

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Loyds Careco UK Limited

Company number

05296598

In the  
High Court of Justice, Chancery Division  
Companies Court

(full name of court)

Court case number  
3237 of 2010(a) Insert full  
name(s) and  
address(es) of  
administrator(s)We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YUDavid J 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) 7 September 2012

(b) 5 March 2013

Signed

Joint Administrator

Dated

4 April 2013

**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 R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

DX Number

020 7184 4300  
DX Exchange

Companies House receipt date barcode

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

SATURDAY



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06/04/2013

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COMPANIES HOUSE

Our Ref DRS/PAM/KLM/EZF/L00168B/

**To the creditors**

4 April 2013

Dear Sirs

**Recovery and Reorganisation**

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**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 Duncley 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 5 March 2013 and attach

- Appendix A, statutory information in respect of the Group
- Appendix B, Forms 2.24B for the companies, together with an account of our receipts and payments for the period to 5 March 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 5 March 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, Mutton 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 The Group holds a freehold property portfolio which rents out 64 nursing homes acquired in 2005. It also owns two care homes which have been closed.

- 2.3 At the date of the appointment the freehold properties were held as follows,

Loyds Propco No 1 Limited 57 properties  
Loyds Propco No 2 Limited 4  
Churchill Court Propco Limited 1  
Crown Albany Care Limited 1  
Chiltern Care Holdings Limited 1

- 2.4 Upon my appointment the assets of the Group were immediately insured.

- 2.5 Property agents have been instructed with regard to managing the portfolio.

- 2.6 To facilitate the sale of the portfolio the properties were transferred to newly formed subsidiary companies. These subsidiary companies are subject to inter-company interest bearing loan arrangements in respect of the consideration for the transferred properties.

- 2.7 The Joint Administrators have continued to collect rents due from the properties within the subsidiary companies whilst marketing the portfolio. To date, c.£28.1m has been collected and has been distributed to the charge holders, in payment of interest and capital under the terms of their security over the Group's assets.

- 2.8 After a marketing period following our appointment, a number of interested parties were identified for the Group's assets.

- 2.9 However, due to the uncertain financial situation of one of the Group's key tenants, Southern Cross Care Homes plc, a transaction was not progressed.

## **3 Southern Cross Group Plc**

- 3.1 Of the Group's 64 care homes 54 were let to Southern Cross Group plc (or its subsidiary undertakings) (SCG).

- 3.2 The financial predicament of SCG has been well documented. This culminated in SCG unilaterally implementing a 30% reduction to the rent payable to the Group and other landlords in May 2011. Landlords did not accept this reduction and, together with the other SCG stakeholders, commenced restructuring discussions.

- 3 3 As the Administrator to the Group, a significant landlord to the SCG, I was closely involved in the negotiations concerning the restructuring of Southern Cross in order to best protect the interests of landlords and thus protect the value of the Group's homes for the benefit of the creditors
- 3 4 SCG embarked on a solvent wind-down of their business. As part of this procedure all care homes were returned to landlords. Accordingly, I arranged for Four Seasons to take over the operation of these homes from 1 November 2011. Four Seasons are now the tenant in all but 2 of the homes. These 2 homes have been closed and we have accepted offers for them which we should exchange on in the coming month
- 3 5 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
- 3 6 As part of the agreement, Four Seasons has taken a five year option to buy both the existing homes that they had leased from Loyds for a number of years together with the properties transitioned from Four Seasons.

#### **4 Future Strategy**

- 4 1 We are currently discussing our future strategy for the Portfolio with the Senior Lenders to the Portfolio. It is possible that a marketing and sales process may proceed during the second quarter of 2013
- 4 2 One home, not part of the former SCG portfolio, was sold in December 2011 at a value of £1.25 million. The disposal proceeds have been distributed to the secured lenders

#### **5 Funding of the Administrations**

- 5 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

#### **6 Assets and Liabilities**

- 6 1 The directors were requested to prepare a statement of affairs for the Companies within the Group, but have not done so
- 6 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
- 6 3 The only floating charge realisation to date is £5,796 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**

- 6 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

- 6 5 These sums primarily represents 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**

- 6 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 £28.1 million has been distributed to the Senior Lenders in payment of capital and interest.

### **Preferential Creditors**

- 6 7 The Group has no known preferential creditors at the date of the appointments

### **Unsecured Creditors**

- 6 8 The principal unsecured liabilities, at the date of the appointments, as shown in the Group's accounts are as follows.

Arazim Investments Limited £14.6m

Braxton Holdings Limited £25.8m

- 6 9 Arazim Investments Limited is Loyds Nursing Homes UK Limited's immediate holding Company. The debt of Braxton Holdings Limited is in respect of monies raised through the issue of bonds to provide additional funding for the acquisition of the Group's properties

- 6 10 Owing to the level of indebtedness of the Group to the Secured Lenders, it is unlikely that there will be sufficient funds to make a distribution to any unsecured creditors

- 6 11 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.

## **7 Extension of the administrations**

- 7 1 In accordance with paragraph 76(2)(b) of Schedule B1 to the Insolvency Act 1986, an application to Court was made for an extension of the Joint Administrators' term of office for each of the administrations

- 7 2 The primary reason for requesting the extensions of the time limit was to grant sufficient time for the continued realisation of the Group's assets

- 7 3 The application for the extensions was granted by the Court giving a revised automatic termination date of 18 October 2013

- 7 4 Given the current uncertainty over the timing of any disposal of the Portfolio we will consider in the summer whether a further extension application to the Court needs to be made

**8 Joint administrators' remuneration and expenses**

- 8.1 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.
- 8.2 Time costs for this administration for the period from 19 April 2010 to 5 March 2013 are £2,020,582 of which £1,863,316 has been billed with the authority of the secured creditors.
- 8.3 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.

Yours faithfully  
for and on behalf of the Group



Daniel Smith  
Joint Administrator

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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 3 February 2011 respectively.

**Loyds Nursing Homes UK Limited  
& its Subsidiaries - All in Administration**

**Statutory  
Information**

Company	Loyds Nursing Homes UK Limited	Churchill Court Propoco Limited	Loyds Crown Chiltern Limited	Loyds Propoco Holdco Limited	Crown Albany Care Limited
Registered number	05550178	05416743	05494790	05372389	03654980
Date of incorporation	25 November 2004	07 April 2005	29 June 2005	22 February 2005	23 October 1998
Registered office	30 Finabury Square, London EC2P 2YU	30 Finabury Square, London EC2P 2YU	30 Finabury Square, London EC2P 2YU	30 Finabury Square, London EC2P 2YU	30 Finabury Square, London EC2P 2YU
Shareholder	Baxton 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	155001 ordinary share at £1	400001 ordinary share at £400001	160 ordinary share at £160
Directors	J Munwylor L Rechterner P Den Hollander T Casan	J Munwylor L Rechterner P Den Hollander T Casan	J Munwylor L Rechterner P Den Hollander T Casan	J Munwylor L Rechterner P Den Hollander T Casan	J Munwylor L Rechterner P Den Hollander T Casan

Company	Chiltern Care Holdings Limited	Loyds Propoco No 1 Limited	Loyds Propoco No 2 Limited	Loyds Careco UK Limited
Registered number	3295752	05372227	05403019	05296598
Date of incorporation	23 December 1996	22 February 2005	24 March 2005	25 November 2004
Registered office	30 Finabury Square, London EC2P 2YU	30 Finabury Square, London EC2P 2YU	30 Finabury Square, London EC2P 2YU	30 Finabury Square, London EC2P 2YU
Shareholder	Loyds Crown Chiltern Limited	Loyds Propoco Holdco Limited	Loyds Nursing Homes UK Limited	Loyds Nursing Homes UK Limited
Issued share capital	160 ordinary share at £160	400001 ordinary share at £1	1 ordinary share at £1	40190000 ordinary share at £401900 total nominal value
Directors	J Munwylor L Rechterner P Den Hollander T Casan	J Munwylor L Rechterner P Den Hollander T Casan	J Munwylor L Rechterner P Den Hollander T Casan	J Munwylor L Rechterner P Den Hollander T Casan

