

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

06123108

Name of Company

Hawthorns Retirement Group UK Limited

✓/ We

Christopher Richard Frederick Day, PO Box 810, 66 Shoe Lane, London, EC4A 3WA

Stephen Roland Browne, PO Box 810, 66 Shoe Lane, London, EC4A 3WA

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 30/09/2015 to 29/09/2016

Signed C. Day

Date 28 November 2016

Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

Ref REIT09L/YFB/RXP/SF

WEDNESDAY



A24 30/11/2016 #448
COMPANIES HOUSE

OAKLAND CARE CENTRE LIMITED ("OCCL")
LAWRENCE CARE (MAIDS MORETON) LIMITED ("LCMML")
HAWTHORNS BRAINTREE LIMITED ("HBL")
HAWTHORNS EASTBOURNE LIMITED ("HEL")
HOLIDAY RETIREMENT (CLEVEDON) LIMITED ("HRCL")
COLSON & COLSON LIMITED ("C&CL")
HAWTHORNS CLEVEDON LIMITED ("HCL")
HAWTHORNS RETIREMENT MANAGEMENT LIMITED ("HRML")
HAWTHORNS RETIREMENT UK LIMITED ("HRUKL")
HAWTHORNS RETIREMENT GROUP UK LIMITED ("HRGUUKL")
(ALL IN MEMBERS' VOLUNTARY LIQUIDATION)
("the Companies")

ANNUAL PROGRESS REPORT TO THE MEMBERS FOR THE 12 MONTH PERIOD TO 29 SEPTEMBER 2016 PURSUANT TO SECTION 92A OF THE INSOLVENCY ACT 1986 (AS AMENDED) ("the Act") AND RULES 4.49B, 4.49C AND 4.49G OF THE INSOLVENCY RULES 1986 (AS AMENDED)

28 November 2016

Stephen Roland Browne and Christopher Richard Frederick Day ("the Liquidators") were appointed Joint Liquidators of the Companies further to the written resolutions of the members dated 30 September 2015. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purpose of section 231 of the Act, the Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

This report has been prepared for the sole purpose of updating the members for information purposes. The report may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by the members for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

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- 1. Statutory Information for the Companies**
- 2. Liquidators' Receipts and Payments Accounts for the 12 month period from 30 September 2015 to 29 September 2016 in respect of the Companies**

1. EXECUTIVE SUMMARY	
Key Messages	Commentary
Progress of the liquidations during the report period	<ul style="list-style-type: none"> • OCCL and LCMML are still the registered proprietors of properties for VAT purposes. The property interests will be transferred to the new owners once the VAT matters have been finalised • LCMML, HRGUK, HBL, HEL and HRML received unsecured creditor claims for unpaid accounts relating to their former trading activities. The majority of claims have been settled/resolved • HRML received a VAT refund of £801,702 from HM Revenue & Customs ("HMRC"), which related to HRML's former trading activities. A sum of £736,449 was reimbursed to Avery Healthcare Group Limited ("Avery") who acquired HRML's former business, and £65,217 was reimbursed to SIPL Saints Propco Sarl • All outstanding pre-liquidation corporation tax returns have been filed in respect of the Company. Any tax liabilities payable in respect of these periods have yet to be settled
Costs	<ul style="list-style-type: none"> • Our fees and costs of the liquidations, as reported, relate to a wider corporate simplification exercise and all costs are being met by HCN UK Investments Limited ("HCNUK"). We have been paid a sum of £152,085 to date in respect of this engagement • The basis of our remuneration has been fixed by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the winding-up, together with VAT thereon • Our time costs for the whole engagement in respect of this report period are £357,944 • Further details on our remuneration can be found in section 5
Outstanding matters	<ul style="list-style-type: none"> • Settlement of two outstanding unsecured creditor claims, which have been received from British Gas and passed on to Avery for payment • Finalisation of VAT matters in respect of OCCL and LCMML • Transfer of properties in OCCL and LCMML
Future distributions and closure	<ul style="list-style-type: none"> • It is only once all outstanding matters in the liquidations have been finalised and the requisite formal clearances have been received from HMRC (in respect of corporation tax, VAT and PAYE & NIC) that the surplus assets in the liquidations can be distributed to the members of the Companies

2. PROGRESS OF THE LIQUIDATIONS

The Declarations of Solvency relating to LMML and OCCL, both of which own a property, showed estimated assets comprising building, deferred tax and inter-company balances due from other group entities. The liabilities included a loan note payable to HCNUK and accrued interest payable on the note. Interest ceased to accrue during the post-liquidation period.

On 30 September 2015 the Declarations of Solvency relating to the eight remaining Hawthorn companies showed estimated assets comprising inter-company balances due from other group entities and investments. The liabilities related to income (corporation) taxes and inter-company balances due to various group entities.

The Companies' Declaration of Solvency figures are shown in the Liquidators' Receipts and Payments Accounts for the Companies provided at Appendix 2.

2.1 Work done during the report period

Asset Realisations

In August 2016 HRML received a VAT refund of £801,702 from HMRC in respect of HRML's former business, which was acquired by Avery. The sum of £736,449 was reimbursed to Avery, and £65,217 to SIPL Saints Propco Sarl in accordance with a pre-liquidation agreement. Bank charges of £36 were also deducted.

Settlement of claims

Unsecured claims were received in respect of HRUKL, HEL, HRML and LMML, all of which were forwarded to Avery for settlement/resolution.

Statutory tasks

During the period we have carried out the following tasks, which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature.

- case set-up and management,
- statutory reporting,
- appointment notifications,
- realisation of assets,
- correspondence,
- case reviews,
- cashiering functions, and
- general liquidation administration and filing.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for the members.

Corporation Tax

The Companies have filed corporation tax returns with HMRC for the pre-liquidation periods from 1 January 2014 to 31 December 2014 and from 1 January 2015 to 29 September 2015. Any corporation tax liabilities falling due in the liquidations are being settled externally by the group parent entity.

VAT

HRML was formerly the representative member of a VAT group, which disbanded and deregistered for VAT purposes on 24 February 2015. HRML subsequently filed a claim with HMRC for the sum of £801,702 that it was owed and this was settled during the reporting period.

LCMML is currently VAT registered and required to file a final VAT return for the period from 1 August 2015 to 2 August 2015.

OCCL is currently VAT registered and an application to cancel its VAT registration will be filed with HMRC once the property has transferred to another group entity, thereafter, a final VAT return (Form VAT 193) and VAT 427 claim will be filed.

Properties

OCCL and LCMML are each the registered proprietor of a property, which will be transferred to the new owners once instructions have been received from Welltower.

2.2 Cost of the work done during the report period

The fees and expenses relating to the whole HCNUK engagement are reported as follows:

- Liquidators' remuneration of £152,085, and
- Liquidators' expenses of £8,538

The expenses incurred by the Companies listed in this report amount to £1,426. Further details are provided in section 5.

3. LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNTS

- 3.1 A receipts and payments account for each of the Companies is provided at Appendix 2, detailing the transactions in the 12 month period since our appointment

4. INFORMATION FOR THE MEMBERS

4.1 Distributions made

No distributions were made to the members in this reporting period

4.2 Future distributions

In each liquidation, a first and final 'in specie' distribution of the net surplus assets will be made to the members once all outstanding matters have been finalised and the requisite formal clearances have been received from HMRC in respect of corporation tax, VAT and PAYE & NIC

4.3 Members' right to request further information

Members of the Companies with at least 5% in value of the total voting rights of all the members having the right to vote at general meetings of the Companies, or, any member with permission of the Court, may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 4 49E of the Rules

4.4 Members' right to challenge Remuneration and/or Expenses

Members of the Companies with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Companies, or, any member with permission of the Court, may apply to the Court for one or more orders (in accordance with Rule 4 148C of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 4 148C(2) of the Rules

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports

5. LIQUIDATORS' REMUNERATION AND DISBURSEMENTS

5.1 Basis of Liquidators' Remuneration

Our fees and expenses are being met by a fellow group undertaking, HCN UK Investments Limited, and calculated by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the liquidations, calculated at the prevailing standard hourly charge-out rates used by Deloitte at the time when the work was performed, plus VAT. The amount paid to date in respect of this engagement is £152,085, excluding VAT.

5.2 Liquidators' Disbursements

Category 1

These are payments made by us direct to third parties and for which no approval is required

£ (net)	Incurred	Total cost for the period of the appointment	Unpaid
Statutory Advertising	913 68	913 68	-
Liquidator's Bond	230 00	230 00	-
Land registry search fee	253 00	253 00	-
Courier	30 00	30 00	-
Total disbursements	1,426 68	1,426 68	-

Category 2

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. Specific approval is required before these costs and expenses can be invoiced. These may also include shared or allocated costs. There were no category 2 disbursements.

THE COMPANIES (ALL IN MEMBERS' VOLUNTARY LIQUIDATION)

STATUTORY INFORMATION

	Oakland Care Centre Limited	Lawrence Care (Maids Moreton) Limited	Hawthorns Braintree Limited	Hawthorns Eastbourne Limited	Holiday Retirement (Clevedon) Limited
Registered Office	Hill House 1 Little New Street London EC4A 3TR	Hill House 1 Little New Street London EC4A 3TR	Hill House 1 Little New Street London EC4A 3TR	Hill House 1 Little New Street London EC4A 3TR	Hill House 1 Little New Street London EC4A 3TR
Company Number	07400474	06557499	05510498	03592194	04350517
Date of Appointment	30 September 2015	30 September 2015	30 September 2015	30 September 2015	30 September 2015
Proceedings	Members' Voluntary Liquidation	Members' Voluntary Liquidation	Members' Voluntary Liquidation	Members' Voluntary Liquidation	Members' Voluntary Liquidation
Joint Liquidators	S R Browne & C R F Day Deloitte LLP Athene Place 66 Shoe Lane London EC4A 3BQ	S R Browne & C R F Day Deloitte LLP Athene Place 66 Shoe Lane London EC4A 3BQ	S R Browne & C R F Day Deloitte LLP Athene Place 66 Shoe Lane London EC4A 3BQ	S R Browne & C R F Day Deloitte LLP Athene Place 66 Shoe Lane London EC4A 3BQ	S R Browne & C R F Day Deloitte LLP Athene Place 66 Shoe Lane London EC4A 3BQ
Incorporation Date	7 October 2010	7 April 2008	15 July 2005	3 July 1998	10 January 2002
Company Secretary	Bedell Trust UK Limited	Bedell Trust UK Limited	Bedell Trust UK Limited	Bedell Trust UK Limited	Bedell Trust UK Limited
Appointment by	Written Resolution	Written Resolution	Written Resolution	Written Resolution	Written Resolution
Directors at date of appointment	Keith Crockett John Anthony Goodey Justin Skiver	Keith Crockett John Anthony Goodey Justin Skiver	Keith Crockett John Anthony Goodey Justin Skiver	Keith Crockett John Anthony Goodey Justin Skiver	Keith Crockett John Anthony Goodey Justin Skiver

The Companies (All in Members' Voluntary Liquidation) – First Progress Report To The Members dated 28 November 2016

THE COMPANIES (ALL IN MEMBERS' VOLUNTARY LIQUIDATION)

LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNTS FOR THE 12 MONTH PERIOD FROM 30 SEPTEMBER 2015 TO 29 SEPTEMBER 2016

Oakland Care Centre Limited
30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Building	3 688 058	-
Deferred Tax	122 649	
Amount owed by HCN UK Investments Limited	534 861	
Bayfield Court operations Limited	146 085	
Total receipts	4,491 653	Nil
Payments		
Corporation Tax	704	
Loan note	3 892 000	
Accrued interest	200 305	-
Total payments	4 093 009	Nil
Balance	398,644	Nil

Hawthorns Braintree Limited
30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Amount owed by SPL Holdco S a r l	44 937	
Amount owed by SPL Saints Propco S a r l	862 727	
Amount owed by Hawthorns Retirement Group UK Limited	11 100 000	
Total receipts	12,007,664	Nil
Payments		
Corporation Tax	40 871	
Amount due to Hawthorns Retirement Group UK Limited	11 767 019	-
Total payments	11 807 890	Nil
Balance	199,774	Nil

Holiday Retirement (Clevedon) Limited
30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Amount owed by SPL Holdco S a r l	833	
Amount owed by SPL Saints Propco S a r l	1 234 894	
Amount owed by Hawthorns Retirement Group UK Limited	2,789 438	
Total receipts	4,024 965	Nil
Payments		
Corporation Tax	89 521	
Amount due to Hawthorns Retirement Group UK Limited	3 934 444	
Total payments	4 023 965	Nil
Balance	1,000	Nil

Lawrence Care (Malds Moreton) Limited
30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Building	4 871 621	
Amount owed by HCN UK Investments Limited	489 029	
Malds Moreton Operations Limited	362,353	
Total receipts	5,723,003	Nil
Payments		
Loan note	5,271 000	
Accrued interest	271 276	
Total payments	5 542,276	Nil
Balance	180,727	Nil

Hawthorns Eastbourne Limited
30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Amount owed by SPL Holdco S a r l	51 045	
Amount owed by SPL Saints Propco S a r l	1 637 027	
Amount owed by Hawthorns Retirement Group UK Limited	2 469 967	
Total receipts	4 158 039	Nil
Payments		
Corporation Tax	250 906	
Amount due to Hawthorns Retirement Group UK Limited	3 906,133	
Total payments	4 157 039	Nil
Balance	1,000	Nil

Colson & Colson Limited
30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Amount owed by SPL Holdco S a r l	833	
Total receipts	833	Nil
Payments		
Total payments		Nil
Balance	833	Nil

APPENDIX 2

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Hawthorns Clevedon Limited

30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Investment	1	
Amount owed by Hawthorns Retirement Group UK Limited	7 669	
Total receipts	7,670	Nil
Payments		
Corporation Tax	6 669	
Total payments	6 669	Nil
Balance	1,001	Nil

Hawthorns Retirement Group UK Limited

30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Investments	12,000 000	
Amount owed by Hawthorns Retirement UK Limited	4 393 264	
Amount owed by Hawthorns Retirement (Clevedon) Limited	3 934 444	
Amount owed by Hawthorns Eastbourne Limited	3 906 134	
Amount owed by Hawthorns Brantree Limited	11 767 020	
Amount owed by SIPL Holdco S a r l	11 926 738	
Amount owed by SIPL Saints Propco S a r l	534 278	
Investments in Hawthorns Retirement UK Limited	6 100 000	
Total receipts	54,621,878	Nil
Payments		
Corporation Tax	1 779	
Amount due to Hawthorns Retirement UK Limited	4 155,957	
Amount due to Holiday Retirement (Clevedon) Limited	2,789 438	
Amount due to Hawthorns Eastbourne Limited	2,469 967	
Amount due to Hawthorns Brantree Limited	11 100 000	
Total payments	20,517 141	Nil
Balance	34,104,737	Nil

Hawthorns Retirement Management Limited

30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Amount owed by SIPL Holdco S a r l	833	
VAT Refund		801 702
Total receipts	833	801 702
Payments		
Reimbursement to Hawthorns Avery Limited		(736 449)
Reimbursement to SIPL Saint Propco Sarl		(65 217)
Bank charges		(24)
Total payments		(801,690)
Balance	833	12

Hawthorns Retirement UK Limited

30 September 2015 to 29 September 2016

£	Declaration of Solvency	From 30 Sept 15 to 29 Sept 16
Receipts		
Investments	7 246 210	
Investment in Colson & Colson Limited	74 866	
Investment in Hawthorns Retirement Management Limited	528 381	
Investment in Hawthorns Brantree Limited	5,496 753	
Amount owed by Hawthorns Retirement Group UK Limited	4 155 958	
Amount owed by SIPL Holdco S a r l	32 866	
Total receipts	17 835 034	Nil
Payments		
Amount due to Hawthorns Retirement Group UK Limited	4 393 264	
Total payments	4 393,264	Nil
Balance	13,141,770	Nil

General Notes

The Receipts and Payments account must be read in conjunction with the attached notes and report

NOTES TO THE RECEIPTS AND PAYMENTS ACCOUNTS

- 1 The net assets of the Companies will be distributed 'in specie' to the members once all matters in the liquidations have been finalised
- 2 The loan notes relate to an inter-company balance owed to HCN UK Investments Limited Interest is accrued up to the date of liquidation upon which date is ceased
- 3 Investments represent investments in subsidiary undertakings

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