

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

02950898

Name of Company

Bradford Independent (St Ives Nursing Home) Limited

I / We

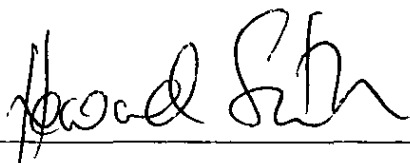
Howard Smith, 1 The Embankment, Neville St, Leeds, LS1 4DW

Mark Granville Firmin, 1 The Embankment, Neville St, Leeds, LS1 4DW

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

The Progress Report covers the period from 27/02/2013 to 26/02/2014

Signed



Date

14/4/2014

KPMG LLP
1 The Embankment
Neville St
Leeds
LS1 4DW

Ref BCC13B0136/SR

THURSDAY



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A32 24/04/2014 #94
COMPANIES HOUSE

Bradford Independent (St Ives Nursing Home) Limited
(In Liquidation)
Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 27/02/2013 To 26/02/2014
FIXED CHARGE CREDITORS		
(350,000 00)	Fixed charge creditor	<u>NIL</u>
		NIL
ASSET REALISATIONS		
1 00	Contingent Claim	<u>NIL</u>
		NIL
UNSECURED CREDITORS		
(178,373 00)	Trade & expense	<u>NIL</u>
		NIL
DISTRIBUTIONS		
(2 00)	Ordinary shareholders	<u>NIL</u>
		NIL
<u>(528,374 00)</u>		<u>NIL</u>
REPRESENTED BY		
		<u>NIL</u>
		<u>NIL</u>

Note



**Bradford Independent (St Ives Nursing Home)
Limited in creditors voluntary liquidation (“the
Company”)**

Annual Report

**to creditors pursuant to Section 104A of
the Insolvency Act 1986**

KPMG LLP

14 April 2014

This report contains 15 pages

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About this report

This annual report has been prepared by Howard Smith and Mark Granville Firmin of KPMG LLP, the Joint Liquidators of Bradford Independent (St Ives Nursing Home) Limited ("the Company"), solely to comply with their statutory duty to report to members and creditors under Section 104A of the Insolvency Act 1986, and to provide an account of their acts and dealings and of the conduct of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under Section 104A of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Howard Smith is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association. Mark Granville Firmin is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, KPMG LLP do not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the liquidation.

Please note that unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

1 Executive Summary

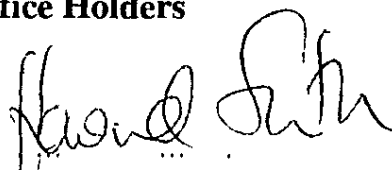
I was appointed Joint Liquidator of the Company together with Mark Granville Firmin at the meetings of Company's members and creditors held on 27 February 2013

In accordance with Section 104A of the Insolvency Act 1986, I set out below my first annual report on the progress of the liquidation. This report covers the 12 month period from 27 February 2013 to 26 February 2014

To date no funds have been realised during the liquidation

Full details of the progress of the liquidation are detailed below with all the relevant statutory information included by way of Appendices (see Sections 3 - Comments on the Appendices)

1.1 Office Holders



Joint Liquidator – Howard Smith

Joint Liquidator – Mark Granville Firmin

2 Progress to Date

2.1 Background information

The Company was incorporated on 20 January 1994, it operated three care homes, St Ives care home in Bingley ("St Ives"), Moss Cottage care home in Ashton under Lyne ("Moss Cottage") and Crowtrees care home in Bradford ("Crowtrees")

The Company was part of a group that operated several care homes ("the Group") At the date of my appointment, the Company had one director and shareholder, Denise Anne Stephenson ("the Director")

The Company had a one third interest in a partnership called Bradford Independent Health Care Group together with Denise and Grant Stephenson The partnership was placed into administration in December 2009 Ultimately there was no distribution to the partnership's unsecured creditors and no value was returned to the Company

