

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  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

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

(b) Insert date


From

(b) 22 July 2014

To

(b) 21 January 2015

Signed

  
 Joint Administrator

Dated

19-2-15

**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 published

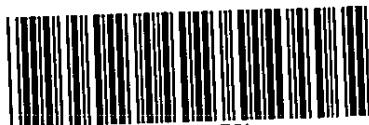
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DX Number

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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20/02/2015

#301

COMPANIES HOUSE

Our Ref JMcL/PWS/SB/C01678/PF7  
Your Ref

To the Creditors

19 February 2015

Dear Sirs

**Advisory**

Grant Thornton UK LLP  
75 - 85 Grey Street  
Newcastle upon Tyne  
NE1 6EF

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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 1621, 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 21 January 2015 and attach
- Appendix A Form 2.24B, together with an account of our receipts and payments for the period from 22 July 2014 to 21 January 2015 and also for the whole Administrations to date
  - Appendix B a statement of the remuneration charged by the Joint Administrators in the period 22 July 2014 to 21 January 2015 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 Administrator's 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. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions. 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. Please see [www.grant-thornton.co.uk](http://www.grant-thornton.co.uk) for further details.

## **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 report**

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 was due within 16 months of completion depending on the occupancy levels at one of the homes.

4 5 As previously noted the first payment of deferred consideration of £250,000 was received in the period to 21 July 2014. The final payment fell due on 3 January 2015. We have been advised by Danshell that only the lower amount of £250,000 is due but at present this amount remains unpaid. We remain in regular contact with Danshell in relation to the payment of this final element of the consideration.

#### Book debts

- 4 6 At the date of our appointment Teesdale had book debts of £561,000. To date £514,132 has been collected. The remaining book debts continue to be subject to collection activity by the Administrators but further realisations are considered unlikely.

- 4 7 We have also identified that the Group may be able to obtain a VAT refund on part of the VAT incurred during the period January 1993 to March 2002 (referred to as a Kingcrest VAT refund). We have reviewed the Group's portfolio and there are four homes for which a possible refund could be obtained. We remain in negotiations with the Local Authorities (which have to recognise the output VAT) and HMRC on this matter, but now believe that any refund received will be in the order of £40,000.

#### Sale of tax losses

- 4 8 During the period the sale of tax losses, which were held in CB Care Limited, was completed to Mental Health Care (U.K.) Limited for £75,000.

#### Prescribed Part

- 4 9 Due to the expected quantum of trading losses, which has been funded with the agreement of the secured creditors from fixed charge realisations, 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 10 As previously advised the whole Group provided security to the Group's lenders.
- 4 11 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 12 To date £20,500,000 million has been paid to the Lenders on account (under their fixed charge security).

##### Preferential creditors

- 4 13 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 regard. However, we are aware that there are a number of Employment Tribunal cases which may result in preferential claims being received. These cases are ongoing and, due to the level of trading losses, the claimants have been advised that there is no prospect of a dividend to preferential creditors in this matter.

##### Unsecured creditors

- 4 14 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 15 There remain 15 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 Joint Administrators' remuneration and expenses**

- 5 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 creditors. That is because it is this class of creditor that ultimately will bear these costs.
- 5 2 In accordance with Statement of Insolvency Practice (SIP 9), I attach at Appendix C a summary of the Administrators' time costs to 21 January 2015 by grade of staff and type of work. This shows total time costs as follows:

Company	Time costs to date £
CB Care Limited	128,454.00
Castlebeck Care Holdings Limited	18,988.25
Castlebeck Care (Teesdale) Limited	2,207,654.70
Castlebeck Group Limited	81,295.75
Castlebeck Property Holdings Limited	25,653.75
<b>Total</b>	<b>2,462,046.45</b>


- 5 3 I can advise that Administrators' remuneration of £200,000 has been taken in the period as indicated in Appendix A.
- 5 4 Time costs of £66,794 incurred in the period but not drawn to date are disclosed in Appendix B.
- 5 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.
- 5 6 Background information regarding the fees of Administrators can be found at [www.insolvency-practitioners.org.uk](http://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.

**6 Other expenses incurred by the Joint Administrators**

- 61 Details of other expenses incurred in the period to 21 January 2015 are disclosed at Appendix B. You will note that these primarily relate to legal fees and consultancy fees relating to employment tribunal 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

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## A Abstract of the Administrators' receipts and payments

Castlebeck Care (Teesdale) Limited - In Administration

Receipts and payments account as at 21 January 2015

	Statement of affairs / £	Fixed Charge / £	Floating Charge / £	Total / £
<b>RECEIPTS</b>				
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		454	454
Trading		-	-	-
Sales		-	14,200,626	14,200,626
Cash at Bank			100,000	100,000
Bank Interest		7,473		7,473
Resident Monies			136,199	136,199
Sundries		-	16,332	16,332
Loan from Fixed account			3,650,000	3,650,000
	19,639,000	23,767,833	19,392,947	43,160,780
<b>PAYMENTS</b>				
Trading				
Purchases			726,702	726,702
Subscriptions		-	13,941	13,941
Client/Resident Contribution			783	783
Rents			68,200	68,200
Council Tax & Rates			50,403	50,403
Heat & Light		-	246,191	246,191
Accommodation & Travel		-	62,199	62,199
Telephone		-	67,846	67,846
Employment Agencies		-	1,510,679	1,510,679
Insurance		-	398,913	398,913
Interim management / Professional Fees			1,224,304	1,224,304
Bank charges / interest			118,530	118,530
Training			155,379	155,379
Rental/Lease/HP Payments			17,391	17,391
Rental to CBPH		-	1,080,000	1,080,000
IT Services & Support		-	100,999	100,999
Repairs & Maintenance		-	368,537	368,537
Petty Cash		-	388,131	388,131
Property Expenses		-	257,399	257,399
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		-	2,508,602	2,508,602
Net Wages		-	7,402,398	7,402,398
Other Payroll Deductions		-	397,685	397,685
Licenses		-	1,738	1,738
Pre Appointment Trading Costs		-	607,442	607,442
Sundry Trading Costs		-	8,277	8,277
Trading Costs (To Be Reallocated)		-	-	-
Trading Creditors (To Be Reallocated)		-	-	-
Loan to Floating account		3,650,000		3,650,000
Other		-		-
Joint Administrators' Fees		2,460,023		2,460,023
Joint Administrators' Expenses		-	31,445	31,445
Grant Thornton UK LLP CF		220,214	-	220,214
Agent's Fees		-	7,025	7,025
Legal Fees		179,274	356,968	536,242
Agent on behalf of the Lenders		16,252,675	-	16,252,675
Statutory Advertising		-	254	254
Storage costs		-	4,290	4,290
VAT irrecoverable		571,902	697,120	1,269,022
		23,334,088	18,991,867	42,325,955
<b>Balances</b>		433,745	401,080	834,825

Notes Sales includes receipts of £87,000 which are overpayments from the funding party

## Castlebeck Care (Teesdale) Limited - In Administration

## Receipts and payments account 22 July 2014 to 21 January 2015

	Statement of affairs / £	Fixed Charge / £	Floating Charge / £	Total / £
<b>RECEIPTS</b>				
Realisations				
Freehold properties	18,825,000	-	-	-
Goodwill / intellectual property	-	-	-	-
Chattels	140,000	-	-	-
Stock	-	-	-	-
Motor vehicles	140,000	-	-	-
Book Debts	505,000	-	-	-
Other	29,000	-	454	454
Trading	-	-	-	-
Sales	-	-	(59,838)	(59,838)
Cash at Bank	-	-	-	-
Bank interest	-	1,552	-	1,552
Resident Monies	-	-	(15,151)	(15,151)
Sundries	-	-	-	-
Loan from Fixed account	-	-	-	-
	19,639,000	1,552	(74,535)	(72,983)
<b>PAYMENTS</b>				
Trading	-	-	-	-
Purchases	-	-	-	-
Subscriptions	-	-	-	-
Client/Resident Contribution	-	-	-	-
Rents	-	-	-	-
Council Tax & Rates	-	-	-	-
Heat & Light	-	-	(4,735)	(4,735)
Accommodation & Travel	-	-	-	-
Telephone	-	-	(1,740)	(1,740)
Employment Agencies	-	-	555	555
Insurance	-	-	104,675	104,675
Interim management / Professional Fees	-	-	26,512	26,512
Bank charges / interest	-	-	(161)	(161)
Training	-	-	225	225
Rental/Lease/HP Payments	-	-	-	-
Rental to CBPH	-	-	-	-
IT Services & Support	-	-	-	-
Repairs & Maintenance	-	-	1,880	1,880
Petty Cash	-	-	-	-
Property Expenses	-	-	150	150
Vehicle Running Costs	-	-	-	-
Resident Activities	-	-	-	-
Stationery	-	-	-	-
Postages	-	-	-	-
PAYE/NI	-	-	-	-
Net Wages	-	-	(98)	(98)
Other Payroll Deductions	-	-	-	-
Licenses	-	-	-	-
Pre Appointment Trading Costs	-	-	476	476
Sundry Trading Costs	-	-	-	-
Trading Costs (To Be Reallocated)	-	-	-	-
Trading Creditors (To Be Reallocated)	-	-	-	-
Loan to Floating account	-	-	-	-
Other	-	-	-	-
Joint Administrators' Fees	-	200,000	-	200,000
Joint Administrators' Expenses	-	-	15,166	15,166
Grant Thornton UK LLP CF	-	-	-	-
Agent's Fees	-	-	-	-
Legal Fees	-	-	17,675	17,675
Agent on behalf of the Lenders	-	500,000	-	500,000
Statutory Advertising	-	-	-	-
Storage costs	-	-	1,410	1,410
VAT Irrecoverable	-	40,000	7,341	47,341
		740,000	169,333	909,333
<b>Balances</b>		<b>(738,448)</b>	<b>(243,868)</b>	<b>(982,315)</b>

Notes      The reduction of sales follows the refund of overpayments



## Castlebeck Property Holdings Limited - In Administration

## Receipts and payments account as at 21 January 2015

Statement of affairs / £	22 July 2014 to 21 January 2015			As at 21 January 2015		
	Fixed Charge / £	Floating Charge / £	Total / £	Fixed Charge / £	Floating Charge / £	Total / £
RECEIPTS						
Realisations						
Freehold properties	7 600,000	-	-	2 200,490	-	2,200,490
Chattels	20 000	-	-		32,635	32,635
Rental income	-	-	-	1,080,000	-	1 080,000
Bank interest		682	682	1 137	-	1,137
				3 281 627	32,635	3,314,262
PAYMENTS						
Corporation tax	-	82	-	-	82	82
Agent for the secured creditors		-	-	3 000 000	-	3,000,000
		82	82	3 000,000	82	3 000 082
Balances	682	(82)	610	281,627	32,553	314,180

## Castlebeck Care Holdings Limited - In Administration

## Receipts and payments account as at 21 January 2015

Statement of affairs / £	22 July 2014 to 21 January 2015			As at 21 January 2015		
	Fixed Charge / £	Floating Charge / £	Total / £	Fixed Charge / £	Floating Charge / £	Total / £
RECEIPTS						
Realisations						
Freehold properties	-	-	-	1,247,311	-	1,247,311
Bank interest	-	-	-	14	-	14
				1 247 325	-	1,247,325
PAYMENTS						
Agent for the secured creditors		-	-	1,247,325	-	1 247 325
		-	-	1,247,325	-	1,247 325
Balances						

## CB Care Limited - In Administration

## Receipts and payments account as at 21 January 2015

Statement of affairs / £	22 July 2014 to 21 January 2015			As at 21 January 2015		
	Fixed Charge / £	Floating Charge / £	Total / £	Fixed Charge / £	Floating Charge / £	Total / £
RECEIPTS						
Realisations						
Sale of tax losses	-	74,847	74 847	-	74,847	74 847
Bank interest		160	160		160	160
		74,807	74,807		74 807	74,807
PAYMENTS						
Agent for the secured creditors		-	-	-	-	-
		-	-	-	-	-
Balances		74,807	74,807		74,807	74,807

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

	Charged/incurred in period 22/07/2014 to 21/01/2015	Cumulative charged/incurred to 21/01/2015	Of which paid to 21/01/2015
	£'000	£'000	£'000
Trading expenses			
Joint Administrators' fees			
Time costs	67	2,462	2,460
Expenses	15	31	31
Professional fees			
Piele Consulting	-	46	46
KPMG	-	18	18
Des Winchester	1	6	-
S Browell	3	3	3
Legal fees			
Denton UKMEA LLP	18	334	333
Brodies LLP	-	10	10
Bond Dickinson LLP	-	98	98
Radcliffes Le Brasseur	-	48	47
Burness Paull & Williamson LLP	-	17	17
Agents/valuers			
GVA	-	7	7
Insurance	105	399	399

## 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 used from time to time by Grant Thornton UK LLP

### Castlebeck Care (Teesdale) Limited - In Admin - C30201678 - SIP 9 TIME COST ANALYSIS

Transaction period All transactions

	Partner			Manager			Administrator/Support Staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	270.99	17,498.45	655.00	693.75	417,654.00	423.28	631.79	173,742.25	275.00	1806.53	708,804.70	405.42
Creditors	6.00	3,930.00	655.00	76.92	32,601.00	425.00	79.79	21,942.25	275.00	62.71	58,553.25	359.92
Hiatus period												
Investigations	7.00	4,595.00	655.00	17.33	7,355.25	425.00	17.66	4,853.75	275.00	41.98	16,804.00	400.29
Realisation of Assets	96.55	64,500.25	655.00	56.34	40,389.50	418.24	489.45	134,583.75	275.00	684.34	238,538.50	350.03
Trading	315.00	206,325.00	655.00	483.21	204,990.50	424.23	2,591.06	712,539.75	275.00	3,389.26	1,021,654.25	331.99
Total	697.54	456,888.70	655.00	1,667.55	703,090.25	421.63	3,809.73	1,047,675.75	275.00	5,174.82	2,207,654.70	357.53

### Castlebeck Group Limited - In Administration - C30201680 - SIP 9 TIME COST ANALYSIS

Transaction period All transactions

	Partner			Manager			Administrator/Support Staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	66.40	43,492.00	655.00	31.90	11,607.50	363.87	37.67	11,359.25	275.00	135.97	66,453.75	481.42
Creditors												
Hiatus period												
Investigations				2.58	1,696.50	425.00	25	68.75	275.00	2.83	1,155.25	411.75
Realisation of Assets	5.36	3,504.25	655.00				2.50	687.50	275.00	7.86	4,191.75	533.89
Trading	16.00	10,480.00	655.00							6.00	10,480.00	655.00
Total	87.76	57,476.25	655.00	34.48	12,704.00	368.45	40.42	11,115.50	275.00	162.65	81,295.75	499.82

### Castlebeck Property Holdings Limited - In Adm - C30201681 - SIP 9 TIME COST ANALYSIS

Transaction period All transactions

	Partner			Manager			Administrator/Support Staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning Creditors	15.50	1,162.50	655.00	7.55	3,095.00	408.52	44.85	2,335.50	275.00	67.92	25,555.00	378.89
Hiatus period												
Investigations							25	68.75	275.00	25	68.75	275.00
Realisation of Assets												
Trading												
Total	15.50	10,152.50	655.00	7.55	3,095.00	408.52	45.11	12,405.25	275.00	68.17	25,653.75	376.32

### CB Care Limited - In Administration - C30201683 - SIP 9 TIME COST ANALYSIS

Transaction period All transactions

	Partner			Manager			Administrator/Support Staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning Creditors	78.85	51,646.75	655.00	138.24	46,550.75	336.75	37.99	11,447.25	275.00	243.08	158,644.75	446.95
Hiatus period				14.11	6,022.25	425.00				14.11	6,022.25	425.00
Investigations				5.50	2,337.50	425.00	75	206.25	275.00	6.25	2,543.75	407.00
Realisation of Assets	45	294.75	655.00	18.11	8,147.25	450.00	9.80	2,695.00	275.00	28.42	11,970.00	378.55
Trading				25	106.25	425.00				25	106.25	425.00
Total	79.30	51,941.50	655.00	165.33	63,844.00	382.05	48.54	13,348.50	275.00	293.17	128,454.00	438.46

# Castlebeck Care Holdings Limited \_ In Adminis - C30201679 - SIP 9 TIME COST ANALYSIS

Transaction period All transactions

	Partner			Manager			Administrator/Support Staff			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning Creditors	8.66	5,666.75	655.00	3.57	1,439.25	403.6	30.67	8,434.25	275.00	42.89	15,530.25	362.30
Hiatus period												
Investigations				3.33	1415.25	425.00	.25	68.75	275.00	3.58	1,484.00	414.59
Realisation of Assets												
Trading	3.00	1965.00	655.00							3.00	1965.00	655.00
Total	11.66	7,630.75	655.00	6.90	2,864.50	413.70	30.92	8,503.00	275.00	49.47	20,998.25	383.83

## 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