourne View matter has still not been resolved fully.

5 Extension of the Administrations

- 5 1 I can advise that an extension of the Administrations is required for the following reasons.

- To enable the Administration trading period to be finalised in a controlled manner.

- To allow the finalisation of taxation matters both pre and post appointment including the completion of both pre and post appointment taxation returns for the Group, and liaising with Danshell in relation to s.198 elections (capital allowances)
- To ensure that the ongoing insurance matters and the Winterbourne View matter are resolved appropriately

5.2 A statement was made pursuant to Paragraph 52(1)(b) of Schedule B1 of the Insolvency Act 1986 to the effect that no funds would be available for unsecured creditors and, consequently, the consent of the secured creditors only is required to extend the Administrations for a period of six months

6 Joint Administrators' remuneration and expenses

6.1 Ordinarily the legislation provides that the creditors' committee, if appointed, should determine the basis of the Joint Administrators' remuneration, and if no committee is appointed, a resolution of creditors is required. In these Administrations, however, as no committee was appointed and, as we are of the opinion that there will be no funds available for the unsecured creditors, responsibility for the agreement of the Joint Administrators' remuneration and expenses falls upon the secured creditor. That is because it is this class of creditor that ultimately will bear these costs

6.2 In accordance with Statement of Insolvency Practice (SIP 9), I attach at Appendix C a summary of the Administrators' time costs to 12 February 2014 by grade of staff and type of work. This shows total time costs as follows:

Company	Time costs to date £
CB Care Limited	91,891.00
Castlebeck Care Holdings Limited	14,734.75
Castlebeck Care (Teesdale) Limited	2,065,168.20
Castlebeck Group Limited	73,455.25
Castlebeck Property Holdings Limited	18,886.50
Total	2,264,135.70

6.3 I can advise that Administrators' remuneration of £1,910,000 has been taken in the period as indicated in Appendix A

6.4 Time costs and expenses of £363,000 and £5,000 respectively incurred in the period but not drawn to date are disclosed in Appendix B.

6.5 In addition to our firm's time costs relating to the Administrations, £220,000 (plus VAT) was due to Grant Thornton UK LLP Corporate Finance in relation to its contingency commission fee on the sale of the business and assets. This has also been approved by the secured creditors and paid during the period

- 6 6 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 Other expenses incurred by the Joint Administrators

- 7 1 Details of other expenses incurred in the period to 12 February 2014 are disclosed at Appendix B You will note that these primarily relate to legal fees and outstanding trading matters.

I trust that the above will be of assistance to you but should you require any clarification please contact my colleague Philip Stephenson (T 0191 203 7791)

Yours faithfully
for and on behalf of
CB Care Limited
Castlebeck Care (Teesdale) Limited
Castlebeck Care Holdings Limited
Castlebeck Property Holdings Limited
Castlebeck Group Limited



Joseph P McLean
Joint Administrator

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

Enc

A Abstract of the Administrators' receipts and payments

Castlebeck Care (Teesdale) Limited - In Administration

Receipts and payments account as at 12 February 2014

	Statement of affairs / £	Fixed Charge / £	Floating Charge / £	Total / £
RECEIPTS				
Realisations				
Freehold properties	18,825,000	10,302,199	-	10,302,199
Goodwill / intellectual property	-	13,458,161	-	13,458,161
Chattels	140,000	-	447,373	447,373
Stock	-	-	15,000	15,000
Motor vehicles	140,000	-	312,831	312,831
Book Debts	505,000	-	514,132	514,132
Other	29,000	-	-	-
Trading				
Sales	-	-	14,293,394	14,293,394
Cash at Bank	-	-	100,000	100,000
Bank Interest	-	3,876	-	3,876
Resident Monies	-	-	150,514	150,514
Sundries	-	-	14,992	14,992
Loan from Fixed account	-	-	3,250,000	3,250,000
	19,639,000	23,764,236	19,098,236	42,862,472
PAYMENTS				
Trading				
Purchases	-	-	695,297	695,297
Subscriptions	-	-	13,941	13,941
Client/Resident Contribution	-	-	783	783
Rents	-	-	79,020	79,020
Council Tax & Rates	-	-	49,318	49,318
Heat & Light	-	-	251,591	251,591
Accommodation & Travel	-	-	62,199	62,199
Telephone	-	-	69,520	69,520
Employment Agencies	-	-	1,507,064	1,507,064
Insurance	-	-	361,086	361,086
Interim management / Professional Fees	-	-	1,144,817	1,144,817
Bank charges / Interest	-	-	118,618	118,618
Training	-	-	147,075	147,075
Rental/Lease/HF Payments	-	-	17,391	17,391
Rental to CBPH	-	-	1,080,000	1,080,000
IT Services & Support	-	-	98,899	98,899
Repairs & Maintenance	-	-	356,615	356,615
Petty Cash	-	-	486,880	486,880
Property Expenses	-	-	255,847	255,847
Vehicle Running Costs	-	-	84,724	84,724
Resident Activities	-	-	16,752	16,752
Stationery	-	-	3,050	3,050
Postages	-	-	7,368	7,368
PAYE/NI	-	-	2,498,891	2,498,891
Net Wages	-	-	7,402,496	7,402,496
Other Payroll Deductions	-	-	397,685	397,685
Licenses	-	-	1,738	1,738
Pre Appointment Trading Costs	-	-	599,831	599,831
Sundry Trading Costs	-	-	9,552	9,552
Trading Costs (To Be Reallocated)	-	-	-	-
Trading Creditors (To Be Reallocated)	-	-	38,212	38,212
Loan to Floating account	-	3,250,000	-	3,250,000
Other				
Joint Administrators' Fees	-	1,910,023	-	1,910,023
Joint Administrators' Expenses	-	-	16,280	16,280
Grant Thornton UK LLP CF	-	220,214	-	220,214
Agents' Fees	-	-	7,025	7,025
Legal Fees	-	179,274	307,179	486,453
Agent on behalf of the Lenders	-	15,752,675	-	15,752,675
Statutory Advertising	-	-	254	254
Storage costs	-	-	1,215	1,215
VAT Irrecoverable	-	461,902	675,414	1,137,316
		21,774,088	18,863,626	40,637,714
Balances		1,990,148	234,610	2,224,758

Note: Sales Includes receipts of £133,000 which are overpayments from the funding party

Castlebeck Care (Teestdale) Limited - In Administration

Receipts and payments account 5 September 2013 to 12 February 2014

	Statement of affairs / £	Fixed Charge / £	Floating Charge / £	Total / £
RECEIPTS				
Realisations				
Freehold properties	18,825,000	250,000	-	250,000
Goodwill / intellectual property		-	-	-
Chattel	140,000	-	-	-
Stock		-	-	-
Motor vehicles	140,000	-	-	-
Book Debts	505,000	-	1,357	1,357
Other	29,000	-	-	-
Trading				
Sales			1,712,135	1,712,135
Cash at Bank		-	-	-
Bank Interest		3,616	(1,359)	2,257
Resident Monies		-	(27,927)	(27,927)
Sundries		-	13,609	13,609
Loan from Fixed account		-	3,250,000	3,250,000
	19,639,000	253,616	4,947,816	5,201,432
PAYMENTS				
Trading				
Purchases		-	246,652	246,652
Subscriptions			1,884	1,884
Client/Resident Contribution		-	-	-
Rents		-	13,526	13,526
Council Tax & Rates		-	10,266	10,266
Heat & Light		-	101,131	101,131
Accommodation & Travel		-	19,595	19,595
Telephone		-	29,530	29,530
Employment Agencies		-	522,875	522,875
Insurance		-	40,811	40,811
Interim management / Professional Fees		-	286,671	286,671
Bank charges / Interest		-	26,955	26,955
Training		-	43,080	43,080
Rental/Lease/HP Payments		-	6,664	6,664
Rental to CBPH		-	-	-
IT Services & Support		-	13,987	13,987
Repairs & Maintenance		-	156,308	156,308
Petty Cash		-	135,784	135,784
Property Expenses		-	89,803	89,803
Vehicle Running Costs		-	29,713	29,713
Resident Activities		-	3,529	3,529
Stationery		-	-	-
Postages		-	1,748	1,748
PAYE/NI		-	41,336	41,336
Net Wages		-	183,069	183,069
Other Payroll Deductions		-	10,428	10,428
Licenses		-	-	-
Pre Appointment Trading Costs		-	24,145	24,145
Sundry Trading Costs		-	7,619	7,619
Trading Costs (To Be Reallocated)		-	(897,700)	(897,700)
Trading Creditors (To Be Reallocated)		-	32,530	32,530
Loan to Floating account		3,250,000	-	3,250,000
Other				
Joint Administrators' Fees		1,910,023	-	1,910,023
Joint Administrators' Expenses		-	-	-
Grant Thornton UK LLP CF		220,214	-	220,214
Agents Fees		-	2,365	2,365
Legal Fees		179,274	53,972	233,246
Agent on behalf of the Lenders		15,752,675	-	15,752,675
Statutory Advertising		-	-	-
Storage costs		-	1,215	1,215
VAT irrecoverable		461,902	232,742	694,644
		21,774,088	1,472,233	23,246,321
Balances		(21,520,472)	3,475,583	(18,044,889)

CB Property Holdings Limited - In Administration
Receipts and payments account as at 12 February 2014

Statement of affairs / £	5 September 2013 to 12 February 2014			As at 12 February 2014		
	Fixed Charge / £	Floating Charge / £	Total / £	Fixed Charge / £	Floating Charge / £	Total / £
RECEIPTS						
Realisations		-		2,200,490	-	2,200,490
Freehold properties	7,600,000	-		-	32,636	32,636
Chattels	20,000	-		-	-	-
Rental income	-	-		1,080,000	-	1,080,000
Bank interest	-	118	118	-	142	142
				3,280,532	32,636	3,313,267
PAYMENTS						
Agent for the secured creditors	2,000,000	-	2,000,000	2,000,000	-	2,000,000
	2,000,000	-	2,000,000	2,000,000	-	2,000,000
Balances	2,000,118	-	2,000,118	1,280,532	32,636	1,313,267

Castlebeck Care Holdings Limited - In Administration
Receipts and payments account as at 12 February 2014

Statement of affairs / £	5 September 2013 to 12 February 2014			As at 12 February 2014		
	Fixed Charge / £	Floating Charge / £	Total / £	Fixed Charge / £	Floating Charge / £	Total / £
RECEIPTS						
Realisations		-		1,247,311	-	1,247,311
Freehold properties	-	-		14	-	14
Bank interest	-	-		1,247,325	-	1,247,325
PAYMENTS						
Agent for the secured creditors	(1,247,325)	-	(1,247,325)	1,247,325	-	1,247,325
	(1,247,325)	-	(1,247,325)	1,247,325	-	1,247,325
Balances	(1,247,325)	-	(1,247,325)	-	-	-

B Remuneration charged and expenses incurred by the
Administrators in the period (net of irrecoverable VAT)

	Charged/incurred in period 05/09/2013 to 12/02/2014 £'000	Cumulative charged/incurred to 12/02/2014 £'000	Of which paid to 12/02/2014 £'000
Trading expenses		17,490	17,436
Joint Administrators' fees	363	2,264	1,910
Time costs			
Expenses	5	26	16
Professional fees			
Piele Consulting	2	46	46
KPMG LLP	-	18	18
Legal fees			
Denton UKMEA LLP	35	285	284
Brodies LLP	-	10	10
Bond Dickinson LLP	-	98	98
Radcliffes Le Brasseur	5	48	47
Burness Paull & Williamson LLP	-	17	17
Agents/valuers			
GVA		7	7
Insurance	41	361	361

C SIP 9 information

Introduction

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

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as 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 5 March 2013
	£
Partners up to	655
Managers up to	455
Administrators up to	320
Assistants and support staff up to	275

Disbursements

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

CB Care Limited - In Administration
Transaction period : 05/03/2013 to 12/02/2014

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg Hrv Rate	Hrs	£	Avg Hrv Rate	Hrs	£	Avg Hrv Rate	Hrs	£	Avg Hrv Rate
Administration and Planning	5140	33,687.00	655.00	10070	37,089.75	368.2	2429	6,870.75	278.00	7839	77,465.50	438.89
Creditors												
Hiatus period				517	2,034.75	393.57				517	2,034.75	393.57
Investigations				3501	1,487.50	425.00	075	206.25	275.00	425	1,693.75	398.53
Realisation of Assets	045	204.75	655.00	800	7,650.00	425.00	980	2,685.00	275.00	2825	10,638.75	376.83
Trading				025	108.25	425.00				025	108.25	425.00
Total	5185	33,981.75	655.00	12782	48,348.25	378.66	3484	9,681.00	276.00	21431	91,891.00	428.78

Castlebeck Care Holdings Limited - In Administration

Transaction period : 05/03/2013 to : 12/02/2014

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg Hrv Rate	Hrs	£	Avg Hrv Rate	Hrs	£	Avg Hrv Rate	Hrs	£	Avg Hrv Rate
Administration and Planning	840	5,502.00	655.00	316	1,273.75	403.37	640	4,500.00	275.00	2795	11,285.75	403.78
Creditors												
Hiatus period												
Investigations				333	14,625	425.00	025	68.75	275.00	358	14,840.00	414.53
Realisation of Assets												
Trading	300	1,985.00	655.00							300	1,985.00	655.00
Total	1140	7,487.00	655.00	648	2,689.00	414.87	1665	4,578.75	275.00	3453	14,734.75	426.72

Castlebeck Care (Teesdale) Limited - In Administration

Transaction period : 05/03/2013 to : 12/02/2014

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg. Hrrly Rate	Hrs	£	Avg. Hrrly Rate	Hrs	£	Avg. Hrrly Rate	Hrs	£	Avg. Hrrly Rate
Administration and Planning	247.74	82,269.70	655.00	903.48	382,303.00	423.14	509.41	140,013.50	275.00	1660.38	684,586.20	412.31
Creditors	3.00	1965.00	655.00	64.96	27,606.00	425.00	76.00	20,927.50	275.00	144.06	50,500.50	350.55
Hiatus period												
Investigations	7.00	4,585.00	655.00	9.41	3,999.25	425.00	6.60	4,280.00	275.00	32.00	12,874.25	402.31
Realisation of Assets	98.65	64,550.25	655.00	78.29	33,143.25	423.34	465.65	28,053.75	275.00	642.49	225,747.25	351.38
Trading	32.00	204,360.00	655.00	487.79	197,917.00	423.09	2,506.00	688,183.00	275.00	3,285.91	1,091,480.00	332.31
Total	688.29	437,729.95	666.00	1,623.93	644,970.50	423.23	3,572.61	982,467.75	275.00	5,764.83	2,065,168.20	358.24

Castlebeck Group Limited - In Administration

Transaction period : 05/03/2013 to : 12/02/2014

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg. Hrrly Rate	Hrs	£	Avg. Hrrly Rate	Hrs	£	Avg. Hrrly Rate	Hrs	£	Avg. Hrrly Rate
Administration and Planning	74.60	48,863.00	655.00	7.48	2,870.25	383.72	214.00	5,885.00	275.00	103.48	57,618.25	556.81
Creditors												
Hiatus period												
Investigations				2.58	1,086.50	425.00	0.25	68.75	275.00	2.83	185.25	411.75
Realisation of Assets	535	3,504.25	655.00				2.50	687.50	275.00	7.85	4,191.75	533.88
Trading	6.00	1,480.00	655.00							6.00	1,480.00	655.00
Total	95.88	82,847.25	655.00	10.06	3,956.75	394.31	24.15	6,641.25	275.00	130.16	73,455.25	664.38

Castlebeck Property Holdings Limited - In Administration

Transaction period 05/03/2013 to 12/02/2014

	Partner			Manager			Administrators / Support staff			Total		
	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate	Hrs	£	Avg. Hrly Rate
Administration and Planning	14.65	9,595.75	655.00	6.40	2,819.25	409.28	24.01	6,602.75	275.00	45.06	18,877.50	417.82
Creditors												
Hiatus period												
Investigations							0.25	68.75	275.00	0.25	68.75	275.00
Realisation of Assets												
Trading												
Total	14.65	9,595.75	655.00	6.40	2,819.25	409.28	24.26	6,671.50	275.00	45.31	18,886.50	418.83

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

Rule 2.48A

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

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

Rule 2.109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2.106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly.
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration