

The Insolvency Act 1986

**R2.48(1)****Notice of move from  
administration to  
dissolution****Pursuant to paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 and  
Rule 2.48(1) of the Insolvency (Scotland) Rules 1986**

Name of Company

Care in the Community Limited

Company number

SC197292

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

~~Mr~~We (a) James Stephen  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

Francis Graham Newton  
BDO LLP  
c/o BDO LLP Central Square  
29 Wellington Street  
Leeds  
LS11 5RU

(b) Insert name and  
address of  
registered office of  
company

having been appointed administrator(s) of (b) Care in the Community Limited, 4 Atlantic Quay, 70  
York Street, Glasgow G2 8JX

(c) Insert date of  
appointment  
(d) Insert name of  
applicant/appointor

on (c) 4 May, 2016 by (d) Clipper Holdings II S.a.r.l.

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986  
apply.

We attach a copy of the final progress report

Signed

Joint / Administrator(s)

Dated

1 May 2018

**Contact Details:**

You do not have to give any contact  
information in the box opposite but if  
you do, it will help Companies House to  
contact you if there is a query on the  
form.

The contact information that you give  
will be visible to searchers of the  
public record

James Stephen  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

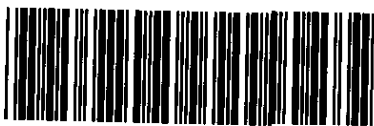
DX Number LP 55 Glasgow - 6

01412 483 761  
DX Exchange

When you have completed and signed this form, please send it to the  
Registrar of Companies at:-

**Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139  
Fountainbridge, Edinburgh, EH3 9FF  
DXED235 Edinburgh 1 / LP- 4 Edinburgh 2**

WEDNESDAY



\*S753A9LT\*

SCT

02/05/2018

#69

COMPANIES HOUSE

## Care in the Community Limited (In Administration)

### Final Report in terms of Rule 2.45 & 2.48 of the Insolvency (Scotland) Rules 1986

#### Exit Route of Administration: Dissolution

#### Contents

1. Introduction
2. Statutory Information
3. Proposals Approved
4. Deviations from Proposals
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#### Appendices

- A. Joint Administrators' Receipts & Payments
- B. Outcome Statement
- C. Time Costs to Date and Statement of Charge Out Rates
- D. Form 2.26(B)(Scot)

James Stephen of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and Francis Graham Newton of BDO LLP, Central Square, 29 Wellington Street, Leeds LS11 5RU, were appointed Joint Administrators on 04 May 2016. The business and assets of the company are now managed by the Joint Administrators. The Joint Administrators act as agents of the company, without personal liability.

James Stephen is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants of England & Wales. Office holder number 9273; and

Francis Graham Newton is authorised to act as an insolvency practitioner in the UK by the IPA. Office holder number 9310.

The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Administrators are Data Controllers as defined by the Data Protection Act 1998. Personal data will be kept secure and processed only for matters relating to the Administration.

This final progress report has been prepared by the Joint Administrators solely to comply with their statutory duty under the Insolvency Act and Scottish Rules 1986 (as amended) to provide members and creditors with a final update on the Administration and for no other purpose.

This report is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Act and Scottish Rules 1986 (as amended) does so at their own risk.

## **1 INTRODUCTION**

- 1.1 This is the final report to creditors on the progress of the Administration of Care in the Community Limited ("the Company"). A copy of this report will be submitted to the Court and Registrar of Companies to bring the Administration to a close. The exit route is to have the Company dissolved in terms of Para 84 of Schedule B1 of the Insolvency Act 1986.

## **2 STATUTORY INFORMATION**

- 2.1 The Joint Administrators are James Stephen of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow G2 8JX and Francis Graham Newton of BDO LLP, Central Square, 29 Wellington Street, Leeds LS11 5RU. They were appointed in respect of the above Company on 4 May 2016. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986 the Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.
- 2.2 The Administrators were appointed by Clipper Holdings II S.a.r.l. 11-13 Boulevard De La Foire, L-1528, Luxembourg being a Floating Charge Holder, pursuant to Paragraph 14 of schedule B1 of the Insolvency Act 1986. The Administration proceedings are dealt with in the Court of Session and the court case number is unknown.
- 2.3 The Company's registered office is situated at 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and the registered number is SC197292. The registered office prior to insolvency was 25 Sandyford Place, Glasgow.
- 2.4 The Administration was extended for a period of 12 months by creditors until 4 May 2018.
- 2.5 We enclose at Appendix A, for your information, a summary of our receipts and payments. The receipts shown are largely self-explanatory, although we would comment specifically on the following:
- The Company owned the property at 1791 Royston Road, Glasgow ("the Property"), which was leased to Hogganfield Care Ltd ("HCL"). HCL operated a registered Care Home from the premises. An offer was received from the tenant HCL that was considered following professional valuation advice from JLL, Surveyors. The secured creditor approved the sale of the property to HCL, in conjunction with an agreement in respect of Personal Guarantee settlements. The sale of the property completed on 30 January 2018. The sale price was £500,000.
  - We continued to collect the rent due under the lease to HCL pending completion of the sale. The final rent to 30 January 2018 was received on 28 February 2018.
  - We have submitted post appointment Corporation Tax returns and paid the assessed amounts due (£13,150.97) as an expense of the Administration.
  - We appointed HBJ Gateley, Solicitors ("HBJ") as legal agents. HBJ merged with Addleshaw Goddard LLP during the course of the Administration. Their fee basis was time costs.
- 2.6 At Appendix B is an Outcome Statement, which presents the receipts & payments figures according to insolvency rankings.

### **3 PROPOSALS APPROVED**

3.1 The Joint Administrators' proposals summarised below were deemed approved on 30 June 2016.

- i. That the Joint Administrators continue to manage the Company's business and realise assets in accordance with objective 3 of the statutory purpose of the Administration;
- ii. that the Joint Administrators may investigate and, if appropriate, pursue any claims the Company may have under the Companies Act 1985 and 2006 or Insolvency Act 1986 or otherwise. In addition, the Joint Administrators shall do all such other things and generally exercise all their powers as Joint Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals;
- iii. that the Joint Administrators make payments to secured and preferential creditors; and
- iv. that the Joint Administrators exit the Administration by way of dissolving the Company under Paragraph 84 of Schedule B1 of the Insolvency Act 1986, but in any event, may use any or a combination of 'exit route' strategies in order to bring the Administration to an end.

### **4 DEVIATIONS FROM PROPOSALS**

4.1 We have not deviated from the proposals and have concluded the disposal of assets and distribution of funds according to the statutory rankings. We will move to have the Company dissolved.

### **5 OUTCOME**

5.1 The Outcome Statement at Appendix B shows the outcome as follows:

#### **Secured Creditor**

5.2 Clipper Holding II S.a.r.l. held a standard security over the property at 1791 Royston Road, Glasgow. The sum secured, excluding accrued interest, charges and expenses was £5,902,292.98. Following the sale of the property and after expenses, distributions totalling £482,614.10 were made under the standard security to Clipper Holding II S.a.r.l.

#### **Preferential Creditors**

5.3 There were no valid preferential claims.

#### **Floating Charge Creditor**

5.4 Clipper Holding II S.a.r.l. holds a Pre Enterprise Act Floating Charge. The charge was for all sums due and the balance not recovered under the standard security is a floating charge claim.

5.5 Distributions totalling £45,930.88 were made to Clipper Holdings II S.a.r.l. under the floating charge.

#### **Prescribed Part - Unsecured Creditors**

5.6 The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently there will be no prescribed part in this Administration. There were no funds available to unsecured creditors.

## 6 JOINT ADMINISTRATORS' FEES

6.1 A summary of the Joint Administrators' time costs are attached at Appendix B. The proposals provided for the Administrators' fees to be based on a time cost basis.

6.2 As a declaration was made in terms of Para 52(1), the fees of the Joint Administrators were approved by the secured and preferential creditors, (to the extent there were any), in terms of rule 2.39(8) of the Insolvency (Scotland) Rules 1986. The approvals are summarised below:

Date	Fee (Excl VAT)	Outlays (Exc VAT)
4/5/2016 - 3/5/2017 Statutory matters	£5,000.00	£12.00
4/5/2017 - close - Statutory Matters	£5,000.00	-
Realisation Fee - Std Security	£12,000.00	£216.00
Total	£22,000.00	£228.00

6.3 The fees drawn per the Receipts and Payments at Appendix A are £12,000 (Plus VAT) from secured realisations and £10,000 (Plus VAT) from floating charge realisations.

## 7 INSOLVENCY ETHICS & COMPLAINTS

7.1 As Insolvency Practitioners we are bound by the Insolvency Code of Ethics. The fundamental principles are:

- Integrity
- Objectivity
- Professional competence and due care
- Confidentiality
- Professional behaviour

7.2 A full copy of the code of ethics is available at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

7.3 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 us but are not satisfied with the response from us 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.

## 8 JOINT ADMINISTRATORS' DISCHARGE

8.1 As no meeting of creditors was called and a declaration in terms of Para 52(1) was made we sought a resolution agreeing the terms our discharge from liability from the secured creditor. Based on the resolution agreed, the Joint Administrators are discharged from liability in terms of Para 98 of Schedule B1 of the Insolvency Act 1986 on the expiry of 14 days from the notice of move to dissolution being filed with the Registrar of Companies.



James Stephen  
Joint Administrator

1 May 2018

## Appendix A - Joint Administrators' Receipts & Payments

### Care in the Community Limited (In Administration) Joint Administrators' Trading Account

Statement of Affairs		From 04/11/2017 To 01/05/2018	From 04/05/2016 To 01/05/2018
Uncertain	POST APPOINTMENT SALES		
	Rental Income	17,268.00	73,975.00
	Insurance	8,048.63	9,364.18
	Insurance Claim	Nil	7,736.00
		<u>25,316.63</u>	<u>91,075.18</u>
	COST OF SALES		
	Insurance Claim Settlement	Nil	7,736.00
		<u>Nil</u>	<u>(7,736.00)</u>
	TRADING EXPENSES		
	Insurance	8,048.63	8,048.63
	Bank Charges & Interest	Nil	0.70
		<u>(8,048.63)</u>	<u>(8,049.33)</u>
	TRADING SURPLUS/(DEFICIT)	<u>17,268.00</u>	<u>75,289.85</u>

**Care in the Community Limited  
(In Administration)  
Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs		From 04/11/2017 To 01/05/2018	From 04/05/2016 To 01/05/2018
1,300,000.00	<b>FIXED CHARGE ASSETS</b> 1791 Royston Road, Glasgow	500,000.00 500,000.00	500,000.00 500,000.00
	<b>FIXED CHARGE COSTS</b> Administrators' Fees Legal Fees & Disbs	14,400.00 2,985.90 (17,385.90)	14,400.00 2,985.90 (17,385.90)
NIL (5,434,500.00)	<b>FIXED CHARGE CREDITORS</b> Northern Rock Clipper Holding II S.a.r.l.	NIL (482,614.10) (482,614.10)	NIL (482,614.10) (482,614.10)
Uncertain	<b>ASSET REALISATIONS</b> Book debts Cash at Bank Interest Gross Trading Surplus/(Deficit)	NIL NIL 26.90 17,268.00 17,294.90	NIL 2,175.90 53.70 75,289.85 77,519.45
	<b>COST OF REALISATIONS</b> Preparation of S.of A. Administrators' Fees Administrators' Disbursements Legal Fees & Disbs Corporation Tax VAT Paid Statutory Advertising Insurance Bank Charges	NIL 6,000.00 216.00 NIL 10,333.77 NIL NIL NIL 2.10 (16,551.87)	1,500.00 12,000.00 228.00 2,119.70 13,150.97 695.54 84.60 1,802.54 7.22 (31,588.57)
	<b>FLOATING CHARGE CREDS</b> Clipper Holdings II S.a.r.l	36,695.88 (36,695.88)	45,930.88 (45,930.88)
(29,185.66) (32,650.00) (43,213.00)	<b>UNSECURED CREDITORS</b> Trade & Expense Creditors Connected Companies Unsecured PAYE & CT	NIL NIL NIL NIL	NIL NIL NIL NIL
(100,000.00)	<b>DISTRIBUTIONS</b> Ordinary Shareholders	NIL NIL	NIL NIL
(4,339,548.66)		(35,952.85)	(0.00)
	REPRESENTED BY		NIL

## Appendix B - Final Outcome Statement

### Care in the Community Limited (In Administration)

Estimated Outcome

As at 1 May 2018

(Prescribed Part Does Not Apply)

Not VAT registered.

#### Secured Assets

1791 Royston Road, Glasgow

500,000

-

500,000

Less: Expenses

Legal Fees

(2,986)

-

(2,986)

Administrators Fees

(14,400)

-

(14,400)

Estimated Net Proceeds

482,614

-

482,614

Clipper Debt

(482,614)

(5,419,677)

(5,902,291)

Estimated Shortfall to Floating Charge

-

(5,419,677)

(5,419,677)

#### Floating Charge Assets

Net Rental Stream Under Lease

73,487

-

73,487

Cash at Bank

2,176

-

2,176

Interest Received

54

-

54

#### Expenses:

Administrators Fees

(12,000)

-

(12,000)

Administrators Outlays

(313)

-

(313)

Preparation of Statement of Affairs

(1,500)

-

(1,500)

Legals Fees - General

(2,120)

-

(2,120)

Corporation tax - Rental Income

(13,151)

-

(13,151)

Bank Charges

(7)

0

(7)

Irrecoverable VAT - Floating

(696)

-

(696)

Net Assets for Preferential Claim

45,931

0

45,931

Preferential Claims

-

-

-

Net Assets for Floating Charge

45,931

0

45,931

Distribution to floating charge holder

(45,931)

(0)

(45,931)

-

0

-

### Care in the Community Limited (In Administration)

Clipper Estimated Outcome Summary

Standard Security

482,614

-

482,614

Floating Charge

45,931

0

45,931

528,545

0

528,545



## Appendix C - Joint Administrators' Time Cost

<b>Name of Assignment</b>	<b>Care in the Community Limited</b>	<b>00268392</b>
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**Detail of Time Charged and Rates Applicable for the Period From 30/04/2016 to 01/05/2018**

Description	PARTNER		MANAGER		ASSISTANT		SENIOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	MANAGER		ADMINISTRATOR		Hours	Total	Hours	Total	Hours	Total
					Hours	Total	Hours	Total						
					£	£	£	£						
C. Planning and Strategy														
05. Review Options Available			0.50	151.50									0.50	151.50
sub total - C. Planning and Strategy			0.50	151.50									0.50	151.50
D. General Administration														
01 Insurance Matters			0.85	258.25									0.85	258.25
03. Taxation			2.40	775.50	2.45	484.00							4.85	1,259.50
07. Receipts/Payments Account			1.60	334.95	6.95	1,307.10	2.45	354.50	17.60	1,592.40	1.90	129.20	30.50	3,718.15
08. Remuneration Issues	0.20	102.90	0.25	75.75	0.60	112.80							1.05	291.45
09 Statutory Matters					0.30	56.40							0.30	56.40
14 General Discussions			1.10	334.00									1.10	334.00
15. Gen Admin/Correspondence	2.15	1,108.65	5.75	1,758.00	12.80	2,435.00	0.15	28.80					20.85	5,330.45
sub total - D. General Administration	2.35	1,211.55	11.95	3,536.45	23.10	4,395.30	2.60	383.30	17.60	1,592.40	1.90	129.20	59.50	11,248.20
E. Assets Realisation/Dealings														
04 Agent Instruction/Liasing			10.90	3,358.00									10.90	3,358.00
06 Property Related Matters	3.00	1,416.00	14.00	4,315.50									17.00	5,731.50
07 Debt Collection			0.25	77.50									0.25	77.50
09. Dealing with other Assets			0.25	77.50									0.25	77.50
99. Other Matters			1.00	303.00									1.00	303.00
sub total - E. Assets Realisation/Dealings	3.00	1,416.00	26.40	8,131.50									29.40	9,547.50
F. Trading Related Matters														
08. Trading Accounts			0.50	151.50									0.50	151.50
99. Other Matters			0.50	155.00									0.50	155.00
sub total - F. Trading Related Matters			1.00	306.50									1.00	306.50
G. Employee Matters														
99. Other Matters									0.30	51.60			0.30	51.60
sub total - G. Employee Matters				0.00					0.30	51.60			0.30	51.60
H. Creditor Claims														
99. Other Matters					0.20	37.60							0.20	37.60



sub total -				0.00	0.20	37.60								0.20	37.60
H. Creditor Claims															
I. Reporting															
01. Statutory Reporting			4.75	1,463.75										4.75	1,463.75
02. Reporting to Appointor	2.00	964.00	2.25	681.75										4.25	1,645.75
sub total -		2.00	964.00	7.00	2,145.50									9.00	3,109.50
I. Reporting															
J. Distribution and Closure															
01. Closure Planning			7.00	2,170.00										7.00	2,170.00
02. Distributions			0.50	155.00										0.50	155.00
sub total -			7.50	2,325.00										7.50	2,325.00
J. Distribution and Closure															
K. Work															
Work	2.00	1,004.00	38.80	11,333.85	0.50	94.00	23.25	4,222.05	5.85	978.00	0.20	20.80	70.60	17,652.70	
sub total -		2.00	1,004.00	38.80	11,333.85	0.50	94.00	23.25	4,222.05	5.85	978.00	0.20	20.80	70.60	17,652.70
K. Work															
Net Total														44,430.10	
Secretarial Expense														0.00	
Other Disbursements														190.00	
Billed															
Grand Total														44,620.10	

## APPENDIX D - Form 2.26(B)(Scot)

## Rule 2.48

Form 2.26B(Scot)

The Insolvency Act 1986

**R2.48(1)****Notice of move from  
administration to  
dissolution****Pursuant to paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 and  
Rule 2.48(1) of the Insolvency (Scotland) Rules 1986**

Name of Company

Care in the Community Limited

Company number

SC197292

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

~~At~~ We (a) James Stephen  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

Francis Graham Newton  
BDO LLP  
c/o BDO LLP Central Square  
29 Wellington Street  
Leeds  
LS11 5RU

(b) Insert name and  
address of  
registered office of  
company

having been appointed administrator(s) of (b) Care in the Community Limited, 4 Atlantic Quay, 70  
York Street, Glasgow G2 8JX

(c) Insert date of  
appointment  
(d) Insert name of  
applicant/appointor

on (c) 4 May, 2016 by (d) Clipper Holdings II S.a.r.l.

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986  
apply.

We attach a copy of the final progress report

Signed

Dated

Joint / Administrator(s)  
1 May 2018

**Contact Details:**

You do not have to give any contact  
information in the box opposite but if  
you do, it will help Companies House to  
contact you if there is a query on the  
form.

The contact information that you give  
will be visible to searchers of the  
public record

James Stephen  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

DX Number LP 55 Glasgow - 6

01412 483 761  
DX Exchange

Companies House receipt date barcode

When you have completed and signed this form, please send it to the  
Registrar of Companies at:-

**Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139  
Fountainbridge, Edinburgh, EH3 9FF  
DXED235 Edinburgh 1 / LP- 4 Edinburgh 2**