

The Insolvency Act 1986

# **Notice of move from administration to creditors' voluntary liquidation**

# 2.34B

Name of Company
Carrington Carr Home Finance Limited

Company number
2105488

In the High Court of Justice Chancery Division Birmingham District Registry (full name of court)
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Court case number 8128 of 2012
-----------------------------------

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

I/We (a) Christopher James Farrington  
Deloitte LLP  
1 Woodborough Road  
Nottingham  
NG1 3FG

Matthew James Cowlshaw  
Deloitte LLP  
Four Brindleyplace  
Birmingham  
B1 2HZ

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

having been appointed administrator(s) of (b) Carrington Carr Home Finance Limited  
c/o Deloitte LLP, Four Brindleyplace, Birmingham, B1 2HZ

(c) Insert date of  
appointment

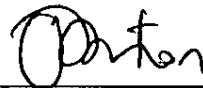
on (c) 20 March 2012  
by (d) Debenture Holder  
hereby give notice that

(d) insert name of  
applicant/  
appointer

(e) Insert name(s)  
and address(es) of  
liquidator(s)

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is  
proposed that (e) Christopher James Farrington and Matthew James Cowlshaw  
will be the liquidators of the company (IP No 008751 & 009631)

Signed



Joint / Administrator(s)

Dated

11/3/13.

## 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 is:

Holly Savage  
Deloitte LLP  
Four Brindleyplace  
Birmingham  
B1 2HZ

DX Number

0121 632 6000  
DX Exchange

When you have completed and signed this form, please send it to the  
Registrar of Companies at -  
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

WEDNESDAY



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#227

COMPANIES HOUSE

**CARRINGTON CARR HOME FINANCE LIMITED  
(IN ADMINISTRATION)  
("the Company")**

**Court No. 8128 of 2012**

**FINAL PROGRESS REPORT TO CREDITORS  
PURSUANT TO RULE 2.110 OF THE INSOLVENCY RULES 1986 AND THE  
INSOLVENCY (AMENDMENT) RULES 2010**

**12 March 2013**

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

**Christopher James Farrington and Matthew James Cowlshaw were appointed Joint Administrators of Carrington Carr Home Finance Limited on 20 March 2012. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.**

**All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners.**

**Christopher James Farrington and Matthew James Cowlshaw  
Deloitte LLP  
4 Brindleyplace, Birmingham, B1 2HZ  
Tel 0121 696 8838  
Fax: 0121 695 5555**

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## ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used

"the Act"	Insolvency Act 1986 (as amended)
"the Rules"	Insolvency Rules 1986 and the Insolvency (Amendment) Rules 2010
"the Administrators"	Christopher James Farrington and Matthew James Cowlishaw of Deloitte LLP
"the Company"	Carrington Carr Home Finance Limited - in Administration
"Deloitte"	Deloitte LLP
"EOS"	<del>Estimated Outcome Statement</del> Estimated Outcome Statement
"Jones Lang LaSalle"	Jones Lang LaSalle Limited
"Shakespeares"	Shakespeares LLP
"SIP2 (E&W)"	Statement of Insolvency Practice 2 (England & Wales)
"SIP7 (E&W)"	Statement of Insolvency Practice 7 (England & Wales)
"SIP9 (E&W)"	Statement of Insolvency Practice 9 (England & Wales)
"SIP13 (E&W)"	Statement of Insolvency Practice 13 (England & Wales)

## **1 INTRODUCTION**

### **1.1 Introduction**

This report has been prepared in accordance with Rule 2.110 of the Rules to provide creditors with a summary of the Administration of the Company

Given the information already provided to creditors in our previous reports to creditors, we have not included detailed background information in respect of the Company and have focused on progress of the Administration subsequent to those reports

In the absence of creditors requesting a meeting the Administrators' proposals were deemed approved on 11 May 2012 and are detailed in section 2 below

A schedule of statutory information in respect of the Company is attached at Appendix 1

### **1.2 Details of the appointment of the Administrators**

Christopher James Farrington and Matthew James Cowlshaw of Deloitte were appointed Administrators of the Company by, Carrington Carr Holdings Limited, 37 Welford Way, Leicester, LE2 7AD on 20 March 2012, following the filing of a Notice of Appointment of Administrators, in their capacity as the Qualified Floating Charge Holder of the Company

The Court having conduct of the proceedings is High Court of Justice, Chancery Division, Birmingham (case number 8164 of 2012)

For the purposes of Paragraph 100(2) of Schedule B1 of the Act, the Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally

### **1.3 Electronic communication with creditors**

In an effort to reduce the costs of the Administration, all future communications with creditors, including updates and progress reports, will be posted onto a website, which has been set up specifically for this purpose. The web address is [www.deloitte.com/uk/cchf](http://www.deloitte.com/uk/cchf)

A letter will be issued to all creditors each time the website is updated with a statutory notice or report. All creditors' statutory notices will be retained on the website for 3 months after being uploaded to the site

## **2. ADMINISTRATORS' PROPOSALS**

### **2.1 Introduction**

As previously reported to creditors, the Administrators concluded it was not possible to sell the Company as a going concern due to the significant secured and unsecured creditor liabilities, the scale of the Company's losses, its Balance Sheet deficiency and the future liabilities of PPI mis-selling claims arising in respect of historic business activities

Consequently, the Administrators have performed their functions in relation to the Company with the objective set out in Paragraph 3(c) of Schedule B1 of the Act, which is to realise assets in order to make a distribution to secured and/or preferential creditors

The Joint Administrators' proposals in order to achieve this objective, which were deemed approved on 11 May 2012 following the issue of a notice under Paragraph 52(1) of Schedule B1 of the Act on 30 April 2012 and the expiry of 8 business days thereafter, are detailed at Appendix 2

### **2.2 Achievement of the approved proposals**

We have summarised below the outcome in respect of each of the approved proposals

<b>Proposal</b>	<b>Current status</b>
1	The Joint Administrators have realised the majority of the assets and settled the expenses incurred in the Administration
2	A confidential report in relation to the Directors' conduct have been submitted to the Insolvency Service
3 & 4	The Administrators have agreed and paid the preferential claims in the Administration, a dividend of 100p in the £ was paid on 8 March 2013. The secured creditor has received £55,000 under the terms of its fixed charge security and £85,000 in respect of its floating charge. Funds are available to the unsecured creditors from the Prescribed Part and uncharged assets
5	No creditors committee was formed in respect of the Company
6 & 7	The Administrators have obtained approval from the Company's secured and preferential creditors with regards to the basis and drawing of the Administrators' remuneration, on-going expenses and Pre Administration Costs
8 & 9	The Administrators will place the Company into Creditors Voluntary Liquidation in order to make a distribution under the Prescribed Part to the unsecured creditors
10	The Administrators have obtained approval from the Company's secured and preferential creditors with regards to the Administrators' discharge of liability per paragraph 98 & 99 of Schedule B1 of the Act

Further information in respect of the final outcome of the Administration is contained in the following sections of this report

### **3. STEPS TAKEN DURING THE ADMINISTRATION**

#### **3.1 Realisation of assets**

As a going concern sale of the Company was not possible the individual assets of the Company have been sold. Details of all assets realised are shown at Appendix 4.

Interested parties undertook some limited due diligence to assess whether the business had retained sufficient goodwill during its non-trading period to enable a purchase of the Company's intellectual property, goodwill, website domains and customer leads list. Competing offers were received, and the higher of these offers, being immediate consideration of £50,750 plus 50% of future revenue generated over the next twelve months from the sale of the customer leads list, was accepted.

Mobile telephone numbers used by the Company were sold for £3,983 together with £4,350 in respect of mobile telephone handsets (in line with professional agents' recommendations).

The Company owned no freehold property, the premises occupied by the Company were subject to a shared lease with the parent company. After receipt of professional agents' advice that there was no realisable value in the Company's shared leasehold interest, the lease was assigned to the parent company for the sum of £500.

An immediate freeze was placed on the Company's bank account and all monies held in the bank account were transferred to the Administration bank account. All funds received into the estate have been banked in an interest bearing account.

A final offer of £125,000 was accepted for the historical tax losses held by the Company, which can be used by the Company's parent and its other subsidiaries to offset against their own tax liabilities. These tax losses had no alternative realisable value.

A VAT refund has been received amounting to £8,659 in respect of overpayments made by the Company prior to the Administrators' appointment.

Book debt collections are on-going, and we are in the process of passing the remaining book debts to a third party debt collection agent, although realisations are expected to be minimal.

#### **3.2 Distributions to creditors**

As detailed in section 5 a distribution of £55,000 has been made to the secured creditor under its fixed charge, £85,000 has been distributed to the secured creditor under its floating charge. Preferential claims of £3,430 have been paid in full.

#### **3.3 Exit**

As detailed in our previous reports to creditors the Administration exit route is to move the Company into Creditors Voluntary Liquidation ("CVL"). This will enable us to distribute funds to the unsecured creditors under the prescribed part, once the realisations of the outstanding book debts and revenue share is complete.

### **3.4 Investigations**

As part of the Administrators' statutory duties, an investigation into the conduct of the Company's Directors was completed

In this regard, a confidential report was submitted to The Insolvency Service on 14 September 2012

### **3.5 EU regulations**

As stated in the Administration Order in respect of the Company, Council Regulation (EC) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation



## **4 ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT AND ADMINISTRATION OUTCOME**

### **4.1 Introduction**

Attached at Appendix 4 is an abstract Receipts and Payments account covering the period from 20 September 2012 to 12 March 2013 together with cumulative details of the transactions from the date of appointment on 20 March 2012, in accordance with SIP7 (E&W)

A Final Outcome Statement as at 12 March 2013 is attached at Appendix 3

In this section, we have summarised the main asset realisations during the period since our last progress report to creditors

### **4.2 Asset realisations**

#### **Revenue Share**

As previously reported the sale contract includes an agreement that 50% of revenue generated over the twelve months from the sale of the customer leads list will be paid to the Administration estate by Platinum Life Solutions Limited. In the period funds of £15,202 have been received into the Administration account and we have included a broad estimate of £2,000 for future realisation from this source.

#### **Tax Losses**

As previously reported we were in discussion with the Company's parent company regarding the possible surrender of accumulated corporation tax losses, which although of no use to the Company itself because it has ceased trading, could be used by the parent and its other subsidiaries to offset against their own tax liabilities. We have received and accepted a final offer of £125,000 for the tax losses.

#### **Book Debt**

In the period £13,284 has been received in respect of book debts. We are in the process of instructing a third party debt collection agent to recover the remaining book debts although realisations are expected to be minimal.

#### **VAT Refund**

A VAT refund has been received amounting to £8,659 in respect of overpayments made by the Company prior to the Administrators' appointment.

#### **Bank Interest**

All funds received into the estate have been banked in an interest bearing account. Interest received to date amounts to £350.

### **4.3 Unrealised assets**

The revenue share agreement continues until April 2013 and funds due under the agreement will be paid to the Liquidation estate. There are a number of book debts that are still

outstanding and these are in the process of being passed to a specialist debt collection agency

## **5. DISTRIBUTIONS TO CREDITORS**

### **5.1 Secured creditors**

The Company's secured debt at the date of the appointment of the Administrators, as shown in the Statement of Affairs, was £1,638,029, owed to Carrington Carr Holdings Limited and secured by way of fixed and floating charges

The estimated recovery available to the secured creditor is shown with the EOS at Appendix 3 To date £55,000 has been distributed under the fixed charge and a further £85,000 under the floating charge

### **5.2 Preferential creditors**

Preferential claims totalling £3,430 have been agreed and paid during the period, at a rate of 100p in the £

### **5.3 Prescribed Part and unsecured creditors**

The Prescribed Part (section 176A of the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations net of costs, to be set aside for unsecured creditors This equates to

- 50% of net property up to £10,000,
- Plus, 20% of net property in excess of £10,000
- Subject to a maximum of £600,000

Please note that the level of return to creditors can only be estimated at this stage and is subject to change, once all assets are realised, creditor claims are received and agreed

An estimate of the Prescribed Part and other realisations available for unsecured creditors are set out at Appendix 3 At this stage, we estimate that the unsecured creditors will receive a dividend of approximately 1 pence in the £

To date claims of £652,870 have been submitted compared with total claims shown in the Directors' Estimated Statement of Affairs of £2,602,381

As there is likely to be a small distribution to unsecured creditors you are requested to submit claims to the address on the front of this report, marked for the attention of Holly Savage A Proof of Debt form is attached at Appendix 6, to allow you to submit your claim

If you do not wish to submit a claim could you please confirm this by writing to the address on the front of this report, or by email to [hsavage@deloitte.co.uk](mailto:hsavage@deloitte.co.uk)

## **6. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS**

### **6.1 Extensions to original period of appointment**

In accordance with the provisions of the Act incorporated by the Enterprise Act 2002, all Administrations automatically come to an end after one year unless an extension is granted by the Court or with the consent of the creditors

In this case there was no need to extend the Administration appointment

### **6.2 Administrators' discharge**

This is the final Administrators report to creditors, and the Company will exit Administration by proceeding into Creditors Voluntary Liquidation ("CVL") which will enable the Joint Liquidators to make a distribution to the unsecured creditors

### **6.3 SIP13 (E&W) – Transactions with connected parties**

In accordance with the guidance given in SIP13 (E&W), we are required to review the Company's transactions with connected parties during the period of this report and the two years prior to our appointment

Transactions since our appointment on 20 March 2012 have been disclosed in our previous report. In the period of this report as detailed above tax losses were sold to Carrington Carr Holdings Limited for £125,000

The following transactions that took place during 2011 between the Company and its Parent Company have been reviewed, and we are of the opinion that these transactions do not require any further investigation

This comprised the following transactions

- Sales of fixtures and fitting, computer software and computer hardware by the Company to Carrington Carr Holdings Limited amounting to £185,551
- Intercompany charges amounting to £2,817,287

## **7. PRE-ADMINISTRATION COSTS**

Included within the Administrators' Report and Proposals dated 30 April 2012 was a Statement of Pre-Administration Costs, in accordance with rule 2 33(2)(ka) of the Rules

These costs were approved on 14 May 2012 by the secured and preferential creditors, as detailed below

Insolvency Practitioner	Amount approved (£)	Date approved	Date paid
C J Farrington and M J Cowlshaw	7,768 50	14 May 2012	19 June 2012
<b>TOTAL APPROVED AND PAID</b>	<b>7,768 50</b>		

## **8. ADMINISTRATORS' REMUNERATION AND EXPENSES**

### **8.1 Administrators' Remuneration and Expenses**

#### **8.1.1 Basis of Remuneration**

The basis of the Administrators' remuneration was fixed on 11 May 2012 by the secured creditors and preferential creditors by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT

#### **8.1.2 Remuneration**

During the period of this report 20 September 2012 to 12 March 2013 the Administrators have incurred total time costs of £45,431 75 made up of 116 80 hours at an average charge out rate of £388 97 across all grades of staff, this time is charged in six minute increments, as detailed in Appendix 5 Against these time costs, a total of £36,486 75 has been drawn as shown in the Receipts and Payments account at Appendix 4

From the date of the Administrators' appointment 20 March 2012 to 12 March 2013 total time incurred is £173,513 75 made up of 450 95 hours at an average charge out rate of £384 77 across all grades of staff, this time is charged in six minute increments, as detailed in Appendix 5 Against these time costs, a total of £90,486 75 has been drawn as shown in the Receipts and Payments account at Appendix 4

The work has been categorised into the following task headings and sub categories

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashiering and accounting
- **Investigations** includes investigating the Company's affairs and in particular any antecedent transactions and also reporting on the conduct of its directors
- **Realisation of Assets** includes identifying and securing assets, dealing with the sale of assets, property issues, activities in relation to other assets, related legal issues, collection of debts, realisation of other fixed assets and VAT and taxation matters
- **Creditors** includes creditor set up, communication, reviewing and agreeing preferential and unsecured claims, corresponding with the Secured Creditor, reviewing and obtaining advice in relation to security granted to the Secured Creditor Also, dealing with trade creditors, dealing with customer creditors, employee issues, and submitting documentation to HM Revenue & Customs
- **Other matters** includes liaising with the Company's major unsecured creditor and the director regarding the release of customer information under the terms of the Company's Appointed Representative Agreement (shown under the heading "Litigation") and VAT and corporation tax issues

"A Creditors' Guide to Remuneration" is available for download at

[www.deloitte.com/uk/sip-9-england-and-wales](http://www.deloitte.com/uk/sip-9-england-and-wales)

Should you require a paper copy, please send your request in writing to the Administrators at the address on the front of this report and this will be provided to you at no cost

### 8.1.3 Expenses

During the period covered by this report the Administrators have incurred expenses of £64 08, total expenses incurred from 20 March 2012 to 12 March 2013 are summarised in the table below

Nature of expenses	Total Incurred £	Paid £	Outstanding £
Case Bonding	210 00	210 00	-
Postage	81 00	64 00	17 00
Travel	413 64	407 47	6 17
Mileage	123 07	87 65	35 42
Subsistence	44 29	38 80	5 49
Phone Usage	29 32	29 32	-
<b>Total</b>	<b>901 32</b>	<b>837 24</b>	<b>64 08</b>

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred

A summary of expenses paid is provided at Appendix 4

## 8 2 Charge out rates

The range of charge out rates for the separate categories of staff is based on our 2012 charge out rates as summarised below. Manager rates include all grades of assistant manager

Grade	£ 2012 (Jan-Aug)	£ 2012 / 2013 (Sept- Aug 2013)
<b>Partners/Directors</b>	585 to 920	605 to 950
<b>Managers</b>	295 to 700	305 to 720
<b>Assistants and Support Staff</b>	150 to 295	155 to 305

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Finance or Deloitte Real Estate may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands.

quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

With effect from 1 September 2012, charge out rates were increased by an average 3% and the charge out rate bandings have been amended, where applicable, to reflect this change.

### 8.3 Other professional costs

As previously advised, Shakespeares, a firm of lawyers were engaged to advise on appropriate legal matters and to prepare required legal documentation (including asset sale agreements).

In addition, Jones Lang LaSalle, a firm of chattel agents, were instructed by the Administrators to undertake valuations of domain names, mobile telephones and the Company's shared interest in the leasehold property.

We are currently in the process of handing the remaining book debts to a collection agency, the terms are yet to be finalised although payment is most likely to be made on a commission only basis.

All professionals' costs are based upon their recorded time costs incurred or pre agreed capped fees and are reviewed by the Administrators before being approved for payment.

Name of lawyer/agent	NET (£)	VAT (£)	TOTAL (£)
Shakespeares	21,512 00	4,302 40	25,814 40
Jones Lang LaSalle	1,450 00	290 00	1,740 00
<b>Total</b>	<b>22,088 00</b>	<b>4,592 40</b>	<b>27,554 40</b>

### 8.4 Creditors' right to request information

Any secured creditor or, unsecured creditor with the support of at least 5% in value of the unsecured creditors or, with leave of the Court, may, in writing, request the Administrators 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 2.47(1)(fa) and 2.48A of the Rules.



## **8.5 Creditors' right to challenge Remuneration and/or Expenses**

Any secured creditor or, unsecured creditor with the support of at least 10% in value of the unsecured creditors or, with leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 2 109(4) of the Rules), reducing the amount or the basis of remuneration which the Administrators 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 2 109 of the Rules

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

**CARRINGTON CARR HOME FINANCE LIMITED - IN ADMINISTRATION**  
**STATUTORY INFORMATION**

Company Name	Carrington Carr Home Finance Limited
Previous Names	AWD Home Finance Limited
Proceedings	In Administration
Court	Birmingham District Registry
Court Reference	8128 of 2012
Date of Appointment	20 March 2012
Joint Administrators	C J Farrington and M J Cowlshaw Deloitte LLP Four Brindleyplace Birmingham B1 2HZ
Registered office Address	c/o Deloitte LLP Four Brindleyplace Birmingham B1 2HZ
Company Number	2105488
Incorporation Date	3 March 1987
Company Secretary	John Hudson
Bankers	Barclays Bank Plc
Auditors	Cooper Parry LLP
Appointment by	The Qualified Fixed Charge Holder being, Carrington Carr Holdings Limited – under Paragraph 14 of Schedule B1 of the Insolvency Act 1986
Directors at date of Appointment	David Fuher Andrew Townsend John Hudson Paul Wood
Directors' Shareholdings	Nil

### Joint Administrators' Proposals

- 1 the Administrators continue to manage the affairs and any remaining assets of the Company and the settlement of all Administration expenses,
- 2 the Administrators continue with their enquiries into the conduct of the Directors of the Company and assist the regulatory authorities with any investigation into the affairs of the Company,
- 3 the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against the Company unless the Administrators conclude, in their reasonable opinion, that the Company will have no assets available for distribution,
- 4 the Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application,
- 5 that, in the event the creditors of the Company so determine, at a meeting of creditors, a Creditors Committee be appointed in respect of the Company comprising of not more than five and not less than three creditors of the Company,
- 6 that, if a Creditors' Committee is not appointed, the secured and preferential creditors of the Company shall be asked to fix the basis of the Administrators' remuneration in accordance with Rule 2 106(5A)(a), to be fixed by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT. In addition those creditors shall also be asked to agree the Administrators' expenses of which the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administration, at the prevailing standard mileage rate used by Deloitte at the time when the mileage is incurred, plus VAT where applicable,
- 7 that, if a Creditors' Committee is not appointed, the secured and preferential creditors of the Company shall be asked to agree the Administrators' Pre Administration Costs as detailed in Appendix 4 of the Administrators' Proposals be approved. And that the Administrators be authorised to draw their Costs, plus VAT, from the Administration estate,
- 8 that, following the realisation of assets and resolution of all matters in the Administrations, and as quickly and efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Company or alternatively, seeking to put the Company into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors,
- 9 that, if the Company were to be placed into CVL, the Administrators propose to be appointed Liquidators and any Creditors' Committee appointed will become the Liquidation Committee pursuant to Rule 4 174A of the Rules and that the basis of the Liquidators' remuneration be fixed by reference to the time given in attending to matters arising in the Liquidations. As per Paragraph 83(7) of Schedule B1 of the Act and Rule 2 117A(2)(b) of the Rules, the creditors may nominate a different person to be Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purposes of Section 231 of the Act the Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally, and
- 10 in the absence of a Creditors' Committee, the secured and preferential creditors of the Company shall be asked to agree that the Administrators be discharged from liability per Paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators' filing their final report to creditors and vacating office

Carrington Carr Home Finance Limited  
(In Administration)

Joint Administrators Revised Estimated Outcome Statement as at 12 March 2013

	Statement of Affair Book Value	Estimated to Realise in Statement of Affairs	Realised to 12/3/2013 £'000	Future Estimated Realisations £'000	Total £'000
<b>Assets subject to a fixed charge</b>					
Goodwill and Customer Leads	-	61 250	50 000	-	50 000
Revenue Share	-	-	22 183	2 000	24 183
Lease Assignment	-	-	500	-	500
Phone	-	-	3 983	-	3 983
Domain Names	-	-	750	-	750
Bank Interest	-	-	214	-	214
	<u>Nil</u>	<u>61 250</u>	<u>77 610</u>	<u>2 000</u>	<u>79 610</u>
Less					
Costs of realisation - Legal and Agents Fees			(10 790)	-	(10 790)
Administrators' fees and expenses			(8 953)	-	(8 953)
VAT			(2 644)	-	(2 644)
			<u>(20 387)</u>		<u>(20 387)</u>
<b>Fixed charge funds in hand</b>			<b>57,222</b>	<b>2,000</b>	<b>59,222</b>
<b>Indebtedness to fixed charge holder</b>					<b>(1,638,029)</b>
<b>Surplus / (deficit) as regards fixed charge holder</b>					<b>(1,578,807)</b>
<b>Assets subject to a floating charge</b>					
Cash at Bank on Appointment	119 630	119 630	120 049	-	120 049
Phone Equipment	-	-	4 350	-	4 350
Book Debts	135 648	101 736	92 403	15 000	107,403
Sundry Refunds	-	-	10 569	-	10 569
Bank Interest	-	-	692	1 000	1 692
	<u>255 278</u>	<u>221 366</u>	<u>228 064</u>	<u>16 000</u>	<u>244 064</u>
Less					
Statutory and Sundry Costs			(77)	(800)	(877)
Costs of realisation - Legal Agents and Collection Fees			(12 296)	-	(12 296)
Administrators fees and expenses			(72 869)	-	(72 869)
VAT			(16 122)	(120)	(16 242)
			<u>126,900</u>	<u>15,280</u>	<u>142,180</u>
<b>Floating charge funds in hand</b>					<b>142,180</b>
<b>Available to preferential creditors</b>					<b>142,180</b>
<b>Preferential creditors (employee claims) agreed and paid</b>					<b>(3,430)</b>
<b>Net Property</b>					<b>138,750</b>
<b>Available to unsecured creditors via the Prescribed Part</b>					
50% of initial £10 000 of Net Property		5 000			
20% of balance of Net Property		25 750			
Total Prescribed Part available (maximum £800k)		<u>30 750</u>			<u>(30 750)</u>
<b>Available to Floating Charge creditors</b>					<b>108 000</b>
<b>Fixed Charge Deficit Brought Down</b>					<b>(1,578,807)</b>
<b>Available to unsecured creditors</b>					<b>Nil</b>
<b>Unsecured Assets</b>					
Tax Losses					125 000
Prescribed Part Provision					30 750
Less Costs (inc VAT)					(30 000)
<b>Total to be available to unsecured creditors</b>					<b>125,750</b>
<b>Unsecured creditors - per Directors Statement of Affairs, not yet agreed</b>					
Trade & Expense creditors					(2 536 455)
HM Revenue & Customs					(65 926)
					<u>(2 602 381)</u>
<b>Deficit as Regards Unsecured Creditors - Excluding shortfall to Debenture Holder</b>					<b>(2,476,631)</b>

Estimated Summary return to creditors

Dividend to

Fixed & floating charge holder	0.10	p in the £
Preferential creditors	100.0	p in the £
Unsecured creditors	0.04	p in the £

Carrington Carr Home Finance Limited - In Administration

Joint Administrators Receipts and Payments Account  
from 20 March 2012 to 12 March 2013