## B Abstract of the administrators' receipts and payments



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

**Joint Administrators' Abstract Of Receipts And Payments  
From 19 April 2010 to 5 March 2013**

	Period from 06/03/12 to 05/03/13	Period from 19/04/10 to 05/03/13
<b>RECEIPTS</b>	<b>£</b>	<b>£</b>
Loan - Bruchmen No 5 Limited	41,567 27	396,302 98
Interest - Bruchmen No 5 Limited	33,237 28	186,733 67
	<u>74,804 55</u>	<u>583,036 66</u>
<b>PAYMENTS</b>		
Joint Administrators' Fees	-	30,109 84
Legal Fees	-	47,151 67
Law Debenture	-	4,466 67
Data Room Costs	-	113 17
Statutory Advertising	-	90 71
Professional Fees	-	3,833 33
Bordereaux	-	5 33
Irrecoverable VAT	-	15,175 32
Loan - Loyds Nursing Homes UK Limited	41,567 27	295,356 96
Interest - Loyds Nursing Homes UK Limited	33,237.28	186,733 66
	<u>74,804 55</u>	<u>583,036 66</u>
<b>Balance in hand</b>	<u>-</u>	<u>(0 00)</u>

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

**Joint Administrators' Abstract Of Receipts And Payments  
From 19 April 2010 to 5 March 2013**

	Period from 06/03/12 to 05/03/13	Period from 19/04/10 to 05/03/13
<b>RECEIPTS</b>	<b>£</b>	<b>£</b>
Loan - Bruchmen No 6 Limited	65,909 38	612,615.32
Interest - Bruchmen No 6 Limited	52,993 71	319,585 57
	<u>118,903 09</u>	<u>932,200 88</u>
 <b>PAYMENTS</b>		
Joint Administrators' Fees	-	30,563.82
Legal Fees	-	50,982 86
Law Debenture	-	4,466 67
Data Room Costs	-	210 04
Statutory Advertising	-	90 71
Professional Fees	-	3,833 33
Bordereaux	-	9 89
Irrecoverable VAT	-	15,963 35
Loan - Loyds Crown Chiltern Limited	65,909 38	506,494 65
Interest - Loyds Crown Chiltern Limited	52,993 71	319,585 56
	<u>118,903 09</u>	<u>932,200.88</u>
 <b>Balance in hand</b>	<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 5 March 2013**

	Period from 06/03/12 to 05/03/13	Period from 19/04/10 to 05/03/13
<b>RECEIPTS</b>	<b>£</b>	<b>£</b>
Loan - Bruchmen No 7 Limited	(825 00)	56,613 44
Interest - Bruchmen No 7 Limited	-	36,768 68
	<u>(825 00)</u>	<u>93,382 12</u>
 <b>PAYMENTS</b>		
Loan - Loyds Crown Chiltern Limited	(825 00)	56,613 44
Interest - Loyds Crown Chiltern Limited	-	36,768.68
	<u>(825 00)</u>	<u>93,382 12</u>
 <b>Balance in hand</b>	<u>-</u>	<u>-</u>

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

**Joint Administrators' Abstract Of Receipts And Payments  
From 19 April 2010 to 5 March 2013**

	Period from 06/03/12 to 05/03/13	Period from 19/04/10 to 05/03/13
<b>RECEIPTS</b>	<b>£</b>	<b>£</b>
Loan - Crown Albany Care Limited	65,909.38	506,494 65
Loan - Chiltern Care Holdings Limited	(825 00)	56,613.44
Interest - Crown Albany Care Limited	52,993 71	319,585 57
Interest - Chiltern Care Holdings Limited	-	36,768 68
	<u>118,078 09</u>	<u>919,462 34</u>
<b>PAYMENTS</b>		
Joint Administrators' Fees	-	14,399.72
Legal Fees	-	42,675 79
Law Debenture	-	4,466 67
Statutory Advertising	-	90 71
Professional Fees	-	3,833 33
Irrecoverable VAT	-	11,683 91
Loan - Loyds Nursing Homes UK Limited	65,084 38	485,957 97
Interest - Loyds Nursing Homes UK Limited	52,993 71	356,354 25
	<u>118,078 09</u>	<u>919,462 35</u>
<b>Balance in hand</b>	<u>(0.00)</u>	<u>(0 00)</u>

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

**Joint Administrators' Abstract Of Receipts And Payments  
From 19 April 2010 to 5 March 2013**

	Period from 06/03/12 to 05/03/13	Period from 19/04/10 to 05/03/13
<b>RECEIPTS</b>	<b>£</b>	<b>£</b>
Loan - Loyds Propco No 1 Limited	2,051,166 89	15,695,766 97
Loan - Loyds Propco No 2 Limited	188,807 46	1,244,047 31
Loan - Churchill Court Propco Limited	41,567 27	295,356 96
Loan - Loyds Crown Chiltern Limited	65,084 38	485,957 97
Interest - Loyds Propco No 1 Limited	1,664,885 64	9,191,244 27
Interest - Loyds Propco No 2 Limited	152,937 98	791,092 63
Interest - Churchill Court Propco Limited	33,237 28	186,733 67
Interest - Loyds Crown Chiltern Limited	52,993 71	356,354 25
Cash at Bank	-	5,769 09
Bank Interest	-	21 25
	<u>4,250,680 60</u>	<u>28,252,344 37</u>
<b>PAYMENTS</b>		
Joint Administrators' Fees	-	32,395 94
Legal Fees	-	42,675 79
Law Debenture	-	4,466 67
Statutory Advertising	-	90 71
Professional Fees	-	3,833 33
Irrecoverable VAT	-	14,731 66
Capital - Senior Lenders	2,136,583 58	16,096,932 77
Capital - Hedge Counter Party	210,042 41	1,526,002 34
Interest - Senior Lenders	1,794,413 31	9,914,926 09
Interest - Hedge Counter Party	109,641 30	610,498 73
	<u>4,250,680 60</u>	<u>28,246,554 04</u>
<b>Balance in hand</b>	<u>-</u>	<u>5,790 34</u>

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

**Joint Administrators' Abstract Of Receipts And Payments  
From 19 April 2010 to 5 March 2013**

Period from  
06/03/12 to 05/03/13

**RECEIPTS**

£

-

**PAYMENTS**

-

**Balance in hand**

-

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

**Joint Administrators' Abstract Of Receipts And Payments  
From 19 April 2010 to 5 March 2013**

	Period from 06/03/12 to 05/03/13	Period from 19/04/10 to 05/03/13
<b>RECEIPTS</b>	<b>£</b>	<b>£</b>
		13,644,600 08
		1,055,239 86
		253,789 69
	<u>-</u>	<u>420,873 59</u>
		7,526,358 62
<b>PAYMENTS</b>		638,154 65
		153,496 39
	<u>-</u>	<u>-</u>
<b>Balance in hand</b>	<u>-</u>	<u>420,873 59</u>

## 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 01/07/09	From 01/07/10	From 01/07/11	From 01/07/12
	£	£	£	£
Partners up to	510	535	560	580
Managers up to	385	405	425	440
Administrators up to	275	285	300	310
Assistants and support staff up to	190	195	205	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 5 March 2013

Loyds Nursing Homes UK Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	2.74	1,620.27	17.97	6,409.40	55.14	14,464.36	31.91	4,732.83	107.76	27,226.86
Creditors	-	-	-	-	8.80	2,206.50	0.70	91.00	9.50	2,297.50
Hiatus period	-	-	-	-	-	-	-	-	-	-
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	0.55	75.28	1.89	517.83
Realisation of Assets	-	-	-	-	9.30	2,412.50	-	-	9.30	2,412.50
Trading	-	-	9.80	3,303.00	19.45	4,961.25	30.20	4,549.00	59.45	12,813.25
Total	2.86	1,684.47	28.59	9,988.75	93.09	24,146.61	63.36	9,448.11	187.90	45,267.94

Loyds Careco UK Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	2.74	1,620.27	13.67	4,976.80	22.99	6,467.86	12.41	1,784.58	51.81	14,849.51
Creditors	-	-	-	-	0.20	50.00	0.70	91.00	0.90	141.00
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	-	-	1.50	495.00	0.20	44.00	0.30	57.00	2.00	596.00
Total	2.86	1,684.47	15.99	5,748.15	24.79	6,902.86	15.56	2,239.86	59.20	16,575.34

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	2.74	1,620.27	14.37	5,213.54	22.54	6,359.36	12.41	1,784.58	52.06	14,977.75
Creditors	8.21	4,553.03	35.78	13,869.47	0.94	196.13	0.97	122.91	45.90	18,741.54
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	2.64	1,395.69	8.12	2,839.53	2.88	658.49	2.18	285.97	15.82	5,179.68
Trading	52.77	29,730.13	141.40	53,924.05	34.07	8,684.58	12.85	1,663.27	241.09	94,002.03
Total	66.48	37,363.32	200.49	76,122.94	60.83	16,000.56	30.56	4,164.01	358.36	133,650.83

[illegible]

Loyds Crown Chiltern Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	2.74	1,620.27	13.67	4,976.80	23.24	6,522.86	14.36	2,077.58	54.01	15,197.51
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
<b>Total</b>	<b>2.86</b>	<b>1,684.47</b>	<b>21.09</b>	<b>7,479.15</b>	<b>29.79</b>	<b>8,216.61</b>	<b>21.21</b>	<b>3,077.36</b>	<b>74.95</b>	<b>20,457.59</b>

Loyds Propco Holdco Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	2.74	1,620.27	13.67	4,976.80	22.64	6,359.86	12.41	1,784.58	51.46	14,741.51
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
<b>Total</b>	<b>2.86</b>	<b>1,684.47</b>	<b>17.39</b>	<b>6,224.15</b>	<b>24.54</b>	<b>6,819.86</b>	<b>15.46</b>	<b>2,225.36</b>	<b>60.25</b>	<b>16,953.84</b>

	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrly Rate
Administration and Planning	2 74	1,620 27	14 37	5,213 54	23 44	6,584 36	14 96	2,167 33	55 51	15,585 50	280 77
Creditors	2 28	1,262 82	8 94	3,467 37	0 49	111 53	0 77	98 98	12 48	4,940 70	395 89
Hiatus period	-	-	-	-	-	-	-	-	-	-	-
Investigations	0 12	64 20	0 82	276 35	0 40	102 00	2 15	307 28	3 49	749 83	214 85
Realisation of Assets	0 66	348 92	1 40	484 88	2 47	611 37	0 69	93 24	5 22	1,538 41	294 71
Trading	13 19	7,432 53	40 13	15,091 01	14 99	3,918 39	6 58	916 69	74 89	27,358 62	365 32
Total	18 99	10,728 74	65 66	24,533 15	41 79	11,327 65	25 15	3,583 52	151 59	50,173 06	330 98

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	Avg Hrv Rate
Administration and Planning	2.74	1,620.27	14.37	5,213.54	22.94	6,432.36	14.66	2,122.33	54.71	281.27
Creditors	2.28	1,262.82	8.94	3,467.37	0.49	111.53	0.77	98.98	12.48	395.89
(Hiatus period)	-	-	-	-	-	-	-	-	-	-
Investigations	0.12	64.20	0.82	276.35	0.40	102.00	2.15	307.28	3.49	214.85
Realisation of Assets	0.66	348.92	1.40	484.88	1.57	371.37	0.69	93.24	4.32	300.56
Trading	13.19	7,432.53	40.23	15,128.01	11.44	2,939.14	7.38	1,035.19	72.24	367.32
Total	18.99	10,728.74	65.76	24,570.15	36.84	9,956.40	25.65	3,657.02	147.24	332.19

