

AM03

Notice of administrator's proposals



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1 Company details

Company number 0 4 5 6 2 8 0 3

Company name in full The Dorothy Kerin Trust

→ Filing in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Mark

Surname Newman

3 Administrator's address

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E

Country

4 Administrator's name ①

Full forename(s) Vincent John

Surname Green

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

5 Administrator's address ②

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region


Postcode T N 1 1 E E

Country

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

AM03

Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7	Sign and date	
Administrator's Signature	Signature x  x	
Signature date	d 1 d 8 m 0 m 6 y 2 y 0 y 1 y 9	

AM03

Notice of Administrator's Proposals



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Mark Newman
Company name	Crowe U.K. LLP
Address	4 Mount Ephraim Road Tunbridge Wells
Post town	Kent
County/Region	
Postcode	T N 1 1 E E
Country	
DX	
Telephone	01892 700200



Checklist

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Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



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Crown Way, Cardiff, Wales, CF14 3UZ.
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**The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing
(In Administration)**

In the High Court of Justice No. CR-2019-002885

The Joint Administrators' Proposals

**Mark Newman
Vincent John Green**

**Crowe U.K. LLP
4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE**

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1. INTRODUCTION

On 30 April 2019, Mark Newman and Vincent John Green of Crowe U.K. LLP were appointed Joint Administrators of The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing ("the Company") by the Directors. The affairs, business and property of the Company are managed by the Joint Administrators who act as agents of the Company and contract without personal liability.

The Company was incorporated on 15 October 2002 and the principal activity of the Company was in providing residential care activities for the elderly and disabled, together with respite care facilities, wellbeing activities and providing bed and breakfast accommodation. The Company traded from freehold premises at Burrswood, Groombridge, Kent TN3 9PY.

As explained in more detail in the Statement of Proposals, the Joint Administrators are currently pursuing the first statutory objective of rescuing the Company as a going concern.

The Statement of Proposals at **Appendix I** provides explanations of the events leading to the Administration and the progress of the Administration to date, as well as other statutory information.

These Proposals provide more detailed information on the work that the Joint Administrators anticipate they will undertake to complete the Administration together with their proposed basis of fees. These Proposals provide further information on the Joint Administrators' costs to date, including the costs incurred prior to Administration. They also explain other matters for creditors' consideration, such as the proposed timing of the Joint Administrators' discharge on conclusion of the Administration.

Definitions of the terms used in these Proposals are provided in **Appendix I** together with all statutory information relating to the Company.

2. STATEMENT OF PRE-ADMINISTRATION COSTS

Pre-Administration costs are the remuneration, charges and expenses incurred by the proposed Joint Administrators before the Company entered into Administration but with a view to it doing so.

On 25 April 2019 the Board of the Company's Directors/Trustees agreed with the proposed Joint Administrators that Crowe U.K. LLP be paid fees for work done prior to the Administration on the basis of time costs incurred by the insolvency practitioners and their staff at their standard charge-out rates plus VAT and related expenses.

Prior to Administration, the proposed Joint Administrators gathered information on the Company to ensure that they were in a position to consent to act as Joint Administrators and to formulate an initial strategy for pursuing achievement of an Administration objective. Solicitors, Cripps LLP, were engaged to assist by drafting the necessary documentation to place the Company into Administration. This work was carried out prior to Administration so that there would be no delay in the Joint Administrators implementing their strategy immediately on appointment. In this way, the business was maintained as a trading entity on Administration to 3 May 2019, which allowed for the relocation of patients in the Company's care. The Administrators also ensured that certain employees were retained by the Company so that the Company's assets are maintained to a marketable standard during the course of the Administration. This is expected to improve the likelihood of enhanced realisations being achieved for the Company's assets. This work was expected to have a financial benefit for creditors, as the strategy of pursuing the first Administration objective would improve the prospects of recovery.

The following work was undertaken in the pre-Administration period:

- Liaising with agents and interested parties
- Liaising with the secured creditor with regard to the Company's financial position
- Liaising with the Company's management team with regard to the proposed Administration

- Reviewing the Company's creditor ledger, debtor ledger, statutory accounts and management accounts
- Reviewing the Company's lease in respect of the Charity Shop trading premises
- Statutory planning work in relation to the appointment of the Administrators

As set out at **Appendix II**, Crowe U.K. LLP's pre-Administration costs amounted to £8,300.25 plus VAT, being 32.05 hours at an average hourly rate of £258.98. Additionally, expenses in the amount of £30.24 were incurred in respect of travel.

In addition, pre-Administration expenses were also incurred for legal costs of £5,000 plus VAT, for Cripps LLP to prepare the papers to place the Company into Administration.

The following statement sets out those pre-Administration costs that were paid by the Company prior to the Administration.

	Paid prior to the Administration	Seeking approval to be paid as an expense
	£	£
Crowe U.K. LLP's pre-Administration fees and costs	0.00	8,300.25
Crowe U.K. LLP's pre-Administration disbursements	0.00	30.24
Cripps LLP – pre Administration fees and costs	0.00	5,000.00

The payment of the unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 of the Rules and is not part of the Statement of Proposals subject to approval under Paragraph 53 of Schedule B1 of the Act.

In addition, the sum of £50,716.25 was incurred by Crowe U.K. LLP for conducting a financial/solvency review, providing reports and presenting to the Board of Trustees and undertaking a review of the Trust's accounting systems.

Crowe U.K. LLP's Advisory costs comprise:-

		£
Advisory time costs	(4 March 2019 to 24 April 2019):	50,716.25
Advisory disbursements	(4 March 2019 to 24 April 2019):	302.35
Total		51,018.60

These costs do not fall within the definition of pre-administration costs as they were not incurred specifically with a view to the Company entering into Administration. However these costs were incurred in respect of the Company's financial affairs and accordingly we are seeking to recover the amount of £51,018.60.

Further explanation of the approval process is provided in Section 8.

3. THE JOINT ADMINISTRATORS' FEES

The Joint Administrators propose to fix their fees on the following basis:

- On the basis of time properly given by the Administrators and their staff in attending to matters as set out in the fees estimate, such time to be charged at the prevailing standard hourly charge out rates used by Crowe U.K. LLP at the time the work is performed, plus VAT;

The charge-out rates of the Joint Administrators and their staff are detailed in **Appendix III**. Attached at **Appendix IV** is a breakdown of the time costs incurred in the Administration to 14 June 2019. The Statement of Proposals provides an account of the work undertaken to date and **Appendix IV** provides

a detailed list of work undertaken and proposed to be undertaken by the Joint Administrators and their staff.

Please note that the Fees Estimate has been provided on the assumptions given below. In the event that the Joint Administrators incur time costs in excess of the Fees Estimate, they will only revert to the relevant creditors for approval if they propose to draw fees in excess of the Fees Estimate.

Please note that these are assumptions only for the purposes of preparing the Fees Estimate in accordance with the relevant statutory provisions. It has been assumed that:

- investigations to the extent described in section 5 below will be carried out;
- no exceptional work will need to be conducted in order to realise the remaining assets, save assisting with an audit of the Company's accounts to 29 April 2019 (to comply with the Charity Commission's requirements) and facilitating the return of the Trust to the Trustees at the end of the Administration period, being in accordance with the objective of the Administration;
- there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by these Proposals; and
- there will be no need to extend the Administration

Further information is set out below and in the appendices to explain the work to be undertaken in administering the Administration.

The actual time costs for the period 30 April 2019 to 14 June 2019 total £75,139.00, representing 310.13 hours at an average hourly rate of £242.28. No fees have been drawn on account of time costs incurred to date.

A schedule of our time costs incurred for the period to 14 June 2019 is attached as **Appendix IV**.

Guidance in respect of insolvency practitioners' fees is available to download at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

Information about insolvency processes can be found on the R3 website at:

<http://www.creditorinsolvencyguide.co.uk/>

A hard copy of this guidance information will be provided on request.

4. THE JOINT ADMINISTRATORS' EXPENSES

Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or creditors. These may include, but are not limited to, legal fees, agents' fees, trading expenses and tax liabilities.

Disbursements are expenses **initially** met by and **later** reimbursed to an office holder in connection with an insolvency appointment and will fall into two categories: Category 1 and Category 2.

Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment in question. Category 1 disbursements can be drawn without prior approval. These are charged to the estate at cost, with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that Administrators may discharge **Category 1 disbursements** from the funds held in the insolvent estate without recourse to creditors.

Category 2 disbursements are also directly referable to the appointment in question but not to a payment to an independent third party. Payments may only be made in relation to Category 2 disbursements after the creditors have approved the bases of their calculation.

Appendix V provides details of the Category 1 and 2 disbursements as well as the other expenses that the Joint Administrators expect to incur in the Administration.

In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted Expenses Estimate.

Crowe has been instructed to assist in bringing the Company's accounting affairs up to date, including the preparation of any required tax returns, VAT returns, accounts and assisting with an audit (as required by the Charity Commission). The actual time costs spent for accountancy support from 30 April 2019 to 14 June 2019, totals £9,808.75, representing 103.25 hours at an average hourly rate of £90.00. No fees have been drawn on account of time costs incurred to date. The basis of Crowe costs for accountancy support are to be approved as a category 2 disbursements.

The instruction of Crowe to provide accountancy support to the Company derives from the ending of the fixed term contract of an Interim Finance Director to the Company on 25 April 2019. In anticipation of a winding down of the Company's business, there existed a need for accountancy support and this was provided by Crowe prior to the FD's departure to ensure a smooth transition of accounting functions. Prior to the Company's Administration, the Trustees agreed Crowe's hourly rates relating to accountancy support.

5. PROPOSED WORK TO BE UNDERTAKEN

Set out in **Appendix IV** is a detailed list of tasks that the Joint Administrators propose that they and their staff will undertake together with their estimates of the time these tasks will take to carry out in total. The most material tasks are summarised below.

Administration (including Statutory Reporting)

The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progression of the Administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

Primarily, these tasks include:

- Meeting all statutory reporting and filing requirements, including 6-monthly reports, seeking an extension where necessary, and issuing a final report and notices;
- Consulting with and instructing staff and independent advisors as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the Administration;
- Responding to enquiries from stakeholders, to include but not limited to, former patients, members of Burrswood Support Groups, tenants on the estate, individuals who have family memorials and ashes located at Burrswood;
- Conducting periodic case reviews to ensure that the Administration is progressing efficiently, effectively and in line with the statutory requirements; and
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

Investigations

The Joint Administrators are required to examine the conduct of the Company and its directors prior to the Administration with two main objectives:

- To identify what assets are available for realisation for the benefit of creditors, including any potential actions against directors or other parties, such as challenging transactions at an undervalue or preferences; and
- To enable the Joint Administrators to report to the Insolvency Service on the conduct of the directors so that the Insolvency Service can consider whether disqualification proceedings are appropriate.

In the early stages of the Administration, this work involves examining the Company's books and records, considering information received from creditors and the Company's accountants and seeking information from the Company's directors and other senior staff by means of questionnaires and/or interviews.

In the event that questionable transactions are identified, it may be necessary to conduct further investigations and instruct solicitors to assist in determining the Joint Administrators' next steps in pursuing a recovery. If a potential recovery action is identified, it may be necessary to instruct professional agents to gather evidence and explore further the existence and value of assets to target. If the Joint Administrators encounter resistance in making a recovery, formal legal action may be appropriate.

In addition, if the Insolvency Service decides to proceed with a disqualification, the Joint Administrators will be required to assist the Insolvency Service's investigators in their work, which may include providing the investigators with access to the Company's books and records and agreeing statements to be given in evidence in those proceedings.

