

The Insolvency Act 1986

**Administrators' progress report 2.24B**

Name of Company <b>Bradford Independent (St Ives Nursing Home) Limited</b>	Company number <b>02950898</b>
In the <b>High Court of Justice, Leeds District Registry</b> <small>[full name of court]</small>	Court case number <b>554 of 2010</b>

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

I/We (a) Toby Scott Underwood and Francis Graham Newton of BDO LLP 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From	to
(b) 2 March 2012	(b) 31 May 2012

Signed

  
Joint/administrator(s)

Dated

31 May 2012**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.

BDO LLP, 1 Bridgewater Place, Water Lane,	
Leeds, LS11 5RU	
Our Ref 016029/DB/00150789/A6	Tel 0113 244 3839
DX Number	DX Exchange



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A24 08/06/2012 #194  
COMPANIES HOUSE

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



Tel +44 (0)113 244 3839  
Fax +44 (0)113 204 1200  
www.bdo.co.uk

1 Bridgewater Place  
Water Lane  
Leeds LS11 5RU

Private and confidential

TO ALL KNOWN CREDITORS

31 May 2012

Our Ref 016029/DB/00150789/A6

Please ask for Donna Berriman  
Direct Line 0113 204 1295

Dear Sirs

**Bradford Independent (St Ives Nursing Home) Limited - In Administration ("the Company")**

Further to our report dated 23 March 2012, we are now in a position to finalise the Administration and now supply our final report.

**1 Statutory Information**

- 1.1 The Joint Administrators are Francis Graham Newton and Paul James Bates of BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU. Francis Graham Newton was appointed as Joint Administrator of the Company on 2 March 2010. Paul James Bates was appointed as Joint Administrator in accordance with an order of the Court dated 7 October 2011 and replaced Toby Scott Underwood as Joint Administrator. Under the provisions of Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 the Administrators carry out their functions jointly and severally and either Administrator has the power to exercise any function.
- 1.2 We were appointed by Barclays Bank plc ("the Bank") under the provisions of a debenture granted to the Bank on 4 January 2006, pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986. The Administration proceedings are dealt with in the High Court of Justice, Leeds District Registry and the court case number is 554 of 2010.
- 1.3 The Company's registered office is situated at BDO LLP, 1 Bridgewater Place, Water Lane Leeds, LS11 5RU and the registered number is 02950898.
- 1.4 We enclose, for your information, a summary of our receipts and payments to date showing a balance of £38.10 which represents final postage and stationery costs and report as follows:

**2 Receipts and payments**

- 2.1 The receipts shown are largely self-explanatory, although we would comment specifically on the following:

**2.2 Sale of Moss Cottage**

- 2.2.1 On 5 March 2010 we completed a sale of the business and assets of the Moss Cottage care home to Care Worldwide (Ashton) Limited ("Care Worldwide") for total consideration of £1.3m including furniture and equipment, less an apportionment of £65,000 relating to the accrued wages liability adopted by the purchaser and fees invoiced in advance.

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**2.3 Book debts**

- 2.3.1 The total amount collected is £33,890 and no further amounts are expected.

**3 Extension of Administration**

- 3.1 The Administration has previously been extended by consent of the Bank in its capacity as secured creditor to 1 September 2011.
- 3.2 In order to deal with the matters referred to above, we sought permission from the Court to extend the Administration for a period of 24 months to 31 August 2013. The Court subsequently consented to this extension on 18 August 2011.

**4 Future of the Company**

- 4.1 The Insolvency Act 1986 and Insolvency Rules 1986 provide a variety of options regarding possible exit routes from Administration. Our proposals for the Company stated that the Administration would be exited via dissolution, unless it became apparent that additional investigations into the reasons for the Company's insolvency were required.
- 4.2 As per our proposals, the Administration will now exit via dissolution and the Company will be dissolved three months after the date of the Joint Administrators filing this report with the Registrar of Companies.

**5 Prescribed Part**

- 5.1 Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 the Company has granted to a creditor a floating charge a proportion of the net property of the Company must be made available purely for the unsecured creditors
- 5.2 The Company granted a floating charge to the Bank on 4 January 2006 and the Prescribed Part provisions of the Insolvency Act will therefore apply. However, based on current information, it is anticipated that the Company's net property will be less than the prescribed minimum (currently £10,000) and that the cost of distributing the prescribed part would be disproportionate to the benefits.

**6 Prospects for Creditors****6.1 Secured Creditor**

- 6.1.1 The Bank has been repaid £1.175 million to date under its fixed charge security over the Company's assets. The Bank's lending, which totalled over £17 million to the whole of the Bradford Independent Healthcare Group, will not be repaid in full.

**6.2 Preferential Creditors**

- 6.2.1 All the Company's employees transferred to Care Worldwide under the Transfer of Undertaking (Protection of Employees) Regulations 2006 on 5 March 2010 and therefore no preferential claims exist.

**6.3 Unsecured Creditors**

- 6.3.1 We have received claims from unsecured creditors totalling £304,665. As noted above, there are no funds available for the unsecured creditors.

**7 Administrators' Remuneration**

- 7.1 Pursuant to Rule 2.106 of the Insolvency Rules 1986, the Bank has approved our remuneration on a time costs basis. Remuneration of £58,500 plus disbursements and VAT has been drawn to date in respect of time costs incurred of £162,411. We attach a schedule that summarises the time costs incurred to date and indicates the work undertaken in that respect.

**8 Disbursements**

- 8.1 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. We therefore report that £2,069 has been drawn in respect of category 1 disbursements as follows.

	£
Travel Expenditure	611
Insolvency Practitioners' Bond	1,038
Courier Charges	58
Transfer of IP Costs	362
Total	<u>2,069</u>

- 8.2 Some Administrators recharge expenses in respect of postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of a 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 is not to charge any category 2 disbursements.

If you require any further information, please contact Donna Berriman of this office.

Yours faithfully  
For and on behalf of  
Bradford Independent (St Ives Nursing Home) Limited



PJ Bates  
Joint Administrator

FG Newton and PJ Bates are authorised by the Insolvency Practitioners Association  
The Joint Administrators act as agents of the Company and without personal liability

**Bradford Independent (St Ives Nursing Home) Limited  
(In Administration)**

**JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 02/03/2010 To 07/06/2012 £	From 02/03/2010 To 07/06/2012 £
<b>RECEIPTS</b>			
Freehold Land & Property	1,400,000.00	1,285,000.00	1,285,000.00
Furniture & Equipment		15,000.00	15,000.00
Book debts	20,000.00	33,889.83	33,889.83
Cash at Bank		66,418.45	66,418.45
Interest Gross		224.92	224.92
Bank Interest Net of Tax		333.03	333.03
Vat Control Account		26,555.34	26,555.34
		<u>1,427,421.57</u>	<u>1,427,421.57</u>
<b>PAYMENTS</b>			
Purchases		1,654.82	1,654.82
Gas		159.56	159.56
Water Rates		21.11	21.11
Administrators' Fees		50,000.00	50,000.00
Administrators' Disbursements		1,566.20	1,566.20
Legal Fees & Disbursements		67,356.65	67,356.65
Director's Legal Fees		5,000.00	5,000.00
Rescission Payment		10,000.00	10,000.00
Deduction from sale proceeds - Tot £65k		50,000.00	50,000.00
Barclays Bank plc		1,175,000.00	1,175,000.00
Storage Costs		1,202.00	1,202.00
Administrators' Fees		8,500.00	8,500.00
Administrators' Disbursements		502.60	502.60
Legal Fees & Disbs		9,330.18	9,330.18
Corporation Tax		18.64	18.64
Irrecoverable VAT		6.35	6.35
Stationery & Postage		307.37	307.37
Deduction from sale proceeds - Tot £65k		15,000.00	15,000.00
Re-direction of Mail		52.00	52.00
Wages & Salaries		5,035.00	5,035.00
Bank Charges		153.75	153.75
VAT Receivable		26,555.34	26,555.34
		<u>1,427,421.57</u>	<u>1,427,421.57</u>
<b>BALANCE - 07 June 2012</b>			<u><u>0.00</u></u>

**Bradford Independent (St Ives Nursing Home) Limited  
(In Administration)**

**JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 02/03/2010 To 31/05/2012 £	From 02/03/2010 To 31/05/2012 £
<b>RECEIPTS</b>			
Freehold Land & Property	1,400,000 00	1,285,000.00	1,285,000.00
Furniture & Equipment		15,000.00	15,000.00
Book debts	20,000 00	33,889.83	33,889.83
Cash at Bank		66,418.45	66,418.45
Interest Gross		224.92	224.92
Bank Interest Net of Tax		333.03	333.03
Vat Control Account		26,555.34	26,555.34
		<u>1,427,421 57</u>	<u>1,427,421.57</u>
<b>PAYMENTS</b>			
Purchases		1,654.82	1,654.82
Gas		159.56	159.56
Water Rates		21.11	21.11
Administrators' Fees		50,000.00	50,000.00
Administrators' Disbursements		1,566 20	1,566.20
Legal Fees & Disbursements		67,356 65	67,356.65
Director's Legal Fees		5,000 00	5,000.00
Rescission Payment		10,000 00	10,000.00
Deduction from sale proceeds - Tot £65k		50,000 00	50,000.00
Barclays Bank plc		1,175,000 00	1,175,000.00
Storage Costs		1,202 00	1,202.00
Administrators' Fees		8,500 00	8,500.00
Administrators' Disbursements		502.60	502.60
Legal Fees & Disbs		9,330.18	9,330.18
Corporation Tax		18.64	18.64
Stationery & Postage		275 62	275 62
Deduction from sale proceeds - Tot £65k		15,000 00	15,000 00
Re-direction of Mail		52.00	52 00
Wages & Salaries		5,035 00	5,035 00
Bank Charges		153.75	153.75
VAT Receivable		26,555.34	26,555.34
		<u>1,427,383.47</u>	<u>1,427,383.47</u>
<b>BALANCE - 31 May 2012</b>			<u><u>38.10</u></u>

**Bradford Independent (St Ives Nursing Home) Limited  
(In Administration)**

**JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 02/03/2012 To 31/05/2012 £	From 02/03/2010 To 31/05/2012 £
<b>RECEIPTS</b>			
Freehold Land & Property	1,400,000.00	0 00	1,285,000.00
Furniture & Equipment		0.00	15,000.00
Book debts	20,000 00	0 00	33,889.83
Cash at Bank		1,435.53	66,418.45
Interest Gross		5.49	224.92
Bank Interest Net of Tax		0.00	333.03
Vat Control Account		3,725.54	26,555.34
		<u>5,166.56</u>	<u>1,427,421.57</u>
<b>PAYMENTS</b>			
Purchases		0 00	1,654.82
Gas		0 00	159.56
Water Rates		0 00	21.11
Administrators' Fees		0 00	50,000.00
Administrators' Disbursements		0 00	1,566.20
Legal Fees & Disbursements		0 00	67,356.65
Director's Legal Fees		0.00	5,000.00
Rescission Payment		0.00	10,000.00
Deduction from sale proceeds - Tot £65k		0.00	50,000.00
Barclays Bank plc		0.00	1,175,000.00
Storage Costs		0.00	1,202.00
Administrators' Fees		8,500.00	8,500.00
Administrators' Disbursements		502.60	502.60
Legal Fees & Disbs		9,330 18	9,330.18
Corporation Tax		3 41	18.64
Stationery & Postage		67 48	275.62
Deduction from sale proceeds - Tot £65k		0 00	15,000.00
Re-direction of Mail		0 00	52.00
Wages & Salaries		0.00	5,035 00
Bank Charges		0.00	153.75
VAT Receivable		3,666 74	26,555 34
		<u>22,070 41</u>	<u>1,427,383 47</u>
<b>BALANCE - 31 May 2012</b>			<u><u>38.10</u></u>

Bradford Independent (St Ives Nursing Home) Limited - In Administration

Summary of Time Charged and Rates Applicable for the period 5 December 2009 to 31 May 2012

Description	PARTNER			MANAGER			ASSISTANT MANAGER			SENIOR/ADMINISTRATOR			GRAND TOTAL			AV RT
	Hours	Total	£	Hours	Total	£	Hours	Total	£	Hours	Total	£	Hours	Total	£	
A. Pre Appointment Matters	2.00	902.00		0.90	239.40		5.50	918.50					8.40	2,059.90		245.23
B Steps on Appointment				15.50	4,123.00		5.80	968.60		20.25	1,964.25		41.55	7,055.85		169.82
C. Planning and Strategy	17.75	6,964.75		1.10	298.10								18.85	7,262.85		385.30
D. General Administration	22.50	9,867.50		83.95	19,371.80		64.80	11,687.55		122.20	14,622.65		293.45	55,549.50		189.30
E. Assets Realisation/Dealing	56.00	18,261.50		136.45	28,622.70		4.50	801.90		40.25	7,314.25		237.20	55,000.35		231.87
F. Trading Related Matters							16.10	2,688.70					16.10	2,688.70		167.00
G. Employee Matters							0.70	116.90		16.50	1,769.25		17.20	1,886.15		109.66
H. Creditor Claims							6.00	1,028.40					6.00	1,028.40		171.40
I. Reporting	10.25	3,338.75		76.05	20,304.55		19.00	3,467.30		17.00	1,798.25		122.30	28,908.85		236.38
J. Distribution and Closure				0.10	26.60		5.10	943.50					5.20	970.10		186.56
Total	108.50	39,334.50		314.05	72,986.15		127.50	22,621.35		216.20	27,468.65		766.25	162,410.65		211.96
							Disbursements							2,069.00		
							Grand Total							164,479.65		