Loyds Propco No 1 Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	Avg Hrly Rate
Administration and Planning	2 74	1,620 27	14 37	5,213 54	35 19	9,682 12	26 46	3,828 73	78 76	20,344 66
Creditors	115 75	64,173 08	509 79	197,640 01	10 90	2,157 28	4 53	545 66	640 97	264,516 03
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	37 63	19,888 55	82 77	28,556 32	32 46	7,472 28	28 34	3,690 80	181 20	59,607 95
Trading	751 95	423,654 28	1,917 53	735,531 67	407 76	102,957 74	118 13	13,638 97	3,195 37	1,275,782 66
<b>Total</b>	<b>908 19</b>	<b>509,400 38</b>	<b>2,525 28</b>	<b>967,217 89</b>	<b>486 71</b>	<b>122,371 42</b>	<b>179 61</b>	<b>22,011 44</b>	<b>4,099 79</b>	<b>1,621,001 13</b>

Loyds Securities No 14 Ltd

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	Avg Hrly Rate
Administration and Planning	2 74	1,620 27	13 67	4,976 80	25 09	7,042 36	12 31	1,767 83	53 81	15,407 26
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	-	-	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
<b>Total</b>	<b>2 86</b>	<b>1,684 47</b>	<b>16 39</b>	<b>5,887 15</b>	<b>25 99</b>	<b>7,263 36</b>	<b>15 46</b>	<b>2,223 11</b>	<b>60 70</b>	<b>17,058 09</b>

## **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

## **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. Support staff (ie 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 5 March 2013 on the next page

## APPENDIX D

<b>Third Party payments from Escrow account</b>	
Travel	3,264.75
Courier	35.93
Presentation support	284.00
Subsistence	44.36
Printing and copying	57.84
Valuation	95,419.06
Professional fees & Services	220,175.00
Other	558.16
<b>Total</b>	<b>319,839.10</b>

<b>Loyds Nursing Homes UK Limited</b>	
Category 2 Disbursements	£
Travel	28.05
Professional Fees and Services	23,000.00
Presentation support	80.00
Storage	1.87
Bordereaux	158.00
<b>Total</b>	<b>23,267.92</b>

<b>Churchill Court Propco Limited</b>	
Category 2 Disbursements	£
Bordereaux	36.00
<b>Total</b>	<b>36.00</b>

<b>Loyds Crown Chiltern Limited</b>	
Category 2 Disbursements	£
Bordereaux	36.00
<b>Total</b>	<b>36.00</b>

<b>Loyds Propco Holdco Limited</b>	
Category 2 Disbursements	£
Bordereaux	36.00
<b>Total</b>	<b>36.00</b>

<b>Crown Albany Care Limited</b>	
Category 2 Disbursements	£
Bordereaux	36.00
<b>Total</b>	<b>36.00</b>

<b>Chiltern Care Holdings Limited</b>	
Category 2 Disbursements	£
Bordereaux	36.00
<b>Total</b>	<b>36.00</b>

APPENDIX D

<b><u>Loyds Propco No 1 Limited</u></b>	
<b>Category 2 Disbursements</b>	£
Travel	4,865 84
Professional fees	399,012 45
Other	10,073 14
Courier	12 35
<b>Total</b>	<b>413,951.43</b>

<b><u>Loyds Propco No 2 Limited</u></b>	
<b>Category 2 Disbursements</b>	£
Travel	89 00
Bordercaux	36 00
Land Registry	130 60
<b>Total</b>	<b>125.00</b>

<b><u>Loyds Careco UK Limited</u></b>	
<b>Category 2 Disbursements</b>	£
Bordercaux	36 00
<b>Total</b>	<b>36 00</b>



## E 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

## 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) 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

The Insolvency Act 1986

**Administrator's progress report**

Name of Company Crown Albany Care Limited	Company number 03654980
In the High Court of Justice, Chancery Division Companies Court (full name of court)	Court case number 3243 of 2010

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

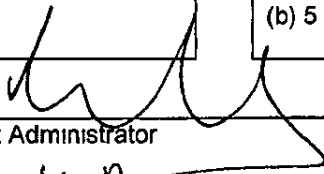
We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

David J Dunckley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

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

(b) Insert date

From (b) 7 September 2012	To (b) 5 March 2013
------------------------------	------------------------

Signed   
Joint Administrator

Dated 4 April 2013

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Churchill Court Propco Limited

Company number

05416743

In the  
High Court of Justice, Chancery Division  
Companies Court

(full name of court)