Following the collapse of the proposed sale of the Group in early 2008, the Company entered financial difficulties, which culminated in a winding up petition being issued by HMRC and the subsequent appointment of Administrators to the Company on 2 March 2010

Having realised the Company's assets and made a distribution to the Company's secured creditor, Barclays Bank Plc ("the Bank"), the Administrators filed their final report and the Company was dissolved on 31 May 2014

Subsequently, it became apparent to the Director that there may be a potential claim against the Bank in respect of the mis-selling of financial hedging products However, the Director was disqualified by consent from acting as a director with effect from 29 February 2012 for nine years Accordingly an application was made to Court to allow the Director to have the Company restored to the register and convene a creditors' meeting and this was heard and approved on 13 February 2013

On 18 February 2013 the Director held a board meeting where she resolved that the Company, given its financial position, should pursue the potential claim whilst in creditors' voluntary liquidation (in accordance with Court consent) The Director, on 18 February 2013, instructed KPMG to convene meetings of members and creditors to place the Company into liquidation

2.2 Strategy

The only asset known to the Joint Liquidators is the potential claim against the Bank in respect of the mis-selling of financial hedging products mentioned above

Following the Company's restoration and the appointment of the Joint Liquidators, work commenced on the formation of the claim and its submission to the Bank The Joint Liquidators have worked with the Director, former members of the Company's staff and advisors in order to submit the claim

The Bank advised that the claim would initially be handled by Eversheds LLP ("Eversheds") Members of the Joint Liquidators' staff together with legal representation

and, at times, previous members of the Company's staff, met with Eversheds on 26 July 2013 and 24 September 2013. These "fact find" meetings were conducted in order to gather evidence in relation to the Company's claim.

Also, with the assistance of the Director and her previous advisor, Mark Raven of FDYL LLP, a report was submitted to Eversheds on 14 October 2013, together with documentation supporting the claim.

The Joint Liquidators have now been advised that the claim has been submitted to the Bank by Eversheds, and are currently awaiting their response.

2.3 Communication

The Joint Liquidators wrote to all known creditors on 27 February 2013 advising them of their appointment and circulated the Directors' Report, which had been presented at the Section 98 Meeting held on the same date.

2.4 Assets

2.4.1 Potential claim against the Bank

As outlined previously, given that the Company was restored following an administration process it has no tangible assets. The only potential asset is the ongoing claim against the Bank, realisations from which are uncertain at this stage.

2.5 Liabilities

2.5.1 Unsecured creditors

The Director's Statement of Affairs estimated that unsecured creditors totalled £178,373.

A dividend may be payable to unsecured creditors, however, this is dependent on future realisations and the costs of the liquidation.

The Insolvency Act 1986 (Prescribed Part) Order 2003 applies in this case as the security held by the Bank was created after 15 September 2003. The Prescribed Part is calculated as a percentage of the Company's net property. The Company's net property is the net amount available to the floating charge holders after the payment of costs and preferential creditors. In this case the net property cannot be estimated at this time however, it is our understanding that the Company has no preferential creditors.

The Joint Liquidators can make an application to Court under Section 176A (5) of the IA 86 to disapply the prescribed part. The Joint Liquidators will review whether an application to Court under Section 176A (5) is appropriate if any Company assets are realised and our assumption on preferential claims has been confirmed.

2.6 Expenses for the period

The receipts and payments for the period are set out in the attached Receipts and Payments Account (see Appendix 2).

The office holders' time costs for the period of this report are also attached (see Appendix 3).

The statutory provisions relating to remuneration are set out in Rule 4.127 of the Insolvency Rules 1986. A creditors' guide to fees can be found at

http://www.r3.org.uk/media/documents/technical_library/SIPS/SIP_9_EW_Nov_2011.pdf

However, if you are unable to access this guide and would like a copy, please contact Thomas Swiers on 0113 231 3316

For the period from 27 February 2013 to 26 February 2014, we have incurred time costs of £73,194, representing 228 hours at an average rate of £321 per hour. This includes the Tax, VAT, Employee, Health and Safety and Pensions advice from KPMG LLP in-house specialists.

A detailed breakdown of the charge out rates for the duration of the liquidation is included in Appendix 3 to this Report.

Please note that all staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to this assignment but is reflected in the general level of the charge out rates.

At the meeting of creditors held on 27 February 2013, the following resolution was passed in relation to the Joint Liquidators' remuneration:

"That the remuneration of the Joint Liquidators be fixed on the basis of time properly spent by the Joint Liquidators and their staff in attending to matters arising in the liquidation at KPMG LLP standard charge out rates which may vary, to be drawn from time to time. Also that the Joint Liquidators be able to draw category 2 disbursements, which are to be charged in accordance with the firm's policy."

The Joint Liquidators have not drawn any fees during the period of this report.

In addition, time costs of £9,425 were incurred in connection with convening the meeting of members and creditors to place the Company into liquidation. These fees were approved at the meeting of creditors held on 27 February 2013.

The Joint Liquidators have incurred disbursements totalling £382 in the period, of which none have been drawn. In addition to this, the Joint Liquidators are entitled to pay £1,500 plus VAT and outlays to FDYL LLP, being costs incurred in preparing the Statement of Affairs. This cost was approved at the meeting of creditors held on 27 February 2013.

Expenses for this period total £110,089 including amounts not yet paid (see Appendix 4 for details).

Additional information about the expenses charged the period is available from the office holder upon request by any secured creditor, and any other creditor or creditors owed 5% or more in value of the unsecured liabilities listed. Full details of the process to obtain more information under Rule 4.49E Insolvency Rules 1986 and to challenge the Joint Liquidator's remuneration and expenses under Rule 4.131 Insolvency Rules 1986 are included in Appendix 4 should creditors wish to do so.

3 Comments on the Appendices

3.1 Appendix 1: Statutory Information

Please see Appendix 1 for a summary of the Company's statutory information

3.2 Appendix 2: Receipts & payments account for the period

3.2.1 Receipts

No receipts have been received in the period, please see Section 2.4 for further information

3.2.2 Payments

No payments have been made in the period

3.3 Analysis of office holders' time costs

3.3.1 Other assets

Total time costs in the period in relation to the Company's claim against the Bank, as described in section 2.2, are £35,201 (108 hours)

3.3.2 Appointment and related formalities

Following the Joint Liquidators' appointment on 27 February 2012, time costs of £5,772 (22 hours) have been spent in relation to statutory duties. This includes, but is not limited to, notifying all known creditors of their appointment

3.3.3 D Form drafting and submission

Time costs of £5,311 (21 hours) have been incurred in relation to the drafting and submission of the Joint Liquidators statutory report on the conduct of the Director to the Department for Business, Innovation and Skills. This report was submitted on 19 August 2013

3.3.4 Checklists and reviews

Time costs of £5,331 (18 hours) have been incurred in reviewing files and ensuring all statutory obligations are being complied with

3.4 Expenses for the period

Expenses for the period are summarised in Appendix 4 which include the time costs as analysed in Appendix 3

Appendix 1 - Statutory Information

Appointment	
For period	27 February 2013 to 26 February 2014
Company name	Bradford Independent (St Ives Nursing Home) Limited
Nature of business	Provider of care homes
Date of appointment	27 February 2013
Office holder details	<p>Howard Smith was appointed on 27 February 2013 as Joint Liquidator by the Company's members and creditors and is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association</p> <p>Mark Granville Firmin was appointed on 27 February 2013 as Joint Liquidator by the Company's members and creditors and is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales</p>
Registered number	02950898
Present registered office	<p>KPMG LLP 1 The Embankment Neville Street Leeds LS1 4DW</p>
Previous registered office	<p>BDO LLP Bridgewater Place Water Lane Leeds LS11 5RU</p>
Basis of remuneration	Time costs
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations



KPMG LLP
14 April 2014

Appendix 2 - Office holders' receipts and payments account for the period 27 February 2013 to 26 February 2014

Bradford Independent (St Ives Nursing Home) Limited (In Liquidation) Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 27/02/2013 To 26/02/2014
(350,000 00)	FIXED CHARGE CREDITORS Fixed charge creditor	<u>NIL</u> NIL
1 00	ASSET REALISATIONS Contingent Claim	<u>NIL</u> NIL
(178 373 00)	UNSECURED CREDITORS Trade & expense	<u>NIL</u> NIL
(2 00)	DISTRIBUTIONS Ordinary shareholders	<u>NIL</u> NIL
(528,374 00)		<u>NIL</u>
	REPRESENTED BY	
		<u>NIL</u>

Appendix 3 - Analysis of office holders' time costs for the period 27 February 2013 to 26 February 2014

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Administration & planning							
Cashiering							
General (Cashiering)		0 30			0 30	£135 00	£450 00
General							
Books and records			2 70		2 70	£502 00	£185 93
Fees and WIP				0 30	0 30	£34 50	£115 00
Statutory and compliance							
Appointment and related formalities	2 50	3 80	15 40		21 70	£5,771 50	£265 97
Bonding and bordereau		0 10			0 10	£45 00	£450 00
Checklist & reviews	0 70	7 80	9 55		18 05	£5 331 25	£295 36
Pre appointment checks			0 20		0 20	£37 00	£185 00
Reports to debenture holders	0 60				0 60	£291 00	£485 00
Statutory advertising	0 50				0 50	£242 50	£485 00
Strategy documents	3 70	1 40			5 10	£2,504 50	£491 08
Tax							
Initial reviews - CT and VAT		5 30	0 50		5 80	£2,137 50	£368 53
Post appointment corporation tax		1 60			1 60	£584 00	£365 00
Post appointment VAT	1 00	1 20	3 75		5 95	£1,731 25	£290 97
Creditors							
Creditors and claims							
General correspondence	0 90	0 80	0 75		2 45	£935 25	£381 73
Pre-appointment VAT / PAYE / CT			0 20		0 20	£37 00	£185 00
Statutory reports	2 00	2 00	3 50		7 50	£2 462 50	£328 33
Employees							
Pensions reviews		0 20	1 00		1 20	£258 00	£215 00
Investigation							
Directors							
Correspondence with directors	1 00		5 10		6 10	£1 441 00	£236 23
D form drafting and submission	3 10	1 50	16 50		21 10	£5 311 00	£251 71
Directors' questionnaire / checklist		0 70	1 00		1 70	£500 00	£294 12
Investigations							
Claims against 3rd party advisors	9 30				9 30	£4 510 50	£485 00
Correspondence re investigations			0 70		0 70	£129 50	£185 00
Review of pre-appt transactions		5 20			5 20	£2 340 00	£450 00
Realisation of assets							
Asset Realisation							
Health & safety		1 50	0 25		1 75	£721 25	£412 14
Other assets	6 10	54 20	47 30		107 60	£35,200 50	£327 14
Total in period					227 70	£73,193 50	£321 45
Pre appointment time (if any irrecoverable)					1 35	£292 75	
Brought forward time (appointment date to SIP9 period start date)					0 00	£0 00	
SIP9 period time (SIP9 period start date to SIP9 period end date)					227 70	£73 193 50	
Carry forward time (appointment date to SIP9 period end date)					227 70	£73 193 50	
To date time (SIP9 period end date to 19/03/2014)					0 55	£121 25	
Future time (but not included on the report and should be removed from SAP)					0 00	£0 00	
Total time (total of pre appointment brought forward period to date and future)					229 60	£73 607 50	

Charge out rates for the period 27 February 2013 to 26 February 2014

	Hourly rate from 1 October 2012 onwards (£)	Hourly rate from 1 October 2013 onwards (£)
Partner	565	565
Director	485	485
Senior Manager	450	475
Manager	365	385
Senior Administrator	250	265
Administrator	185	195
Support	115	120

Office holders Disbursements

Expenses	£
Advertising	203 04
Bordereaux	20 00
Contractor Costs	139 64
Land Registry Searches	11 00
Print Services	8 10
Total expenses	381.78

Where funds permit the officeholder will look to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.



*KPMG LLP
14 April 2014*

Category 2 disbursements These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Any disbursements to be paid from the estate are disclosed within the summary of disbursements above.

The only Category 2 disbursement that KPMG Restructuring currently charges is mileage. Mileage claims fall into three categories:

- use of privately-owned vehicle or car cash alternative – 45 pence per mile,
- use of company car – 60 pence per mile, and
- use of partner's car – 60 pence per mile

For all of the above car types, when carrying passengers an additional 5 pence per mile per passenger will also be charged where appropriate.

Appendix 4 - Schedule of expenses for the period 27 February 2013 to 26 February 2014

Section	Account	Accrued (£)	Paid (£)	Total (£)
Cost of realisations				
	Joint Liquidators' fees	73,193 50	0	73,193 50
	Joint Liquidators' expenses	381 78	0	382 00
	Legal fees	35,000 00	0	35,000 00
	FDYL Ltd fees	1,500	0	1,500
	Storage	13 27	0	13 27
TOTAL		110,088 55	0	110,088 55

Creditors are reminded that the basis on which fees have been reported was agreed by a majority of creditors at the Section 98 Meeting held on 27 February 2013

However to determine if the quantum of the fees to be taken is reasonable the analysis included at Appendix 3 should be reviewed and any additional information can be requested by any secured creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with rule 4 49E Insolvency Rules 1986 This request must be made within 21 days receipt of the report The full text of that rule can be provided on request

In addition creditors are reminded that the quantum can be challenged by unsecured creditor(s) with at least 10% in value excluding that creditors claim by making an application to court in accordance with rule 4 131 Insolvency Rules 1986 The full text of this rule can also be provided on request

Extract from the Insolvency Rules 1986

Insolvency Rules 1986

4.49E Creditors' and members' request for further information

- (1) If-
- (a) within the period mentioned in paragraph (2)-
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (iii) 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, or
 - (b) with the permission of the court upon an application made within that period mentioned in paragraph (2)-
 - (i) any unsecured creditor, or
 - (ii) any member of the company in a members' voluntary winding up, makes a request in writing to the liquidator for further information about remuneration or expenses set out in the progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108
- (2) The period referred to in paragraph 1(a) and (b) is –
- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and
 - (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft in any other case
- (3) The liquidator complies with this paragraph by either –

(a)	providing all of the information asked for, or
(b)	so far as the liquidator considers that –
(i)	the time or cost of preparation of the information would be excessive, or
(ii)	disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
(iii)	the liquidator is subject to an obligation of confidentiality in respect of the information,
	giving reasons for not providing all of the information
(4)	Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of –
(a)	the giving by the liquidator of reasons for not providing all the information asked for, or
(b)	the expiry of the 14 days provided for in paragraph (1),
	and the court may make such order as it thinks just
(5)	Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4.131(1B) or 4.148C(2) by such further period as the court thinks just
(6)	This Rule does not apply where the liquidator is the official receiver
4.131 Creditors' claim that remuneration is [or other expenses are] excessive	
(1)	Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
(1A)	Application may be made on the grounds that-
(a)	the remuneration charged by the liquidator,
(b)	the basis fixed for the liquidator's remuneration under Rule 4.127, or
(c)	expenses incurred by the liquidator,
	is or are, in all the circumstances, excessive or, in the case of application under sub-

paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case failing within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question (“the relevant report”)

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had opportunity to attend the court for a hearing, of which he has been given at least 5 business days’ notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(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 liquidator was entitled to charge,

(b) an order fixing the basis of remuneration at a reduced 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 liquidation,

(e) an order that the liquidator or the liquidator’s personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under subparagraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation