

AM10

Notice of administrator's progress report



Companies House

TUESDAY



A17 *A87DDTBV* #384
11/06/2019
COMPANIES HOUSE

1 Company details

Company number 0 6 8 8 2 6 2 2
Company name in full Orchard Care Homes.com (5) Limited

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

2 Administrator's name

Full forename(s) Sarah
Surname Rayment

3 Administrator's address

Building name/number 55
Street Baker Street
London
Post town
County/Region
Postcode W 1 U 7 E U
Country

4 Administrator's name ^①

Full forename(s) Kerry
Surname Bailey

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ^②

Building name/number 3 Hardman Street
Street Spinningfields
Post town Manchester
County/Region
Postcode M 3 3 A T
Country

② Other administrator
Use this section to tell us about
another administrator

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 5	^m 1	^m 1	^y 2	^y 0	^y 1	^y 8
To date	^d 1	^d 4	^m 0	^m 5	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

[Handwritten Signature]

X

Signature date

^d1 ^d0

^m0 ^m6

^y2 ^y0 ^y1 ^y9

Orchard Care Homes.com (5) Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 15/11/2018 To 14/05/2019 £	From 15/05/2018 To 14/05/2019 £
	FIXED CHARGE ASSETS	
	Customer Contracts	2.00
	Goodwill	2.00
	Intellectual Property	2.00
	Leasehold Property	2.00
	Sellers Records	2.00
		<u>10.00</u>
	FIXED CHARGE CREDITORS	
	Secured Creditor	10.00
		<u>(10.00)</u>
	ASSET REALISATIONS	
256,919.00	Book debts	81,141.30
141,172.00	Cash at Bank	217,840.84
21,000.00	Furniture & Equipment	21,000.00
98,021.00	Intercompany Debt	98,020.76
	Interest Gross	670.24
	Legal Retainer	10,204.20
	Sundry Refunds	118.26
		<u>428,996.60</u>
	COST OF REALISATIONS	
	Administrators' Disbursements	NIL
	Administrators' Fees	NIL
	Agents' Fees & Disbs	2,660.95
	Bank Charges	37.20
	Corporation Tax	NIL
	Insurance	5,099.67
	Irrecoverable VAT	13,862.73
	Legal Fees & Disbs	59,009.50
	PR agents	1,393.22
	Property Agents' Fees & Disbs	6,250.00
		<u>(88,313.27)</u>
	PREFERENTIAL CREDITORS	
	Pension Schemes	NIL
		<u>NIL</u>
	FLOATING CHARGE CREDITS	
	Floating Charge (1)	193,019.00
		<u>(193,019.00)</u>
	UNSECURED CREDITORS	
(1,027,503.00)	Trade & Expense Creditors	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(101.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
(510,492.00)		147,664.33
	REPRESENTED BY	
	Floating Current Account	147,664.33
		<u>147,664.33</u>

TO ALL KNOWN CREDITORS AND SHAREHOLDERS

10 June 2019

Our Ref 00283383/KB/DF/C2

Please ask for: David Forster
Tel: 0151 237 4530
Email: BRCMT@bdo.co.uk

Dear Madams/Sirs

Orchard Care Homes.com (5) Limited ('OCHL') - In Administration ('the Company')

It is now twelve months since my appointment in respect of the Company. In accordance with Rule 18.6 of the Insolvency (England and Wales) Rules 2016, I am now reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the Administration for the period from 15 November 2018 to 14 May 2019 ('the Period'). This report should be read in conjunction with my previous reports on the matter.

1 Statutory Information

The Joint Administrators are Sarah Rayment (officeholder number: 9162) of BDO LLP, 55 Baker Street, London, W1U 7EU, licensed and authorised by the Insolvency Practitioners Association in the UK and Kerry Bailey (officeholder number: 8780) of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT authorised by the Institute of Chartered Accountants in England & Wales in the UK. The Joint Administrators were appointed in respect of the Company on 15 May 2018.

Under the provisions of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 the Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.

The Joint Administrators were appointed by Hollyblue Healthcare (Chorley & Norton Lees) Limited and Hollyblue Healthcare (Haslingden) Limited ('the Landlords') of the Company, in their capacity as qualifying floating charge holders, pursuant to Paragraph 14 of Schedule B1 to the Insolvency Act 1986. The Administration proceedings are dealt with in the High Court of Justice Chancery Division Companies Court and the court case number is 004020 of 2018.

The Company's registered office is situated at 3 Hardman Street, Spinningfields, Manchester, M3 3AT and the registered number is 06881971.

2 Receipts & Payments

I enclose, for your information, a summary of my receipts and payments to date showing a balance in hand of £147,664, together with a copy of my summary account covering the Period, and report as follows:

Receipts

The receipts shown are largely self-explanatory, although I would comment specifically on:

Book Debts

As at the date of appointment, book debts totalling £134k were due and collectable. Under the terms of the operator's agreement, Lucina Care Limited ('Lucina') has been undertaking the debt collection exercise.

To date, book debts of £81,142 have been collected. Lucina has advised that no further book debt realisations are anticipated.

Furniture & Equipment

A sum of £10,250 was received during the Period in relation to the sale of Norton Lees Hall & Lodge Care Home as detailed in my previous reports.

Payments

The payments shown are largely self-explanatory. The payments made in relation to legal fees and agents' fees are discussed in the 'Costs in the Administration' section of my report.

Insurance

During the Period, a payment was made to the Insolvency Risk Services Limited totalling £5,100 in respect of insurance.

Irrecoverable VAT

The Company was not registered for VAT, therefore the input VAT paid on the costs of the Administration is not recoverable.

3 Costs in the Administration

I additionally provide a summary of the professional fees and other expenses (net of VAT), which have been paid in the Period, the costs, which have been accrued and not yet paid, and the costs that are anticipated.

Professional Fees and Expenses	Accrued £	Paid £	Anticipated £
CMS CMNO LLP - Legal Fees	56,220.50	59,009.50	Nil
Infinite Global Consulting - PR Agents	1,393.22	1,393.22	Nil
Total	60,402.72	60,402.72	Nil

Legal Fees

CMS Cameron McKenna Nabarro Olswang LLP ('CMS')

CMS was instructed by the Joint Administrators to provide assistance with preparing the operational and funding agreements, the sales contracts, appointment documents and to provide general legal advice in respect of the Administration.

A sum of £59,010 was paid to CMS during the Period.

I can confirm that the fees charged by the solicitors are in line with the original estimate to the Joint Administrators.

PR Agents

Infinite Global Consulting

Infinite Global Consulting received a payment of £1,393 during the Period in relation to dealing with press enquiries.

I can confirm that the agents' fees are in line with the original estimate to the Joint Administrators.

4 Future of the Administration

The Joint Administrators are continuing to manage the business, affairs and property of the Company in accordance with the approved proposals, with the purpose of achieving the third statutory purpose of an Administration, which is realising property in order to make payments to the secured and preferential creditors.

Following the book debt collection by Lucina, no further book debt realisations are anticipated; no other asset realisations are expected.

I can confirm that there are no assets of a peculiar or special nature which cannot be sold. Consequently there has been no distribution of unsold assets to creditors, as mentioned in Rules 18.10/14.13 of the Insolvency (England & Wales) Rules 2016

5 Extension of Administration

The Administration was due to automatically expire on 14 May 2019. The Administration has been extended until 14 May 2020; the extension was made with the consent of the secured creditors of the Company.

The Administration was extended in order to allow statutory matters to be finalised, the costs of the Administration to be paid and distributions to be made to creditors.

6 Investigations

The Joint Administrators have a duty to investigate the affairs of the Company to establish if there any actions that can be pursued for the benefit of investors and creditors as a whole, including investigations into the conduct of the Company officers (including de facto and shadow officers).

In this latter respect, the Joint Administrators must submit a confidential report to the Secretary of State regarding the conduct of all directors and shadow directors during three years preceding the Administration appointments and I can confirm a report has been submitted.

I have completed my review of the Company's affairs and assets to establish whether there are any actions that can be investigated for the benefit of the creditors and concluded there are no causes of action to be pursued.

7 Prospects for Creditors

Secured Creditors

As detailed in the Joint Administrators' proposals, the Landlords have the benefit of debentures conferring fixed and floating charges over the Company and their undertakings, which were both created on 18 March 2013. The Landlords also have the benefit of two Rent Security Deposit Deeds over rent deposit accounts held by Knight Frank LLP, which were created on 19 March 2013.

As at the Joint Administrators appointment, the Landlords were owed £200,787 for unpaid rent up to March 2018. Further rent liabilities and other costs have accrued and not been paid since March 2018, which have in part been settled from the Rent Security Deposit Deeds. The total claim from the Landlords now equals £883,189.

During the Period, a floating charge distribution totalling £193k has been distributed to the secured creditors, as shown on the enclosed Receipts and Payments account.

Preferential Creditors

Preferential claims are defined as monies owed to former employees in respect of arrears of wages and accrued holiday pay at the date of the Administrations. No arrears of wages or accrued holiday pay claims are anticipated in this matter.

The Redundancy Payments Service is expected to have a preferential claim estimated at c£3k in respect of unpaid pension contributions.

Based on current information, preferential creditors will be paid in full.

Unsecured Creditors & Prescribed Part

To date, unsecured creditor claims totalling £944,777 have been received.

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 a company has granted a floating charge to a creditor, a proportion of the net property of that company must be made available purely for the unsecured creditors.

The prescribed part provisions will apply in this matter and based on information presently available, it is anticipated that £52k will be available for distribution amongst the unsecured creditors. The timing of such a distribution is yet to be confirmed.

8 Joint Administrators' Remuneration

The Joint Administrators were obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) As a percentage of the assets realised and distributed; and/or
- (2) By reference to the time the Joint Administrators and the staff have spent attending to matters in the Administration; and/or
- (3) As a set amount; and/or
- (4) As a combination of the above.

In respect of this Administration, as the Joint Administrators have made a Paragraph 52 (1)(b) statement in their proposals, the Joint Administrators' remuneration will be subject to the approval of the secured and preferential creditors. The secured creditors have already approved the Joint Administrators' remuneration.

I attach a schedule detailing the time costs incurred to date. The schedule covers the Period and records time costs of £14,956, which represents 60 hours spent at an average charge out rate of £272.

The second schedule covers the whole period of appointment and records time costs of £72,354, which represents 306 hours at an average charge out rate of £237 per hour.

I also attach the Joint Administrators' Fee Estimate annotated with a column showing the time costs accrued in respect of each activity together with a detailed description of the work undertaken.

For guidance, I enclose 'A creditors' guide to Liquidators' fees', together with a document that outlines the policy of BDO LLP in respect of fees and disbursements.

9 Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. Category 1 disbursements of £1,393 have accrued in the Period in respect of PR consulting fees, details of which have been provided in the 'Costs in the Administration' section of this report.

Some Administrators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements.

The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. No category 2 disbursements have accrued in the Period.

The secured and preferential creditors are responsible for the approval of the Joint Administrators' category 2 disbursements. Again, for the avoidance of doubt, the secured creditors have already approved the Joint Administrators' category 2 disbursements.

Total disbursements of £1,709 have been incurred in the Administration as detailed in the following table.

	Cat. 1 (£)	Cat. 2 (£)	Total (£)
Bonding	200.00	-	200.00
Consulting Fees	1,393.22	-	1,393.22
Staff Disbursements	36.82	-	36.82
Mileage	-	78.76	78.76
Total	1,630.04	78.76	1,708.80

10 Creditor rights and enquiries

Creditors with the concurrence of at least 5% in value of the unsecured creditors may within 21 days of this report request in writing further information regarding the remuneration and expenses set out in this report. In accordance with Rule 18.9(3) of the Rules within 14 days of a request we will provide further information or explain why further information is not being provided. Creditors may access information setting out creditors' rights in respect of the approval of Administrator's remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

Creditors with the concurrence of at least 10% of the creditors may apply to the court if they consider that the remuneration of the administrators, or the basis fixed for the remuneration of the administrator or expenses charged by the administrator are excessive (Rule 18.34 of the Rules). Such an application must be made within 8 weeks of receiving this draft report. The text of Rules 18.9 and 18.34 are set out at the end of this report.

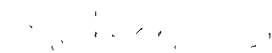
The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>.

Creditors may access information setting out creditors' rights in respect of the approval of Joint Administrators' remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

If you require any further information, please contact me or my colleague David Forster at BRCMT@bdo.co.uk.

Yours faithfully
For and on behalf of
Orchard Care Homes.com (5) Limited



Sarah Rayment
Joint Administrator
Authorised by the Insolvency Practitioners Association in the UK

Enclosures
Receipts and Payments Account
SIP 9 Time Cost Report for the Period
SIP 9 Time Cost Report for the period of Administration
Fees Estimate to Accrued Time Comparison
BDO LLP Policy in Respect of Fees and Disbursements
Statement of Creditors' Rights in respect of Fees and Disbursements

Orchard Care Homes.com (5) Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 15/11/2018 To 14/05/2019 £	From 15/05/2018 To 14/05/2019 £
	FIXED CHARGE ASSETS	
	Customer Contracts	2.00
	Goodwill	2.00
	Intellectual Property	2.00
	Leasehold Property	2.00
	Sellers Records	2.00
	<u>5.00</u>	<u>10.00</u>
	FIXED CHARGE CREDITORS	
	Secured Creditor	10.00
	<u>(10.00)</u>	<u>(10.00)</u>
	ASSET REALISATIONS	
256,919.00	Book debts	81,142.30
141,172.00	Cash at Bank	217,840.84
21,000.00	Furniture & Equipment	21,000.00
98,021.00	Intercompany Debt	98,020.76
	Interest Gross	670.24
	Legal Retainer	10,204.20
	Sundry Refunds	118.26
	<u>91,809.56</u>	<u>428,996.60</u>
	COST OF REALISATIONS	
	Administrators' Disbursements	NIL
	Administrators' Fees	NIL
	Agents' Fees & Disbs	2,660.95
	Bank Charges	37.20
	Corporation Tax	NIL
	Insurance	5,099.67
	Irrecoverable VAT	13,862.73
	Legal Fees & Disbs	59,009.50
	PR agents	1,393.22
	Property Agents' Fees & Disbs	6,250.00
	<u>(79,373.22)</u>	<u>(88,313.27)</u>
	PREFERENTIAL CREDITORS	
	Pension Schemes	NIL
	<u>NIL</u>	<u>NIL</u>
	FLOATING CHARGE CREDITS	
	Floating Charge (1)	193,019.00
	<u>(193,019.00)</u>	<u>(193,019.00)</u>
	UNSECURED CREDITORS	
(1,027,503.00)	Trade & Expense Creditors	NIL
	<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS	
(101.00)	Ordinary Shareholders	NIL
	<u>NIL</u>	<u>NIL</u>
<u>(510,492.00)</u>	<u>(180,587.66)</u>	<u>147,664.33</u>
	REPRESENTED BY	
	Floating Current Account	147,664.33
		<u>147,664.33</u>

Summary of Time Charged and Rates Applicable for the Period From 15/11/2018 to 14/05/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL		A/R
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	
D. General Administration	1.20	753.10	13.75	4,469.25			3.45	438.15	12.70	921.50			31.10	6,592.00	211.6
E. Assets Realisation/Dealing			5.00	1,705.00									5.00	1,705.00	341.0
H. Creditor Claims			4.50	1,534.50									4.50	1,534.50	341.0
I. Reporting	1.00	533.00	11.90	3,967.00			2.85	361.95	3.25	224.25			19.00	5,086.20	267.6
J. Distribution and Closure			0.20	48.00									0.20	48.00	240.0
	2.20	1,286.10	35.35	11,723.75	0.00	0.00	6.30	800.10	15.95	1,145.75	0.00	0.00	59.80	14,955.70	

Net Total	59.80	14,955.70
Secretarial Expense		0.00
Other Disbursements Billed		0.00
Grand Total		14,955.70

Detail of Time Charged and Rates Applicable for the Period From 15/05/2018 to 14/05/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
B. Steps on Appointment														
02 Statutory Documentation			3.20	1,056.60	10.75	2,225.25	2.05	238.25	9.75	655.75			25.75	4,175.85
04 Meet Directors Debtors etc			3.25	1,062.25	8.45	1,749.15			8.50	1,406.00			3.25	1,062.25
07 Attendance at Premises													16.95	3,245.15
08 Detail Documentation Review	0.10	53.30											0.10	53.30
09 Preparation of Proposals			3.10	622.00					7.40	501.30			10.50	1,123.30
12 Setting up Internal Files					2.40	496.80			1.40	93.80			3.80	590.60
sub total -	0.10	53.30	9.55	2,760.85	21.60	4,471.20	2.05	238.25	27.05	2,746.85			60.35	10,270.45
B. Steps on Appointment														
D. General Administration														
02 VAT									0.45	31.05			0.45	31.05
03 Taxation			3.00	1,023.00	0.25	53.00							3.25	1,076.00
04 Instruct Liase Collectors			11.25	3,836.25	0.80	169.60							12.05	4,005.85
05 Investigations			1.00	341.00									1.00	341.00
06 Conduct Reports					0.60	127.20			1.95	226.20			2.55	353.40
07 Receipts Payments Accounts			12.70	4,189.25	0.30	50.70	4.10	515.75	9.50	740.90	0.25	16.95	26.85	5,513.55

Detail of Time Charged and Rates Applicable for the Period From 15/05/2018 to 14/05/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
08 Remuneration Issues			1.00	341.00									1.00	341.00
09 Statutory Matters			1.10	260.50					2.00	138.00			5.95	752.05
13 General Meetings			0.75	249.75									0.75	249.75
15 Gen Admin Correspondence	6.20	4,419.30	5.80	1,829.00	5.10	1,055.70	4.65	554.55	27.10	1,856.00			48.85	9,714.55
sub total -	6.20	4,419.30	36.60	12,069.75	7.05	1,456.20	11.60	1,423.85	41.00	2,992.15	0.25	16.95	102.70	22,378.20
D. General Administration														
E. Assets Realisation/Dealing														
06 Property Related Matters			3.50	1,165.50	2.25	465.75							5.75	1,631.25
07 Debt Collection			10.25	3,495.25									10.25	3,495.25
08 Dealing with Chattel Assets			1.50	499.50									1.50	499.50
09 Dealing with other Assets			1.00	341.00									1.00	341.00
12 Retention of Title													2.35	489.95
14 Sale of Business Assets	1.50	1,121.00	17.00	5,733.00	2.35	489.95							26.20	8,447.90
sub total -	1.50	1,121.00	33.25	11,234.25	12.30	2,549.60							47.05	14,904.85
E. Assets Realisation/Dealing														
F. Trading Related Matters														
01 Establish Business Control	1.00	741.00											1.00	741.00

Detail of Time Charged and Rates Applicable for the Period From 15/05/2018 to 14/05/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
06 Monitor Supervise Trading			4.25	1,415.25									4.25	1,415.25
08 Trading Accounts	0.10	53.30	7.75	2,612.75	0.50	106.00							8.35	2,772.05
99 Other Matters					2.20	458.90							2.20	458.90
sub total -	1.10	794.30	12.00	4,028.00	2.70	564.90							15.80	5,387.20
F. Trading Related Matters														
G. Employee Matters														
02 Dealing with Employees			3.75	1,248.75	1.15	238.05			0.50	90.00			5.40	1,576.80
sub total -			3.75	1,248.75	1.15	238.05			0.50	90.00			5.40	1,576.80
H. Creditor Claims														
02 Secured Creditors			3.50	1,193.50									3.50	1,193.50
03 Preferential Creditors			1.00	341.00									1.00	341.00
04 Non-Preferential Creditors			0.20	40.00	9.95	2,059.65			9.95	726.75			20.10	2,826.40
99 Other Matters					0.20	25.40							0.20	25.40
sub total -			4.70	1,574.50	10.15	2,085.05			9.95	726.75			24.80	4,386.30
H. Creditor Claims														
I. Reporting														
01 Statutory Reporting			16.80	5,583.50	7.90	1,674.80	2.85	361.95	8.50	586.50			36.05	8,206.75
02 Reporting to Appointor	1.00	741.00	8.50	2,898.50									9.50	3,639.50

Detail of Time Charged and Rates Applicable for the Period From 15/05/2018 to 14/05/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
04 Reporting to Creditors	1.00	533.00	3.00	1,023.00									4.00	1,556.00
sub total -														
I. Reporting	2.00	1,274.00	28.30	9,505.00	7.90	1,674.80	2.85	361.95	8.50	586.50			49.55	13,402.25
J. Distribution and Closure														
02 Distributions			0.20	48.00									0.20	48.00
sub total -													0.20	48.00
J. Distribution and Closure														
Net Total														72,354.05
Secretarial Expense														0.00
Other Disbursements														0.00
Billed														0.00
Grand Total														72,354.05



Orchard Care Homes.com (5) Limited - In Administration
Sarah Rayment of BDO LLP, 55 Baker Street, London, W1U 7EU and Kerry Bailey of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT were appointed Joint Administrators on 15 May 2018.

**Fees Estimate as at 12 December 2018
compared to Accrued Fees as at 15 May
2019**

Joint Administrators' Fees	Total Hours	Blended Rate £	Accrued Fee £	Estimated Fee £
Summary Activity				
A. Pre Appointment Matters	-	-	-	-
B. Steps on Appointment	60.35	170.18	10,270.45	10,270.45
C. Planning and Strategy	-	-	-	-
D. General Administration	102.70	221.17	22,378.20	20,500.00
E. Assets Realisation/Dealing	47.05	313.91	14,904.85	19,500.00
F. Trading Related Matters	15.80	341.00	5,387.80	9,000.00
G. Employee Matters	5.40	292.00	1,576.80	2,500.00
H. Creditor Claims	24.80	140.48	4,386.30	8,500.00
I. Reporting	49.55	314.38	13,402.25	12,500.00
J. Distribution & Closure	0.20	-	48.00	-
TOTAL	305.85	237.03	72,354.05	82,770.45

Expenses Estimate

Officeholder CAT 1 Disbursements	1,630.04	450.00
Officeholder CAT 2 Disbursements	78.76	78.76
Other Expenses		
Agent's Costs	8,910.95	8,910.95
Solicitor's costs	56,220.50	65,220.50

The fees that have accrued are within the level of the Fees Estimate and I do not anticipate exceeding the estimate in the Administration.

Detail of Work Undertaken

The majority of the work undertaken by the Joint Administrators in the Period has been in relation to statutory reporting to creditors, which includes providing an update to creditors regarding the progress achieved and the preparation of Receipts and Payments accounts.



Further costs have been incurred in respect of general administration duties carried out by the Joint Administrators. This work covers a wide range of statutory duties such as extending the administration, taxation, liaising with solicitors and general correspondence.



Orchard Care Homes.com (5) Limited - In Administration

In accordance with best practice, I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

GRADE	£
Partner	520-741
Manager	229-572
Assistant Manager	207-295
Senior Administrator	195-295
Administrator	67-249
Other Staff	37-102

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed on a regular basis and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

Pre Appointment
Steps upon Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters
Creditor Claims
Reporting
Distribution and Closure
Other Issues.

Under each of the above categories, the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on, a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

1) Other Costs

Where expenses are incurred in respect of the insolvent estate, they will be recharged. Such expenses can be divided into two categories.



2) Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case, the recharge will be reimbursement of a specific expense incurred.

3) Category 2

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP
10 June 2019

Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:

Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
 - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - (d) any unsecured creditor with the permission of the court; or
 - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—
- (a) providing all of the information requested;
 - (b) providing some of the information requested; or
 - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—
- (a) the time or cost of preparation of the information would be excessive; or
 - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
 - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
 - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—
- (a) the office-holder giving reasons for not providing all of the information requested; or
 - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.



(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

(2) Where the court has given permission, it must fix a venue for the application to be heard.

(3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.

(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 office-holder is entitled to charge;

- (b) an order reducing any fixed 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 is not to be treated as expenses of the administration, winding up or bankruptcy;

- (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

- (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or

- (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;

- (f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court's permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.



- (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 office-holder is entitled to charge;
 - (b) an order reducing any fixed 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 or winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.

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 **Sarah Rayment**

Company name **BDO LLP**

Address
5 Temple Square
Temple Street

Post town **Liverpool**

Country/Region

Postcode **L 2 5 R H**

Country

DX **BRNOTICE@bdo.co.uk**

Telephone **01512 374 500**



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