In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

TUESDAY

A83YV2U3
A11 23/04/2019 #148
COMPANIES HOUSE

1 Company details

Company number	0 5 5 5 5 9 8 8
Company name in full	Canute International Medical Services Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s)	Glyn
Surname	Mummery

3 Administrator's address

Building name/number	Jupiter HouseWarley Hill Business Park
Street	The Drive
Post town	Brentwood
County/Region	Essex
Postcode	C M 1 3 3 B E
Country	

4 Administrator's name ❶

Full forename(s)	Jeremy Stuart
Surname	French

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	Jupiter HouseWarley Hill Business Park
Street	The Drive
Post town	Brentwood
County/Region	Essex
Postcode	C M 1 3 3 B E
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM10
Notice of administrator's progress report

6 Period of progress report

	d	d	m	m	y	y	y	y
From date	1	1	1	1	2	0	1	8
To date	1	7	0	4	2	0	1	9

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature

Signature

X Glyn Mummery X

	d	d	m	m	y	y	y	y
Signature date	1	7	0	4	2	0	1	9

AM10
Notice of administrator's progress report

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Emma Priest
Company name	FRP Advisory LLP
Address	Jupiter House
	Warley Hill Business Park
Post town	The Drive
County/Region	Brentwood
Postcode	E s s e x
Country	
DX	
Telephone	01277 50 33 33

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Canute International Medical Services Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 11/11/2018 To 17/04/2019 £	From 11/05/2018 To 17/04/2019 £
	SECURED ASSETS		
20,000.00	Goodwill	NIL	20,000.00
508,815.39	Book Debts	NIL	NIL
		NIL	20,000.00
	COSTS OF REALISATION		
(95,034.99)	Bad Debt/General Provision	NIL	NIL
		NIL	NIL
	SECURED CREDITORS		
(413,780.40)	Almtone Purchase	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Cash at Bank	NIL	1,167.21
	Bank Interest Gross	4.94	8.40
		4.94	1,175.61
	COST OF REALISATIONS		
(20,000.00)	Administrators' Remuneration	4,217.67	17,551.00
(250.00)	Administrators' Disbursements	NIL	NIL
	Insurance of Assets	NIL	112.00
	Bank Charges - Floating	2.41	2.41
		(4,220.08)	(17,665.41)
	UNSECURED CREDITORS		
(3,963,142.00)	Unsecured Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(3,963,492.00)		**(4,215.14)**	**3,510.20**
	REPRESENTED BY		
	Vat Recoverable - Floating		3,510.20
			3,510.20

FRP Advisory

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

The Administrators' Final Report for the period 11 November 2018 – 17 April 2019

17 April 2019

Contents and abbreviations

The following abbreviations may be used in this report:

AL	Almtone Limited
ARRRL	Albert Road Recovery and Repair Limited
CDL	Canute Distribution Limied
CHGL	Canute Haulage Group Limited
CIDF	Confidential Invoice Discounting Facility
FRP	FRP Advisory LLP
HMRC	HM Revenue & Customs
Nucleus	Nucleus Commercial Finance Limited and Nucleus Property Finance Limited
TCSL	Truck Crane Services (UK) Limited
The Administrators	Glyn Mummery and Jeremy Stuart French of FRP Advisory LLP
The Company	Canute International Medical Services Limited (In Administration)
The Group	Canute UK Limited; Canute Haulage Group Limited; Albert Road Recovery and Repair Limited; Truck Crane Services (UK) Limited; Canute International Medical Services Limited; Canute Distribution Limited – (all in Administration)
The Period	The reporting period 11 November 2018 – 17 April 2019
The Proposals	The Administrators' proposals for achieving the purpose of the Administration dated 18 May 2018

TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

1. An overview of the Administration

FRP Advisory

Background/The Proposals

This report should be read in conjunction with my previous reports to creditors dated 18 May 2018 and 30 November 2018, which set out full background information behind the Company, the reasons which led to it being placed into Administration and the progress subsequently made during the Administration period. This represents the Administrators final report in these proceedings.

Attached, at Appendix A, is Statutory Information regarding the Company and the Administration appointment.

Court Order ending the Administration

On 12 April 2019, the Court made an Order on the following terms: -

1) Pursuant to paragraph 79(1) of Schedule B1 to the Insolvency Act 1986, the appointment of the Administrators as the administrators of the Company shall cease to have effect immediately on the filing of a notice under paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 ("the Cessation Date"), on the grounds that the Administration of the Company is pursuant to an Administration Order and the Administrators believe that the purpose of the Administration has been achieved in relation to the Company, pursuant to paragraph 79(3) of Schedule B1 to the Insolvency Act 1986.

2) The Administration Order made on 11 May 2018 in relation to the Company is discharged pursuant to paragraph 85(2) of Schedule B1 to the Act, with effect from the Cessation date.

3) As soon as reasonably practicable after the Cessation Date, the Administrators shall file and send to all creditors their final progress report.

4) The Administrators shall be discharged from all liability in respect of any of their actions as Administrators of the Company pursuant to paragraphs 98(1) and 98(2)(c) of Schedule B1 to the Insolvency Act 1986 with effect from 28 days after the Administrators final report on the Company is filed at Companies House.

5) The costs of and incidental to the application to Court be paid as an expense in the Administration of the Company.

Simultaneous with the circularisation of this report, the Administrators are making the necessary filing at Companies House and the Administration will be ended at the point this Progress Report is registered at Companies House

The Objective of the Administration

In my previous reports, the Administrators set out the reasons why objective a), namely to rescue the Company as a going concern, could not be achieved.

The Administrators stated, however, that they were satisfied objective b) had been achieved, because of the pre-packaged sale of the businesses and assets of the Company/the group that had occurred which enabled a better result for the Company's/Group's creditors as a whole then would have been likely if the Company/Group had been wound-up (without first being in Administration).

This view was supported by the following: -

- A sale of the businesses and assets was completed on 12 May 2018 to AL as part of the overall pre-pack transaction for the Group.

- A consideration of £150,000 was achieved across the Group for goodwill, of which £20,000 was attributable to the Company. In the event of the Company/Group ceasing to trade and being placed into Liquidation, it is unlikely that any realisation would have been achieved for goodwill.

- As part of the pre-packaged sale, AL agreed a new CID facility with Nucleus, enabling it to acquire the Groups debtor ledgers and WIP of £13.14m, for £10.62m, representing approx. 81% of the ledgers face value. The ledger in the name of the Company totalled approx. £519k. In the absence of the pre-

1. An overview of the Administration

packaged transaction and the assignment of the ledgers, responsibility for the collect out would have fallen to Nucleus and/or the Administrators. In that eventuality, debtor realisations are likely to have been substantially compromised to the extent that Nucleus may not have fully recovered its direct exposure to the Group under the various CIDF lines it extended. In summary, the procedures put in place which facilitated a continuity of the business, maximised the position for Nucleus, while eliminating potential shortfalls (claims within the respective Administrations) that might otherwise have arisen.

- The contracts of employment for 841 members of staff across the Group were transferred to the purchaser, AL, pursuant to TUPE. This served to eliminate significant employee preferential liabilities of approx. £1 million in respect of arrears of wages and holiday pay, and non-preferential employee liabilities of approx. £3.5million relating to redundancy and pay in lieu of notice, which would otherwise have arisen in Liquidation.

The above, therefore, enabled a better outcome for the Company's/Group's creditors as a whole than would have been likely if the Company/Group had been wound - up (without first being in Administration).

2. Progress of the Administration in the period

FRP Advisory

Work Undertaken during the Administration

I attach at, Appendix B, a Schedule of Work undertaken during the Period covered by the final report.

Highlights include:

- Ensuring all statutory and compliance matters are attended to, including the finalisation of the Company's VAT and Corporation Tax position. The VAT recoverable element has been assigned to FRP and will be used to defray the balance of the Administrators fees and outstanding disbursements.
- Paying all administration expenses and making application to the Court for an Order to bring the Administration to an end and for the Administrators to be discharged from liability in relation to their actions thereto, to take effect 28 days from the date of filing of their final Progress Report at Companies House. Attached, at Appendix C, is a Receipts and Payments Account detailing both transactions for the Period of this report and also cumulatively for the whole period of the Administration. The only realisation during the Period was bank interest (paid gross) of £5, and the only payment was for £4,218 in respect of Administrators remuneration.

Employment Tribunals

Since our last report, the Company has been added as a respondent to an Employment Tribunal claim brought by the United Road Transport Union on behalf of a number of former employees, with the other named respondents being CUKL, CHGL, CDL. The hearings are to determine whether there was a transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), if there was who that transfer was to.

The claims are about whether there was a failure to consult and inform pursuant to TUPE, and for unfair dismissal, unlawful deductions from pay, holiday pay, notice pay and for redundancy pay.

Several former employees have also submitted claims in respect of unpaid pension contributions. The claims comprise employer contributions together with pension deductions made from employee salaries prior to the date of Administration which were not paid over to the pension provider.

These individuals have jointly submitted a claim to the employment tribunal to determine their case. The Pension's Regulator is supporting this action.

Ultimately, the tribunals will adjudicate the position in respect of all the various claims being progressed.

Notwithstanding the moratoriums in place because of the Administrations, the Administrators have consented to the claims being progressed and have continued to provide all reasonable assistance, as required.

It is now apparent that the claims are unlikely to be determined by the tribunal(s) prior to the twelve-month anniversary date of the Administration.

Accordingly, and bearing in mind there is no prospect of payment of a dividend to either preferential or unsecured creditors due to the absence of assets, the Administrators have sought advice from AGL as whether they are able to bring the Administration to end prior to the anniversary date, should the tribunal claims still be unresolved.

AGL have confirmed that the Administrators are empowered to do so and notifications have now been sent to the respective Employment Tribunals advising of our intention to bring the Administration to an end and place the Company into dissolution.

Director's Statement of Affairs

Pursuant to paragraph 47 of Schedule B1 of the Insolvency Act 1986, a Statement of Affairs was received from the director, Steve Leonard Ely, during the Period. The Statement of Affairs was in line with the Joint Administrators Estimated Statement of

2. Progress of the Administration in the period

Affairs enclosed with the Proposals, and this was subsequently filed with the Registrar of Companies.

Investigations

Part of my duties included carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they had concerning the way in which the Company's business had been conducted.

I can confirm that my investigation is now complete, and no further investigations or actions are required.

Exiting the Administration

As there will be insufficient funds available to enable a distribution to creditors in this instance, the Administrators are now taking steps to exit Administration and place the Company into dissolution.

As stated earlier, the VAT reclaim of £4,212 due to the Company has been assigned to FRP and this, together with the funds currently held, will be utilised to clear the balance of fees due to FRP and any outstanding disbursements, as summarised below:

Administrators' Fees – £2,449 plus VAT
Advertising – £70 plus VAT
Company Search – £10 plus VAT
Professional Services - £50 plus VAT
Bonding – £28 plus VAT
Storage – £903 plus VAT
Total – £3,510 plus VAT

In this respect, and pursuant to the requisite insolvency regulations, on 28 February 2018 the Administrators, served notice on the administration applicant and secured creditor, Nucleus, together with all other creditors, of the Administrators intention to make an application to Court to seek an order for the Administration to be brought to an end and for the Administrators to be discharged from all liability as Administrators.

No objections were subsequently received from Nucleus or any other creditor.

In accordance with the Proposals, and upon receipt of the appropriate Court Order, the Administration will be ended upon the Administrators filing a Notice pursuant to paragraph 84(1) of Schedule B1 to the Insolvency Act 1986, with the Company moving to dissolution three months after the date on which the requisite Notice is filed with the Registrar of Companies.

Accordingly, attached, at Appendix F, is a copy of Form AM25, Notice of Court Order ending Administration.

3. Outcome for creditors

Initial estimated outcome for creditors

The estimated outcome for creditors was set out in my previous reports to creditors.

Outcome for Secured Creditor

At the date of Administration, the sole secured creditor was Nucleus which held a Mortgage Debenture dated 29 March 2018, incorporating fixed and floating charges over the assets of the Company.

As part of the wider re-financing arrangements put in place between AL and Nucleus at the time of completion of the S&PA, it is understood that the Company's principal indebtedness with Nucleus was discharged.

There are no monies available for distribution to Nucleus under its fixed and floating charges and Nucleus has raised no objection to the Administration being brought to an end, with the Company being placed into dissolution.

Outcome for Preferential Creditors

All employees were transferred to AL pursuant to TUPE in conjunction with the pre-pack transaction completed on 12 May 2018. This expunged estimated preferential claims of approx. £58k in respect of arrears of wages and holiday pay, while also eliminating estimated non-preferential employee claims of approx. £156k in respect of redundancy and pay in lieu of notice. Accordingly, no preferential claims for arrears of wages or holiday pay have arisen or are expected.

Outcome for Unsecured Creditors

There are insufficient net realisations, after payment of the prior ranking costs and expenses, to enable any subsequently appointed Liquidator, to pay a distribution to unsecured creditors.

The above outcomes for the various categories of creditors were broadly in line with the indications set out in the Administrators Proposals.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

As there is no prospect of a floating charge distribution being available for Nucleus, the prescribed part does not apply in this instance.

All monies realised have been allocated for paying the costs and expenses of the insolvency proceedings.

4. Administrators' Pre-Appointment Costs

There were no outstanding pre-appointment costs for the Company at the date of Administration, for which the Administrators sought approval. Accordingly, no amounts were due or drawn.

5. Administrators' Remuneration, Disbursements and Expenses

FRP Advisory

Administrators' Remuneration

Following circulation of the Administrators' Proposals the secured creditors passed a resolution that the Administrators' remuneration should be calculated on a fixed fee basis. Details of remuneration charged during the period of the report are set out in the Statement of Expenses attached. To date, fees of £17,551 plus VAT have been drawn from the funds available against our fixed fee of £20k and the balance will be drawn from the VAT refund, which has been assigned to FRP.

Administrators' Disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in Appendix D.

The Expenses of the Administration

Attached, at Appendix E, is a Statement of Expenses that have been incurred during the period covered by this report.

An estimate of the Administrators' expenses was set out in the Proposals and subsequently updated and circulated with each progress report sent to creditors. The total expenses incurred by the Administrators are included in the cumulative figures in the Receipts and Payments Account attached at Appendix C.

I confirm that expenses incurred in the Period are in line with the details provided in the EOS.

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in Appendix F only).

Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link https://creditors.frpadvisory.com/info.aspx and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of eight weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Appendix A

Statutory Information

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	None
Company number:	05555988
Registered office:	Jupiter House Warley Hill Business Park The Drive Brentwood Essex CM13 3BE
Previous registered office:	St Bride's House 10 Salisbury Sqaure London EC4Y 8EH

Business address:

- Kerry Avenue, Purfleet Industrial Estate, Purfleet, Essex, RM15 4YE
- Head Office, 7a Juliette Way, London Road, Purfleet, Essex, RM15 4YD
- Elkesley Business Park, Elkesley, Retford, Nottinghamshire, DN22 0QL
- Hopesyke Industrial Estate, Sandysike, Longtown, Carlisle, CA6 5SZ
- Unit N, Mainline Industrial Estate, Crooklands Road, Milnthorpe, Cumbria, LA7 7LR
- Unit 7030, Siskin Parkway East, Middlemarch Business Park, Coventry, CV3 4PE
- Unit B Addison Way, Orion Business Park, Great Blakenham, Suffolk, IP6 0RL
- Livingston Way, Bindon Road, Taunton, TA2 6BD
- Pinfold Industrial Estate, Pinfold Lane, Buckley, Clwyd, Flintshire, CH7 3PL
- 9 Grays Road, Uddington, G71 6EY
- International Timber, Park End Sawmills, Folly Road, Lydney, GL15 4JF
- Crooklands Road, Bodmin, PL1 2RH
- Salbrook Road, Redhill, RH1 5GJ
- Station Road, Stney Stanton, LE9 4LU
- Team Valley Trading Estate, Gateshead, NE11 0SH
- Unit B1, MacAdam Way, West Portway Trading Estate Andover, Hampshire, SP10 3LF
- Roebuck Way, Manton Wood, Worksop, Nottinghamshire, S80 3EG
- Unit 3 Golborne Point, Ashton Road, Golborne, Warrington, WA3 3UL
- Alexandra Docks, Newport, Gwent, NP20 2WD
- Molly Millers Lane, Wokingham, Berkshire, RG41 2PX
- Europark, Llandavenny, Caldicot, NP26 3WN
- Earls Road, Grangemouth, Stirlingshire, FK3 8UU
- Wigan Lane, Duxbury, Chorley, PR7 4BU
- Royal Barn Road, Rochdale, OL11 3DT
- International Timber, West Yard, Trafford Park, M17 1DJ
- 2300 Coventry Business Park, Dolomite Avenue, Coventry, CV5 6UE
- North Dock, Alexandra Dock, Newport, NP20 2WD
- Interchange Park, 1 Robinson Way, Portsmouth, PO3 5SA

Appendix A

Statutory Information

ADMINISTRATION DETAILS:

Administrators:	Glyn Mummery & Jeremy Stuart French
Address of Administrators:	FRP Advisory LLP Jupiter House Warley Hill Business Park The Drive Brentwood Essex CM13 3BE
Date of appointment of Administrators:	11 May 2018
Court in which administration proceedings were brought:	The High Court of Justice
Court reference number:	CR 2018-2270
Appointor details:	Court
Previous office holders, if any:	None
Extensions to the initial period of appointment:	None

APPENDIX B

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

The table below sets out a detailed summary of the work undertaken by the office holder to date and details of the work it is anticipated will be undertaken by the office holder throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below. The fee basis for the different categories or work are set out in this table together with an estimate of the estimated fee for each category of work where this can be estimated.

Where the fee basis proposed is time costs, further details of the estimated time costs to be incurred are set out in the fee estimate accompanying this schedule.

Where work undertaken results in the realisation of funds there may be a financial benefit to creditors should there be sufficient funds available to make a *distribution to one or more class of creditor. In this case,* work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK
• The records received are complete and up to date. • There are no matters to investigate or pursue. • The fee proposal represents work to be undertaken in the Administration only. • No financial irregularities are identified. • A committee of creditors is not appointed. • There are no exceptional queries from stakeholders. • Full co-operation of the directors and other relevant parties is received as required by legislation. • There are no health and safety or environmental issues to be dealt with. • The Administration will be closed within 12 months.

APPENDIX B

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

Note	*Category*		
1	**ADMINISTRATION AND PLANNING** **Work undertaken during the Period**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**
	General matters		**General matters**
	Work which falls within the Administration and Planning category generally would not add financial benefit to the Administration but, is either required by statute or is necessary to ensure general compliance and case progression.		
	• Necessary Administrative and strategy work. • Undertaking periodic file reviews to ensure compliance and to monitor progression of the Administration and outstanding matters to be dealt with and dealing with various other sundry matters. • Inputting information onto bespoke Insolvency Practitioners Systems ("IPS"). • General case administration such as filing and the maintenance of case files. • Administrating estate bank account for facilitating payments/receipts. • Corresponding/meeting(s) with the Company's accountants and directors and requesting information to assist *in general enquiries.* • Gathering information and completion of documents as required and attending to any other matters as and when they arise.		• Completed. • Completed. • Completed. • Completed. • Completed. • Completed. • Completed.

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

	• Completing check lists and diary management systems.		• Completed.
	Regulatory Requirements		
	• Completion of money laundering risk assessment procedures and Know your client checks in accordance with the Money Laundering Regulations. • Planning timing of exit prior to 12-month anniversary of the commencement of the Administration.		• Completed. • Completed.
	Case Management Requirements		
	• Monitoring strategy and document any proposed changes and implementation thereof. Holding regular team meetings in respect thereof. • Administering bank accounts throughout the duration of the case. Ensuring all accounts are regularly reconciled to produce accurate and timely reports to all creditors when required. Processing and recording of all receipts and payments throughout the appointment on IPS and providing internal and external reports as required. • Maintaining and updating paper and electronic files for the duration of the appointment. Filing all papers and correspondence received and maintaining a diary system to ensure all matters are discharged in accordance with legislation.		• Completed. • Completed. The final VAT refund has been assigned to FRP and will be banked accordingly following dissolution. • Completed.

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

	• Continuing to maintain a record and forecast of the work that has been or is anticipated to be undertaken throughout the duration of the case, circulating this to all known creditors together with such other documentation as is required to enable the relevant approving creditors to continue to assess the costs and expenses incurred compared with the projections and to challenge, if appropriate, in accordance with the relevant insolvency rules. • Regularly reviewing the case as required by the regulatory bodies to ensure all statutory matters are adhered to and the case is progressing. Updating and completing check lists on a timely basis. • On-going liaison regarding final tax position and clearance for the period of the Administration.		• Completed. • Completed. • The final returns have been submitted and subject to receiving the final VAT refund due the Company's tax position will be complete.
2	**ASSET REALISATION** **Work undertake during the Period**		**ASSET REALISATION** **Future work to be undertaken**
	Work undertaken which falls within this category adds financial benefit to the Administration.		
	One of the main purposes of an insolvency process is to realise the insolvency assets and to ensure a fair distribution of the proceeds to the creditors in the correct order of priority as set out by legislation.		

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

	Goodwill • Due to associated costs, we do not expect any tax liability to arise on the sale of goodwill.		• Completed. A final CT Return has been submitted.
5	**CREDITORS** **Work undertaken during the Period**		**CREDITORS** **Future work to be undertaken**
	Work which falls within this category generally will not add financial benefit to the Administration but, is either required by statute or necessary to ensure general compliance and fulfilment of the Administrators' duties.		
	Secured Creditors • Regular liaison with the secured creditor, Nucleus, on all matters pertaining to the progress of the Administration and our intention to exit Administration. **Preferential Creditors** **Employees – Transfer of Contracts of Employment pursuant to TUPE/Employment Tribunals** • The contracts of employment for 841 members of staff across the Group were transferred to the purchaser, AL, pursuant to TUPE. This served to eliminate significant employee preferential liabilities of approx. £1 million in respect of arrears of wages and holiday pay, and non-preferential employee liabilities of approx. £3.5million relating to redundancy and pay in lieu of notice, which would otherwise have arisen in Liquidation.		• Completed. • See comments below.

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

	• Since our last report, the Company has been added as a respondent to an Employment Tribunal claim brought by the United Road Transport Union on behalf of a number of former employees, with the other named respondents being CUKL, CHGL, CDL. The hearings are to determine whether there was a transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), if there was who that transfer was to. The claims are about whether there was a failure to consult and inform pursuant to TUPE, and for unfair dismissal, unlawful deductions from pay, holiday pay, notice pay and for redundancy pay.		• We have continued to liaise closely with all of the various Employment Tribunals and assist as necessary. Unfortunately, however, there is no prospect of payment of a dividend to either preferential or unsecured creditors. In the circumstances, therefore, given the imminent 12 anniversary of the Administration, it is not economic to seek an extension of the Administration and upon the advice of our solicitors, AGL, steps are now being taken to apply to Court to bring the Administration to an end by placing it into dissolution. Notice has been served on the Employment Tribunals to this effect and a Court Order was obtained on 12 April 2019 in this regard.
	• Several former employees have submitted claims in respect of unpaid pension contributions. The claims comprise employer contributions together with pension deductions made from employee salaries prior to the date of Administration which were not paid over to the pension provider. These individuals have jointly submitted a claim to the employment tribunal to determine their case. The Pension's Regulator is supporting this action.		• See comments above.
	• Notwithstanding the moratoriums in place because of the Administrations, the Administrators have consented to the claims being progressed and continued to provide all all reasonable assistance, as required.		• See comments above.

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

	<u>Unsecured Creditors</u> • Dealing with creditor enquiries, inputting creditor details and recording claims. • Responding to creditors' enquiries with regards to their claims and dividend prospects as they arise and in a timely and cost-effective manner. • Maintaining the Creditors' Portal, being a detailed website for the delivery of all communications, notices and reports for creditors.		• Completed. • Completed. • Continued. The use of the Creditors' Portal will survive the Administrators release and will remain available for creditors for an estimated further period of three months following the dissolution of the Company.
4	**INVESTIGATIONS** **Work undertaken during the Period**		**INVESTIGATIONS** **Future work to be undertaken**
	Some of the work undertaken which falls within this category may add some financial benefit to the Administration, should any assets come to light during the investigation; however, the majority of work within this category will not add financial benefit to the Administration but, is required by statute.		
	• An IP has a duty to review the books and records of the Company and other information available to identify the assets that may be available to realise for the benefit of the insolvency estate.		• Completed. No further investigations or enquiries were necessary.