Court case number  
3246 of 2010(a) Insert full  
name(s) and  
address(es) of  
administrator(s)We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YUDavid J 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) 7 September 2012

(b) 5 March 2013

Signed

Joint Administrator

Dated

4 April 2013

□□□□Rule

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Loyds Nursing Homes UK Limited

Company number

05550178

In the  
High Court of Justice, Chancery Division  
Companies Court

(full name of court)

Court case number  
of(a) Insert full  
name(s) and  
address(es) of  
administrator(s)We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YURobert H Pick  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

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

From

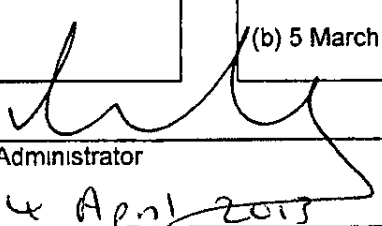
To

(b) Insert date

(b) 7 September 2012

(b) 5 March 2013

Signed

  
Joint Administrator

Dated

4 April 2013

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Loyds Propco No 1 Limited

Company number

05372227

In the  
High Court of Justice, Chancery Division  
Companies Court

(full name of court)

Court case number  
3242 of 2010(a) Insert full  
name(s) and  
address(es) of  
administrator(s)We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YUDavid J 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

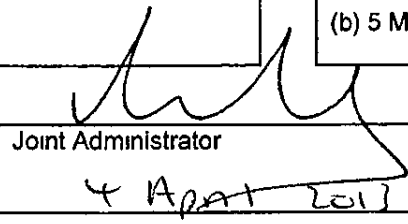
To

(b) Insert date

(b) 7 September 2012

(b) 5 March 2013

Signed

  
Joint Administrator

Dated

4 April 2013

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 R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YUDavid J 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) 7 September 2012

(b) 5 March 2013

Signed

  
Joint Administrator

Dated

4 April 2013

The Insolvency Act 1986

**Administrator's progress report**

Name of Company Loyds Nursing Homes UK Limited	Company number 05550178
In the High Court of Justice, Chancery Division Companies Court (full name of court)	Court case number 3238 of 2010

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

We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

David J 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 (b) 7 September 2012	To (b) 5 March 2013
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Signed \_\_\_\_\_  
Joint Administrator

Dated \_\_\_\_\_  
4 April 2013



The Insolvency Act 1986

**Administrator's progress report**

Name of Company Loyds Careco UK Limited	Company number 05296598
In the High Court of Justice, Chancery Division Companies Court (full name of court)	Court case number 3237 of 2010

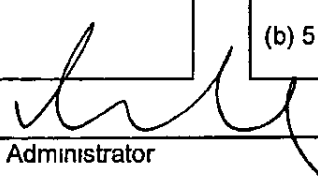
(a) Insert full  
name(s) and  
address(es) of  
administrator(s)

We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

David J 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) 7 September 2012	(b) 5 March 2013

Signed   
Joint Administrator

Dated 4 April 2013

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Loyds Crown Chiltern Limited

Company number

05494790

In the  
High Court of Justice, Chancery Division  
Companies Court

(full name of court)

Court case number  
3252 of 2010(a) Insert full  
name(s) and  
address(es) of  
administrator(s)We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YUDavid J 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) 7 September 2012

(b) 5 March 2013

Signed

  
Joint Administrator

Dated

4 April 2013

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Loyds Propco No 2 Limited

Company number

05403019

In the  
High Court of Justice, Chancery Division  
Companies Court

(full name of court)

Court case number  
3249 of 2010(a) Insert full  
name(s) and  
address(es) of  
administrator(s)We (a)  
Daniel R W Smith  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YUDavid J Dunckley  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

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

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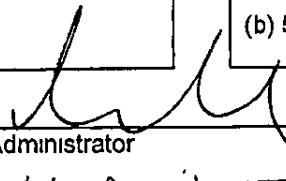
To

(b) Insert date

(b) 7 September 2012

(b) 5 March 2013

Signed

  
Joint Administrator

Dated

4 April 2013