ESTIMATED STATEMENT OF AFFAIRS		Notes	Fixed Charge			Floating Charge			Uncharged	Total
			20/3/2012 to 19/09/2012	19/09/2012 to 12/03/2013	20/03/2012 to 12/03/2013	20/3/2012 to 19/09/2012	19/09/2012 to 12/03/2013	20/03/2012 to 12/03/2013	19/09/2012 to 12/03/2013	20/03/2012 to 12/03/2013
Receipts										
61 250	Goodw ill		50 000 00		50 000 00					50 000 00
	Lease Assignment		500 00		500 00					500 00
	Phone Lines		3 983 33		3 983 33					3 983 33
	Dorman Names		750 00		750 00					750 00
	Revenue Share		6 961 00	15 202 00	22 163 00					22 163 00
	Tax Loss Sale								125 000 00	125 000 00
101 736	Book Debts					79 119 67	13 283 83	92 403 50		92 403 50
	Overpayment Refund Legal Fees					1 249 13		1 249 13		1 249 13
119 630	Cash at Bank					120 049 49		120 049 49		120 049 49
	Phone Equipment					4 350 00		4 350 00		4 350 00
	National Insurance Refund					661 32		661 32		661 32
	Pre Appointment VAT Refund						8 658 71	8 658 71		8 658 71
	Bank Interest Gross	A	112 15	101 63	213 78	366 63	325 34	691 97		905 75
			62 306 48	15 303 63	77 610 11	205 796 24	22 267 88	228 064 12	125 000 00	430 674 23
Payments										
	Agent's Fees		1 450 00		1 450 00					1 450 00
	Legal Fees		9 300 00		9 300 00	9 888 00	2 324 00	12 212 00		21 512 00
	Legal Disbursements		40 00		40 00	84 00		84 00		124 00
	Administrators Fees Post Appointment	B	6 953 25		6 953 25	47 046 75	17 000 00	64 046 75	19 486 75	90 486 75
	Administrators Fees Pre Appointment	B				7 768 50		7 768 50		7 768 50
	Administrators Expenses	B				533 92	81 00	614 92		614 92
	Case Bond					210 00		210 00		210 00
	Telephone Telex & Fax				-	29 32		29 32		29 32
	Postage and Redirection				-	64 00		64 00		64 00
	Statutory Advertising					76 50		76 50		76 50
	Bank Charges				-		69 92	69 92		69 92
	Preferential Dividend	C			-		3 429 94	3 429 94		3 429 94
	Fixed Charge Dividend	D		55 000 00	55 000 00					55 000 00
	Floating Charge Dividend	E			-		85 000 00	85 000 00		85 000 00
			17 743 25	55 000 00	72 743 25	65 700 99	107 904 86	173 605 85	19 486 75	265 835 85
Balance in Hand			44 563 23	39 696 37	4 866 86	140 095 25	65 636 98	54 458 27	105 513 25	164 838 38
			62 306 48	15 303 63	77 610 11	205 796 24	22 267 88	228 064 12	125 000 00	430 674 23
Made up as Follows										
	Cash at Bank	A	41 919 25	39 696 37	2 222 88	127 841 85	- 89 505 18	38 336 67	101 615 90	142 175 45
	VAT Receivable	F	2 643 98		2 643 98	12 253 40	3 868 20	16 121 60	3 897 35	22 662 93
	Total		44 563 23	39 696 37	4 866 86	140 095 25	- 85 636 98	54 458 27	105 513 25	164 838 38

This receipts and payments account should be read in conjunction with the accompanying annual report

- A All funds are banked on an interest bearing account. The associated corporation tax on interest received has been accounted for to HM Revenue & Customs
- B The secured and preferential creditors passed a resolution authorising the Joint Administrators to draw their fees, expenses and pre appointment costs on a time cost basis
- C A first and final preferential dividend of 100p in the £ has been declared and paid
- D Fixed charge distributions totalling £55 000 were made to the secured creditor under the terms of their Fixed Charge security previously granted by the Company
- E Floating charge distributions totalling £85 000 were made to the secured creditor under the terms of their Fixed Charge security previously granted by the Company
- F The Company was formally registered for VAT. Accordingly VAT will be reclaimed but is subject to "partial exemption" rules by HM Revenue & Customs which is expected to result in only part of the VAT being recoverable. All amounts shown above are net of VAT
- G Further information including a creditors right to request further information or to challenge remuneration and/or expenses can be found in sections 7.4 and 7.5 of the report

Carrington Carr Home Finance Limited  
(In Administration)