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

3	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken during the Period**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**
	Some of the work undertaken which falls within this category may add some financial benefit to the Administration, such as the submission of VAT returns, however the majority of work within this category will not add financial benefit to the Administration but, is either required by statute or is necessary to ensure general compliance and case progression.		
	• Adherence to all other statutory and compliance matters as they arise throughout the appointment.		• Continued after release and until Dissolution.
	• Statutory reporting to all relevant parties (including creditors and members) on the progress of the Administration at six monthly intervals and filing the reports in accordance with legislation. Dealing with any queries arising following circulation of those reports.		• Completed.
	• Regularly reviewing asset levels to ensure that the statutory bond is sufficient.		• Completed.
	• Processing fees and disbursements from time to time as funds allow having given due consideration to all other costs of the process as prescribed under the IA86. The basis of the Administrators remuneration was approved by creditors on 4 July 2018.		• Completed.

APPENDIX B

CANUTE INTERNATIONAL MEDICAL SERVICES LIMITED – IN ADMINISTRATION

SCHEDULE OF WORK

	• Paying all administration expenses and making application to the Court for an Order to bring the Administration to an end and for the Administrators to be discharged from liability in relation to their actions thereto, to take effect 28 days from the date of filing of their final Progress Report at Companies House. Instructing solicitors, AGL, to deal with the requisite legal formalities in this respect. • Upon receipt of the requisite Court Order, dealing with the statutory requirements to bring the Administration to an orderly close by way of dissolution and for the Joint Administrators to receive their release from office. This includes the preparation of this final progress report to all known creditors, the statutory advertising and filing the relevant documentation with the High Court and the Registrar of Companies. This report has been uploaded to the creditors portal for creditors to review.		• Completed. On registration of the attached Notice of Dissolution, by the Registrar of Companies, the Joint Administrators will be released from office. The Company is dissolved 3 months later. • Completed.
	TOTAL ESTIMATED FEES		**Fixed - £20,000**

Canute International Medical Services Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 11/11/2018 To 16/04/2019 £	From 11/05/2018 To 16/04/2019 £
	SECURED ASSETS		
20,000.00	Goodwill	NIL	20,000.00
508,815.39	Book Debts	NIL	NIL
		NIL	20,000.00
	COSTS OF REALISATION		
(95,034.99)	Bad Debt/General Provision	NIL	NIL
		NIL	NIL
	SECURED CREDITORS		
(413,780.40)	Almtone Purchase	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Cash at Bank	NIL	1,167.21
	Bank Interest Gross	4.94	8.40
		4.94	1,175.61
	COST OF REALISATIONS		
(20,000.00)	Administrators' Remuneration	4,217.67	17,551.00
(250.00)	Administrators' Disbursements	NIL	NIL
	Insurance of Assets	NIL	112.00
	Bank Charges - Floating	2.41	2.41
		(4,220.08)	(17,665.41)
	UNSECURED CREDITORS		
(3,963,142.00)	Unsecured Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(3,963,492.00)		**(4,215.14)**	**3,510.20**
	REPRESENTED BY		
	Vat Recoverable - Floating		3,510.20
			3,510.20

Appendix D

Details of the Administrators' Disbursements for the period and cumulative

Disbursements for the period
11 May 2018 to 17 April 2019

	Value £
Category 1	
Advertising	69.93
Company Search	10.00
Prof. Services	49.93
Bonding	27.50
Grand Total	**157.36**

Mileage is charged at the HMRC rate prevailing at the time the cost was incurred

Disbursements for the period
11 November 2018 to 17 April 2019

	Value £
Category 1	
Statutory Advertising	69.93
Prof. Services	49.93
Storage	903.27
Company Search	9.00
Grand Total	**1,032.13**

Mileage is charged at the HMRC rate prevailing at the time the cost was incurred

Appendix E

Statement of Expenses incurred in the Period

FRP Advisory

Canute International Medical Services Limited - In Administration Statement of Expenses for the period ended 17 April 2019	
Expenses	**Period to 17 April 2019 £**
Office Holders' disbursements	1,032
Total	**1,032**