Time costs for the period 20/09/2012 to 13/03/2013

	Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	0 10	85 00	4 35	2 186 25	2 20	624 50	6 65	2,875.75	432 44
Case Supervision Management and Closure			3 20	1 206 50	1 70	343 50	4 90	1,550 00	316 33
Initial Actions (e.g. Notification of Appointment, Securing Assets)									
General Reporting	4 50	2 902 50	16 60	5 314 00	1 50	285 00	22 60	8 501 50	376 17
	4 60	2 987 50	24 15	8 686 75	5 40	1 253 00	34 15	12 927 25	378 54
<b>Investigations</b>									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-
<b>Realisation of Assets</b>									
Book Debts			1 90	598 50	7 50	1 425 00	9 40	2 023 50	215 27
Other Assets (e.g. Stock)							-	-	-
Plant and Equipment, Fixtures and Fittings and Vehicles							-	-	-
Property - Freehold and Leasehold							-	-	-
Sale of Business / Assets			1 90	598 50	7 50	1 425 00	9 40	2 023 50	215 27
<b>Creditors</b>									
Employees			1 50	472 50	-	-	1 50	472 50	315 00
Preferential	1 00	645 00	6 25	2 008 25	-	-	7 25	2 651 25	365 69
Secured	1 00	645 00	3 80	1 197 00	-	-	4 80	1 842 00	383 75
Shareholders							-	-	-
Unsecured	0 50	322 50	33 25	11 037 00	-	-	33 75	11 359 50	336 58
	2 50	1,612 50	44 80	14 712 75	-	-	47 30	16,325 25	345 14
<b>Other Matters Include</b>									
Litigation							-	-	-
Pensions	10 50	7 195 00	12 95	6 385 75	2 50	575 00	25 95	14,155 75	545 50
Tax and VAT	10 50	7,195 00	12 95	6 385 75	2 50	575 00	25 95	14 155 75	545 50
<b>TOTAL HOURS &amp; COST</b>	17 60	11 795 00	83 80	30,383.75	15 40	3,253 00	116 80	45,431 75	388 97

TOTAL FEES DRAWN TO DATE

35 486 75

Carrington Carr Home Finance Limited  
(In Administration)

Time costs for the period 20/03/2012 to 13/03/2013

	Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	0 10	85 00	9 25	4 386 75	4 80	1 348 50	14 15	5 820 25	411 33
Case Supervision Management and Closure	6 00	3 750 00	25 20	8 551 00	2 70	628 50	33 90	12 929 50	381 40
Initial Actions (e.g. Notification of Appointment, Securing Assets)	0 50	312 50	24 70	8 444 50	5 30	1 007 00	30 50	9 764 00	320 13
General Reporting	8 80	5 590 00	40 50	12 364 50	2 50	475 00	51 80	18 429 50	355 76
	15 40	9,737 50	99 65	33,746 75	15 30	3,459 00	130 35	46 943 25	360 13
<b>Investigations</b>									
Investigations	1 00	625 00	0 50	147 50	-	-	1 50	772 50	515 00
Reports on Directors' Conduct	3 50	2 237 50	14 50	4 480 00	-	-	18 00	6,698 00	372 11
	4 50	2 862 50	15 00	4 608 00	-	-	19 50	7,470 50	383 10
<b>Realisation of Assets</b>									
Book Debts			13 40	3 995 00	7 50	1 425 00	20 90	5,420 00	259 33
Other Assets (e.g. Stock)	8 40	5 250 00	11 75	4 582 50	-	-	20 15	9 832 50	487 97
Plant and Equipment, Fixtures and Fittings and Vehicles			0 80	236 00	-	-	0 80	236 00	295 00
Property - Freehold and Leasehold			1 10	429 00	-	-	1 10	429 00	390 00
Sale of Business / Assets	1 00	625 00	20 80	6 932 00	-	-	21 80	7 557 00	349 85
	9 40	5,875 00	47 65	16 174 50	7 50	1,425 00	64 55	23,474 50	363 66
<b>Creditors</b>									
Employees			19 30	5 875 50	-	-	19 30	5,875 50	304 43
Preferential	1 00	645 00	6 25	2 008 25	-	-	7 25	2,651 25	365 69
Secured	6 00	3 770 00	3 80	1 197 00	-	-	9 80	4,967 00	506 84
Shareholders							-	-	-
Unsecured	4 80	3 010 00	128 45	41 512 50	4 40	877 00	137 65	45,399 50	329 82
	11 80	7,425 00	157 80	50 691 25	4 40	877 00	174 00	58 893 25	336 47
<b>Other Matters Include</b>									
Litigation	27 30	17 062 50	-	-	-	-	27 30	17 062 50	625 00
Pensions	-	-	0 60	183 00	-	-	0 60	183 00	305 00
Tax and VAT	11 20	7 737 50	20 95	11 174 25	2 50	575 00	34 65	19,486 75	562 39
	38 50	24,800 00	21 55	11 357 25	2 50	575 00	62 55	36,732 25	587 25
<b>TOTAL HOURS &amp; COST</b>	79 60	50 700 00	341 65	116,477 75	29 70	6 336 00	450 95	173 513 75	384 77

TOTAL FEES DRAWN TO DATE

90,486 75

## PROOF OF DEBT - GENERAL FORM

**In the matter of Carrington Carr Home Finance Limited  
In Administration  
and in the matter of The Insolvency Act 1986**

Date of Administration 20 March 2012

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show -  (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category  Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

Rule 2.72

PROOF OF DEBT - GENERAL FORM (CONTD )

Admitted to Vote for

£

Date

Administrator

---

Admitted preferentially for

£

Date

Administrator

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Admitted non-preferentially for

£

Date

Administrator