At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in this work. The Fees and Expenses Estimates reflect the anticipated work in identifying potential causes of action. If any are identified and the Joint Administrators consider that additional work is required, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Realisation of Assets

The Statement of Proposals summarises the work carried out by the Joint Administrators to date in realising the Company's assets. The principal matters that require further work are:

- Preparing for and marketing for sale the Company's freehold and leasehold land and property;
- Progressing a sale of the Company's freehold and leasehold property;
- Considering and reviewing offers to be received for the Company's assets;
- Considering, in light of offers to be received for property assets if it will be in the interest of the Company to sell the chattel assets of the Company (should any offer for the property not include chattel assets);
- Collecting the consideration from the sale of the assets as and when it becomes due;
- Monitoring an assignment or surrender of the lease in respect of the Charity Shop premises;
- Continuing to pursue the Company's outstanding book debts;
- Concluding a sale of the Company's chattel assets, intellectual property and stock, which will involve determining the claims of retention of title (as appropriate); and
- Maintaining appropriate insurance cover on the Company's assets until they have been disposed of.

Trading

Although the Company is no longer trading, there remain some matters to resolve, such as:

- Completing the termination of all remaining contracts with employees (unless TUPE applies to any sale process) and other service-providers/suppliers;
- Collecting the outstanding post-appointment rental income as and when it falls due;

- Settling all post-appointment accounts with suppliers;
- Concluding the trading accounts;
- Settling monthly employee wages, associated pension and taxation liabilities; and
- Submitting all post-appointment tax returns and settling liabilities.

Creditors (Claims and Distributions)

As the Statement of Proposals explains, there a number of different classes of creditor involved in the Administration that require the Joint Administrators' attention. In particular, the Joint Administrators anticipate conducting the following key tasks:

- Liaising with Charity Bank Limited, being the secured creditor in relation to the sale of assets subject to their security;
- With the assistance of solicitors, examining the validity of the secured creditors' claims and, where relevant, paying distributions to the secured creditors;
- Assisting ERA Solutions with the claims of employees to receive payments from the Redundancy Payments Service ("RPS") and liaising with the RPS to agree its claim;
- Reviewing claims submitted by the tax departments and, where it is appropriate, examining the Company's records to appeal assessments or adjudicate on the Crown's claims;
- Responding to creditors' queries and logging their claims and supporting information;
- Dealing with claims lodged by former customers who have paid deposits for services not provided;
- Dealing with claims lodged by certain of the Trustees which were used to part-pay employee wages in April 2019 and obtaining legal advice, if appropriate, on the correct categorisation of these claims;
- Maintaining the database as regards creditors' contact details and claims;
- Dealing with a creditors' committee, if one is appointed;
- Agreeing employee claims, calculating and paying a distribution to preferential creditors, if there are sufficient funds, and paying the subsequent PAYE/Nl deductions to HMRC;
- Seeking approval from the Court to declare and pay an unsecured distribution to the unsecured creditors;
- Adjudicating on all unsecured creditors' claims, including seeking further information where necessary; and
- Where relevant, calculating and paying any unsecured dividend and dealing with unclaimed dividends.

6. THE JOINT ADMINISTRATORS' DISCHARGE

The Insolvency Act 1986 requires that the timing of the Joint Administrators' discharge from liability will be decided by the unsecured creditors. The Joint Administrators propose that this discharge will take effect when their appointment ceases to have effect, unless the Court specifies a time.

7. INVITATION TO FORM A CREDITORS' COMMITTEE

Attached at **Appendix VI** is a Notice of Invitation to Form a Creditors' Committee. The purpose of the Committee is to assist the Joint Administrators in discharging their functions. In particular, a Creditors' Committee takes on the responsibility for approving the basis of the Joint Administrators' fees and other costs.

In the absence of a Committee, this responsibility falls to the unsecured creditors. Creditors are entitled to seek the formation of Committee, provided that there are sufficient nominations to form a Committee. At least three nominations are required and the requisite majority of creditors would also need to object to the proposed decision not to form a Committee. **Appendices VI and VII** provide further information in this regard.

8. APPROVAL PROCESS

The Joint Administrators are seeking creditors' approval of the proposed decisions set out below by means of a vote by correspondence. Creditors are invited to vote on these proposed decisions by completing and returning the enclosed voting form together with a proof of debt form, if one has not already been submitted. These forms are attached at **Appendix VII** together with a Notice of Decision Procedure setting out the following proposed decisions:

1. That a Creditors' Committee be established if sufficient nominations are received and those nominated are willing to be members of a Committee.
2. That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.
3. That the Joint Administrators be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Crowe U.K. LLP's summary.
4. That the unpaid pre-Administration costs set out in the Joint Administrators' Proposal be approved.
5. That Crowe's unpaid Advisory costs set out in the Joint Administrators' Proposal be approved.
6. The timing of the Joint Administrators' discharge

The Joint Administrators must receive completed forms by no later than 23.59 on 5 July 2019 to enable your vote to be counted.

Whilst a vote by correspondence is being sought, creditors who meet a statutory threshold as set out in the Notice attached at **Appendix VII** can require that a physical meeting of creditors be convened. Such a request must be made to the Joint Administrators within 5 business days of the date on which these Proposals are delivered. If you wish to request a physical meeting, please set out in writing which of the decisions above you wish the meeting to consider.



Mark Newman
Joint Administrator
18 June 2019

Appendix I

Statement of the Joint Administrators Proposals pursuant to Schedule B1 of the Insolvency Act 1986

**The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing
(In Administration)**

In the High Court of Justice No. CR-2019-002885

**Statement of the Joint Administrators' Proposals pursuant to Schedule B1 of the
Insolvency Act 1986**

**Mark Newman
Vincent John Green**

**Crowe U.K. LLP
4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE**

Disclaimer Notice

- This Statement of Proposals has been prepared by Mark Newman and Vincent John Green, the Joint Administrators of The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their Proposals for achieving the purpose of the Administration 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.
- Any estimated outcomes for creditors included in this Statement of Proposals 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 document for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.
- The Joint Administrators act as agents for The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing and contract without personal liability. The appointment of the Joint Administrators is personal to them and, to the fullest extent permitted by law, Crowe U.K. LLP does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.
- All licensed Insolvency Practitioners of Crowe U.K. LLP are licensed in the UK to act as Insolvency Practitioners.

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3. Events Leading to the Administration
4. The Purpose of Administration
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6. The Statement of Affairs and the Outcome for Creditors
7. The Joint Administrators' Fees
8. Approval of the Statement of Proposals
9. Summary of the Joint Administrators' Statement of Proposals

ATTACHMENTS

- A. Definitions
- B. Statutory Information
- C. Director's Statement of Affairs as at 30 April 2019 and Creditors' Details
- D. The Joint Administrators' Receipts and Payments Account and Trading Account to 14 June 2019

1. PRELIMINARY INFORMATION

This Statement of Proposals has been prepared pursuant to Schedule B1 of the Act to provide creditors with a comprehensive overview of the present position and to set out the Joint Administrators' proposals for achieving one of the objectives of Administration.

The Statement of Proposals also includes information required to be provided to creditors pursuant to the Rules. Definitions of the terms used in the Statement of Proposals are provided in **Attachment A** and statutory information pertaining to the Company is set out in **Attachment B**.

This Statement of Proposals is being delivered to creditors on 18 June 2019.

The Joint Administrators think that there is sufficient property to enable all creditors to be paid in full. Consequently and in accordance with Paragraph 52(1)(a) of Schedule B1 of the Act, creditors are not being asked to approve the Joint Administrators' Proposals, although they may ask the Joint Administrators to request such a decision. Further details can be found in Section 8.

2. BACKGROUND TO THE COMPANY

The Dorothy Kerin Trust was incorporated as a company limited by guarantee on 15 October 2002 and operated from its premises at Burrswood, Groombridge, Tunbridge Wells, Kent TN3 9PY providing a range of health care, social care and wellbeing services including reablement and respite stays, physiotherapy, hydrotherapy, occupational therapy, psychotherapy, counselling, nursing care and chaplaincy.

The Dorothy Kerin Trust (the "Trust") is an incorporated company of which the Trustees are the directors and the members.

The Trust was established and registered as a charity in September 1963 under charity number 229261. A company limited by guarantee was incorporated on 15 October 2002 under company number 04562803 and was registered as a charity under number 1095940. The assets of the unincorporated charity were transferred to the Company with effect from 1 January 2004 by the former trustees of the unincorporated charity to the incorporated company. The net assets were stated as £7,526,859 of which "Tangible fixed assets" were valued at £7,707,492 in the accounts.

The Trust has a subsidiary trading company Burrswood Limited, registered under company number 03081307. All profits of Burrswood Limited were covenanted to the Company.

The objects of the Trust are stated as follows:

"The objects of the Charity are for the relief of persons resident at (or attending) Burrswood Edenbridge Kent or in the locality of Kent and East Sussex through the work of Christian and medical healing associated with nursing care formerly carried out by the late Dorothy Kerin".

The Trust provided medical care and Christian healing at the property known as Burrswood in Groombridge, Kent. The commission was: "To heal the sick, comfort the sorrowing and give faith to the faithless". This was delivered through whole person care at the property. A few beds were available at an affordable price through grants and sometimes the beneficiaries were supported by their local Church.

As a Charity, the Trust never set out to be a business where service users had to cover all costs, and therefore costs exceeded the income generated from beneficiaries using the services, and the service was subsidised by legacies, donations, gifts, loans, and the service of volunteers.

Therefore, while in many years the expenditure exceeded the income, the deficit was made up with donations, individual and bank loans and by selling parts of the property which were not core to the provision of the charitable services.

With the increase in regulation and the requirements for training as well as general increases in costs for staff and maintaining an ageing building, the amounts required to provide the services kept rising, and the deficit increased.

In 2014 the Trust sold a significant part of the property in Burrswood which was not core to the services in order to repay debts and create a capital surplus.

In 2015 the Trustees ratified a new strategic business plan and in 2016 the Trust gradually transitioned to a new business model to move away from residential medical care. In January 2017 this model commenced with a new and restructured executive team. The new model offered post-operative rehabilitation care, respite care, and health and wellbeing services, such as physiotherapy, counselling and a range of wellbeing activities. As well as adapting to a change in the provision of health and social care, in part it was to enable the services to fall under a less demanding regulatory control, reduce risk and costs.

A national firm of accountants was instructed in 2016 to carry out financial modelling of the restructured operational model and to opine on the proposals. As a result of a positive commentary, the proposals were implemented in January 2017.

The Trustees appreciated that the transformation from the previous medical business to the provision of health and wellbeing would require some time and a change in culture and methods of working by the staff. The number of staff was approximately 100.

The Trust granted a charge over the property to the Company's bankers in April 2017 as security for a loan to fund the transition costs.

The implementation was slow, and the trading deficit increased. Despite investment in fund raising activities, these failed to cover the deficit. Occupancy rates for the new services were lower than anticipated.

In July 2018 the Trustees organised a time away with the executive team to review the Trust's activities and identify key determinants of success, assisted by an external facilitator. The reliance of having referrals coming from parts of the NHS and social care sectors which were able to cover the costs (without subsidy) was recognised. The chief executive was well connected with the local health and social care commissioners and had received encouragement and reassurance from certain sources. The political healthcare climate was moving towards the sort of services offered at Burrswood. However the funding for the services at Burrswood did not materialise sufficiently within the timescale required and each month showed the deficit increasing.

In September 2018 a new finance officer was brought in who imposed a tough financial regime to reduce expenditure, which succeeded, but not sufficiently to prevent net losses. Whereas some large legacies and donations kept the Trust cash solvent during 2017 and 2018, the deficit continued to grow.

There was a realisation that in part the change of service provision from hospital care to health and wellbeing was not accelerating due to encountering a deep seated cultural resistance to the change from staff and others who had a long-standing connection with Burrswood. In November 2018 a series of staff meetings were held for all staff to attend to explain the need for everyone to engage with the aims of the Trust in providing the change in services implemented in 2018.

However by February 2019 the Trustees appreciated that without a timely substantial legacy or gift, the Trust's operation was not sustainable. While joint venturing with other organisations was considered, and meetings held with prospective parties, with a cash shortage imminent, and no other party able to step in quickly and unconditionally, it was decided to investigate closing the business of the Trust at Burrswood.

Considering the obligations to about 100 staff, and the statutory requirements to consult with them, it was decided that a closure date of 30 June 2019 would be considered. Additional funds were advanced by Charity Bank Limited to meet the payroll for March 2019.

In March 2019 the Trustees sought legal advice from Cripps LLP and insolvency advice from insolvency practitioners at Crowe U.K. LLP to assist them.

On 1 April 2019 a request was made to Charity Bank Limited through Crowe, for further finance to carry the operation through to a possible controlled closure on 30 June 2019. Charity Bank Limited had lent approximately £1,500,000 against security of the property with an estimated value of £7,500,000, so, given the loan to value ratio, the Trustees considered it likely that a further loan would be made.

Charity Bank Limited informed Crowe on 8 April 2019 that it would not advance any further amounts and Crowe made further enquiries of alternative sources of funding. The outcome of these enquiries was reported to the Trustees at their meeting on 25 April 2019. None of the alternative funding was offered on acceptable terms, considering the costs and risks to the Trust.

Accordingly, without having sufficient cash to keep trading, and in order to maintain a degree of control over the preservation of the assets of the Trust to continue the charitable work, the Trustees appointed insolvency practitioners from Crowe as Administrators, and the Trust was placed into Administration on 30 April 2019.

Overview of Financial Information

Extracts from the audited group accounts for the 12 months to 31 December 2015, 31 December 2016 and to 31 December 2017 are shown below.

The statement of financial activities is consolidated with those for Burrswood Limited, a wholly owned subsidiary which is in Members' Voluntary Liquidation. It is of note that all profits of Burrswood Limited were covenanted to the Company.

Please note that this information has not been verified by the Joint Administrators or by Crowe U.K. LLP. Furthermore, the comments below each table reflect management's explanations of the amounts included in the profit and loss account and balance sheet.

Consolidated Statement of Financial Activities

	Audited Statutory Accounts for year to 31 December 2017	Audited Statutory Accounts for year to 31 December 2016	Audited Statutory Accounts for year to 31 December 2015
	£000	£000	£000
Income	3,894	3,629	3,681
Expenditure on Raising Funds	(534)	(481)	(454)
Sales			
Expenditure on Charitable activities	(3,316)	(3,606)	(3,878)
	44	(458)	(651)
Gross movement	44	(458)	
Net losses on investments	0	(4)	472
Actuarial gains on defined benefit scheme	0	29	(41)
Net Movement in Funds	40	(433)	(220)
Funds at start of year	6,218	6,651	6,871
Funds at end of year	6,258	6,218	6,651

Source: Audited Accounts

The income for the period to 31 December 2017 included restricted funds of £137,000. The total sum of restricted funds at the end of the year amounted to £198,000.

For the period to 31 December 2016 restricted funds income amounted to £52,000. The total of restricted funds at the end of the year amounted to £81,000.

Summary Balance Sheet

	Audited Statutory Accounts for year to 31 December 2017	Audited Statutory Accounts for year to 31 December 2016	Audited Statutory Accounts for year to 31 December 2015
	£000	£000	£000
Tangible assets	6,274	6,452	6,651
Intangible assets	0	0	0
Fixed assets	<hr/> 6,274	<hr/> 6,452	<hr/> 6,651
Current Assets			
Stocks	26	25	24
Investments	0	0	795
Debtors	200	221	233
Cash at Bank	693	381	4
	<hr/> 919	<hr/> 627	<hr/> 1,056
Liabilities			
Trade creditors	(736)	(404)	(681)
Other - pension	(24)	(23)	(56)
Bank	(175)	(434)	(319)
Total Liabilities	<hr/> (935)	<hr/> (861)	<hr/> (1,056)
Net Assets	<hr/> 6,258	<hr/> 6,218	<hr/> 6,651

Source: Audited Accounts

Management and Employees

As at 30 April 2019, the Company employed 142 staff, as follows:

Permanent	105
Casual Staff	<u>37</u>
Total Staff	142

Of the 105 permanent staff, 6 had resigned prior to the appointment date.

Statutory information on the Company, including details of the Directors, Company Secretary, and Shareholders is provided at **Attachment B**.

3. EVENTS LEADING TO THE ADMINISTRATION

On 4 March 2019, upon the recommendation of the Company's solicitor at Cripps LLP, the Company's Chief Executive Officer ("CEO") sought insolvency advice and contacted Crowe. A meeting with the CEO and the interim finance director ("FD") was arranged and held on 12 March 2019 to advise the Company in respect of its financial affairs. At that meeting the cash flow difficulties facing the Company were discussed.

Crowe was informed that the Trustees were considering the options available to the Company, in light of year on year trading deficits and that the Company had been experiencing cash flow issues for a number of years with debts having been settled from the sale of property assets, from borrowing or from legacy donations. In the current year, a loss of £1,300,000 was forecast, notwithstanding cost reduction exercises. Accordingly, the Trustees and executive team had concluded that the business model was not sustainable.

We were informed that the Company's bankers had provided further funding of £300,000 at the end of February 2019 and that this amount was deemed sufficient to deal with the wage costs of the Company's employees to the end of April 2019. Further we were advised that certain of the properties on the estate were being marketed for sale which would provide further funding for wages to the end of June 2019 and thereafter the partial repayment of secured lending. Crowe were informed that income was insufficient to discharge creditor liabilities past June 2019.

The CEO and FD confirmed that the Company required funding of at least £1,250,000 to cover the costs of a possible redundancy process and to discharge all other amounts payable by the Company. It was also confirmed that properties on the estate were being marketed in an effort realise funds to pay creditor and wage liabilities. Further, we were advised that the Company was insolvent on a cash flow basis but solvent on a balance sheet basis.

A possible employee redundancy consultation process was discussed as was the significant liability which would arise on termination of employee contracts. The CEO and FD advised that the Company had insufficient reserves to discharge amounts payable to employees at the end of any consultation and redundancy process.

In light of the above, the CEO was instructed by the Trustees to seek professional insolvency advice on the options available to the Trustees, this being in accordance with guidance issued by the Charity Commission.

It was agreed that Crowe would be instructed to prepare a report for presentation to a meeting of the Board of Trustees on 28 March 2019. The scope of the instruction was to carry out a review of the financial position of the Trust, including cash flow forecasts and to provide an opinion as to the most appropriate way forward. The Trustees' preference of a managed wind down of the Company's business operations from Burrswood was made clear, being in the alternative to a formal insolvency procedure, should the redundancy consultation process not provide a way forward.

In the following period the Trustees provided instructions to the CEO to commence a redundancy consultation process with a view to all staff being made redundant on 30 June 2019 and cessation of trade on that date. Crowe was instructed to provide ongoing advice to the Trustees regarding the Company's solvency and the winding down of the Company's trading operations. Additionally, Crowe was asked to seek proposals for additional funding to ensure that monies were available to pay employees and other creditors (should the consultation result in the closure of trading operations).

Over the course of the next weeks enquiries were made of lenders to deal with the costs of the possible wind down and the possible redundancy process. The Company's existing bankers were first approached and thereafter enquires were made of other financiers. Despite these efforts, none of the lenders provided terms that were acceptable. Accordingly, the Trust found itself without sufficient funds

to pay wages at the end of April 2019. There was also increased uncertainty in the ability of the Company to pay wages going forward.

On 25 April 2019 the Board of Trustees met at Burrswood. The Trustees were advised that the Company's main lender had declined to advance further monies to the Company and the alternative funding providers had declined to provide acceptable lending terms.

Accordingly, the Company was without funds to pay wages due at the end of April 2019 and had insufficient funds to discharge employee entitlements at the end of the employee consultation process. It was recognised that even with sale of estate properties there would have been a cash shortfall to cover notice pay and redundancy costs at the end of June 2019.

At the Board meeting on 25 April 2019 the process of placing the Company into Administration was discussed. The Board agreed to issue a notice to Charity Bank Limited of their intention to appoint Administrators over the Company and to obtain their consent to the appointment of Administrators from Crowe. Accordingly, Cripps LLP was instructed to assist the Company with its application. On 30 April 2019, Mark Newman, and Vincent John Green of Crowe were appointed Joint Administrators of the Company following the filing of a Notice of Appointment of Administrators by the Trustees of the Company.

In the period from the passing of the resolution to place the Company into Administration, a number of the Trustees advanced personal loans to the Company so that the employees' salaries to 30 April 2019 could, in part, be discharged. The loans facilitated payment amounting to 60% of arrears of pay claims, and payment was made to staff on 29 April 2019.

The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers either jointly or separately.

For creditors' general information, the EU Regulation on insolvency proceedings applies in this case, and these proceedings are main proceedings.

4. THE PURPOSE OF ADMINISTRATION

The purpose of an Administration is set out in Schedule B1, Paragraph 3(1) of the Act. An Administrator of a company must perform their functions with the objective of:

1. rescuing the company as a going concern, or
2. achieving a better result for the creditors as a whole than would be likely to be achieved if the company were wound up (without first being in Administration), or
3. realising property in order to make a distribution to one or more secured or preferential creditors.

These objectives form a hierarchy. The rescue of a company is the priority. If this is not possible, the Administrator seeks to achieve a better result for the creditors as a whole. In the event that this cannot be achieved, then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.

The purpose of the Administration is to pursue the first objective. It is anticipated that the Company will continue a period of limited trading in Administration (being for the purpose of maintaining and securing the sale of the Burrswood estate) which will be funded by the cash reserves and collection of rental income from existing tenants and former employee tenants of the Company.

Based upon current valuations, the Company's freehold land and property will be sufficient to repay in full creditors of all classes, together with statutory interest. Thereafter, it is proposed that the Administration will come to an end and that the Administrators will be released from office. It is

anticipated that upon the ending of the Administration, the Trustees will re-assume their powers and will take possession of the anticipated sale surplus.

Upon conclusion of the above, the Administrators would have secured the rescue of the Company as a going concern, albeit trade is not expected to continue from Burrswood.

A detailed account of how the Joint Administrators will seek to achieve the objective of the Administration is set out below.

5. MANAGEMENT OF THE COMPANY'S AFFAIRS SINCE THE JOINT ADMINISTRATORS' APPOINTMENT

Immediately upon appointment the Joint Administrators undertook a review of the Company's affairs, paying particular regard to its financial and resource requirements. This assessment was carried out in liaison with the remaining management of the Company.

Additionally, the Joint Administrators gave notice of redundancy to all employees of the Company, retaining the care and hospitality staff until 3 May 2019 so that the care services could be closed. The grounds staff and security staff were also retained and continue to be employed by the Company. On the same day, all other trading operations of the Company ceased trading. The employees who provided services to the Company in the post Administration period were made redundant on 3 May 2019 and have been paid for their services from asset realisations.

In the period following appointment, the Administrators have received enquiries from a large number of stakeholders, comprising members of the Burrswood Fellowship, supporters of the Trust and individuals who had made bookings for services that could no longer be met. Additionally, a large number of enquiries have been received in respect of memorial benches and cremated remains located at Burrswood.

On 3 May 2019 a meeting was held with the permanent residents on the estate to ensure they were kept informed of the Administration and to agree access restrictions to the estate given a risk of trespass and unauthorised encampment.

Additionally, contact was made with the Care Quality Commission and the Charity Commission to ensure both were made aware of the Administration and the closure of services at Burrswood.

In the period to date, we have made efforts to bring the Company's accounting information up to date. This exercise remains ongoing and is expected to result in an audit of the Company's accounts for the period to 29 April 2019.

The Company's records, both financial and relating to patients, will be removed from Burrswood into a secure storage facility and arrangements are currently being made to facilitate their removal.

Sales to Connected Parties

There have been no sales of any of the Company's assets to connected parties since the Joint Administrators' appointment.

Assets realised and remaining to be realised

Freehold Land and Property

The Company operated from its freehold premises located at Burrswood, Groombridge, Kent TN3 9PY. The freehold land and property was shown in the Company's last accounts to 31 December 2017 with a book value of £6,162,000.

The Company, prior to its Administration, instructed estate agents at Savills Plc to carry out a valuation of the Burrswood estate. The valuation was given at a range of between £7,060,000 and £8,080,000, this valuation assumed sale of the estate as a whole, with a separate sale of small pieces land. For the purpose of the Director's Statement of Affairs and this report, a mid-point valuation of £7,570,000 has been used.

The main property on the Burrswood estate is made up of six sections which are known as St Michaels' (being a grade II listed Decimus Burton designed property), St Faith's and St David's (being the former 'hospital and reablement' wing and conference centre which was built in 2000), Chapel House (which catered for respite care and was the original hospital wing), St Peter's being the outpatients wing and café (which also houses a hydrotherapy pool) and the Church of Christ the Healer (which was built in 1959). The Burrswood estate has grounds of over 100 acres. Additionally on the grounds, there are twelve other properties (detached and semi-detached) and a stable block (which was used as the Trust's administration building with three flats above). The total area of the properties is estimated at 63,453 square feet with the residential accommodation accounting for 15,624 square feet.

The estate at Burrswood also includes woodland and farmland. The woodland extends to some 33.69 acres and the farmland, which is let to a local farmer, comprises 4 separate fields amounting to 21 acres. The main property includes 12 accessible guest rooms for patients staying within the reablement unit and 28 guest rooms available to former patient visitors and the general public, 19 of which include accessible bathrooms.

In the period following 30 April 2019 estate agents, Knight Frank, were instructed to prepare for the sale of the Burrswood estate and introduce the estate properties to market. Frank Knight have provided a provisional marketing guide for the estate at £8,500,000 to £9,500,000. The valuation is based on the assumption that vacant possession can be gained for sale purposes.

As above, the main property includes the adjoining church of Christ the Healer. The Trustees and the Company's management were of the opinion that the Church operated under licence. However, assertions have been made by the Church of England that the church is consecrated. We are currently considering if consecration has an effect on the value to be attributed to the estate. Estate agent's comments are awaited.

Located in the grounds are numerous memorial garden benches, many of which are claimed by third parties and are therefore excluded from any valuation. Also, at a stone cross on the lower lawns are interned ashes of deceased persons. Any potential purchaser will be advised of the existence of the ashes should it not be possible to return these to their families or should the families wish them to remain at Burrswood.

In the period since our appointment, all required marketing material has been prepared, as has a draft contract of sale. We anticipate that the estate will be introduced to market in the coming fortnight. It is anticipated that the estate will be marketed for a period of six to eight weeks at the expiry of which any offers received will be considered. The estate agents are of the opinion that completion of the sale can be expected by the end of 2019.

In the period since our appointment, we have received numerous expressions of interest for the purchase of the estate.

The freehold estate remains to be sold and we will provide a further update in regard to the sale in our next progress report.

Leasehold Land and Property

The Company entered into a lease agreement in January 2012 in respect of a Charity Shop located in Crowborough and operated by Burrswood Limited, a wholly owned subsidiary of the Company. In the period following the appointment of the Joint Administrators, a third party expressed an interest in

the property and we understand that discussions are being held with the landlord for that third party to take possession. We await confirmation of this from the landlord.

Should the lease be transferred to another occupier, this will reduce any future liability falling payable to the end of the lease term in 2021. Agents, Lambert Smith Hampton, have carried out a valuation for the lease and have confirmed that it has no value.

Fixtures, Fittings and Equipment

Assets under this category comprise healthcare equipment, office furniture and equipment and estate maintenance equipment and machinery. These assets are shown in the last audited accounts to 31 December 2017 with a book value of £112,000.

Healthcare equipment comprises Arjo baths, shower trolleys, Luna person hoists with rails, electric standing aids, electric patient lifts with hoists, commercial laundry machines, disinfection washers, physiotherapy rehabilitation equipment, commercial kitchen equipment and cleaning equipment.

Office furniture and equipment comprises a range of generally dated office furniture, office chairs, break room furniture and low specification IT equipment.

The estate maintenance machinery and equipment includes a John Deere HST tractor lawn mower, Bogballe 2 spreader, DW Tomlin Trailer, Club Cadet ride-on lawn mower, 3 electric golf buggies, Karcher professional vacuum sweeper, Stihl BR700 blower, Stihl strimmer, chain saws, hedge trimmer and other minor gardening and maintenance tools. Agents have confirmed that these assets will realise well upon sale, however the machinery is to be retained at this stage for the upkeep of the grounds during the period of marketing the estate for sale.

Agents, Lambert Smith Hampton, were instructed by the Joint Administrators to carry out a valuation for these assets. The valuation report was received on 29 May 2019 and provided estimates for the assets on the basis of Market Value as a whole in place of £97,000 and on the basis of Market Value for removal (6 week marketing period) of £42,600. For the purpose of the Directors' Statement of Affairs the lesser valuation has been used.

A further valuation report was received on 13 June 2019 in respect of the fine art and antique furniture lying on site. The agent arranged for specialists to attend Burrswood and provide an appraisal of value. The valuation was given on the basis of auction guides and not a Red Book Valuation at a maximum of £65,000. The Statement of Affairs does not account for the value of these assets given that the valuation was received after the Statement of Affairs was signed.

The Church of England has made assertions that the Church of Christ the Healer is consecrated. Accordingly, we have yet to be advised if the Church of England has a claim to the contents. Accordingly, we are unable at this stage to advise whether these assets have a realisable value.

The freehold property will be marketed with the fixtures, fittings and equipment in situ to ensure that the property is appropriately presented for sale. It is yet to be determined whether an offer for these assets will be made as part of the sale process or if they will need to be removed and sold separately.

Further information will be provided in regard to this category of asset in our next progress report.

Stock

Home furnishings and other stock comprise assets detailed under this category. As above, Lambert Smith Hampton was instructed by the Joint Administrators to carry out a valuation for these assets.

The home furnishings comprise furniture located throughout 40 guestrooms (including 23 Electric beds with pressure reducing mattresses), lounge areas, dining areas and patient consultation areas.

The valuation report provided estimates for the assets on the basis of Market Value as a whole in place of £32,000 and on the basis of Market Value for removal of £8,100. For the purpose of the Directors' Statement of Affairs the lesser valuation has been used.

As above, the freehold property will be marketed with the stock in place to ensure that the property is appropriately presented for sale. It is yet to be determined whether an offer for these assets will be made as part of the sale process or if they will need to be removed and sold separately.

Book Debts

Book debts are shown in the Company's records with a book value of £77,614 and includes debtor legacies of £26,152.

To date, debtors in the amount of £8,245.10 have been realised.

The largest of the Company's debtors, in the amount of £45,000, was passed to solicitors for collection shortly prior to the Administration. It is currently unknown whether this debt will be recoverable.

With regard to the legacy debtors, invoices were raised by the Trust to deceased estates upon becoming aware of the 'donation under will' being made. The timing of recovery of these monies will be dependent upon probate being granted to the respective estates.

A reconciliation of the debtor ledger is ongoing and further legacy donations may be identified as the Administration progresses.

Shares and Investments

The Company has one wholly owned subsidiary trading company, Burrswood Limited, for which profits were covenanted to the Company. Burrswood Limited operated a café and book shop located on the Burrswood estate and a charity shop located in Crowborough. Burrswood Limited ceased trading on 30 April 2019 and entered into Members' Voluntary Liquidation on 6 June 2018.

After the costs of the liquidation, no surplus is expected to be received from Burrswood Limited. The costs of the liquidation are currently fixed at £6,500 plus disbursements, plus VAT. The assets of Burrswood Limited are not expected to be sufficient to discharge these costs in full. The Company, by the Trustees, has provided a guarantee to discharge any resulting shortfall.

For the purpose of the Directors' Statement of Affairs, the book value comprises the number of shares held and the estimated to realise value is £Nil.

Cash at Bank and in Hand

Cash at Bank comprises the closing balance of funds held in the Company's bank account with National Westminster Bank Plc. The sum of £84,682.19 has been realised from this source.

Additionally, cash in hand has been recovered in the amount of £4,275.40.

The sum of £1,000.56 is held on a term deposit account with Handelsbanken Plc and will be recovered following expiry of the notice period.

Donations

Donations were made to the Trust in the pre-administration period in the sum of £801.16 with these sums being shown separately on the Directors' Statement of Affairs.

Trading Surplus/Deficit

In the period since our appointment we brought about the end of trade at Burrswood. However, sales were made during this period in the amount of £3,180.90 relating to reablement patients who had left by 3 May 2019. Additionally, we have collected rental income relating to properties on the estate in the sum of £6,912.75. Rental income will be payable to the Company during the period of the Administration from external tenants, former employee tenants and from a tenancy of agricultural land let on a Farm Business Tenancy.

Payments have been made to employees of the Company in the period to date amounting to £16,245.29. These sums have been paid to employees retained by the Company in the period of winding down the care provision at Burrswood, and in relation to grounds staff and security staff retained by the Trust, by the Joint Administrators. The grounds and security staff were retained so that the estate is appropriately secured and so that the properties can be appropriately presented to parties interested in its purchase.

Additional costs have been paid amounting to £1,235.00 for accounting and administration services (provided by former employees) and property costs.

In total a trading deficit has been incurred of £7,386.64. This deficit has been incurred to preserve the value of the assets.

Post-Appointment Strategy

Immediately following the appointment of the Joint Administrators on 30 April 2019, members of the Joint Administrators' staff attended the Burrswood estate and a Charity Shop in Crowborough (which operated under a lease in the Company's name) to advise employees of the Joint Administrators' appointment. Staff were briefed with regards to the Administration and informed that a sale of the Company's assets would need to take place. Staff were then informed that their employment contracts had come to an end.

ERA Solutions Limited were instructed to attend the meeting of employees and were instructed to assist the former employees with the submission of their claims for arrears of pay, holiday pay, notice pay and redundancy pay to the RPS.

As stated above, the Company's grounds staff and night porters were retained by the Administrators to ensure the upkeep and security of the Burrswood estate.

Chosen with Care Limited was instructed on 30 April 2019 to assist the Joint Administrators with the safe placement of patients in the care of the Company to other care providers or for their return home.

The Joint Administrators' staff are in the process of collating creditors' claims and have handled creditors' queries as they have arisen which include telephone calls and correspondence. As there is a likelihood of full payment to unsecured creditors, claims are requested to be made at the earliest opportunity so not to delay declaration of an unsecured distribution when funds are available.

To advise on appropriate legal matters and to prepare required legal documentation, the Joint Administrators instructed Cripps LLP, a firm of lawyers with the appropriate expertise and experience in dealing with these types of Administrations. Warners Law LLP have also been instructed to act in respect of debt collection and property matters.

The Joint Administrators' legal advisors have commented upon legal issues arising on the expected sale of assets. Additionally, they have been assisting the Joint Administrators with post appointment matters such as drafting tenancy agreements for former-employee residents to remain at Burrswood, GDPR matters and the collection of debtor monies due to the Company.

The Company's accounts show restricted funds and endowments which we understand have been mainly settled in the pre Administration period. Legal advice will be obtained from Cripps LLP and there may be a requirement to obtain the opinion of Counsel on these funds to ensure that the liabilities are properly dealt with and concluded.

Legal advice has been required in relation to the estate properties and the lease for the Crowborough Charity Shop. The Joint Administrators expect to instruct their legal advisers to manage the assignment of the lease.

Knight Frank, a firm of estate agents, was instructed by the Joint Administrators to provide their strategy for the sale of the Burrswood estate and to prepare marketing documentation. The agents have advised on the best method of disposal of the estate property. We expect to formally introduce the Burrswood estate to market shortly.

In addition, Lambert Smith Hampton, a firm of chattel agents, was instructed by the Joint Administrators to undertake inventories and valuations of stock, plant and equipment, fixtures and fittings and other chattel assets where appropriate. The agents have advised on the best method of disposal of those assets, as well as assisted with claims of retention of title and security.

Crowe U.K. LLP have also been instructed by the Company to assist in bringing the Company's accounting affairs up to date, being to the date of Administration. Given the expectation that the directors will in time continue the business of the Company post Administration, statutory filings will need to be made and an audit carried out. Crowe U.K. LLP will complete the accounts and thereafter Saffery Champness LLP, the Company's auditors, will complete an audit for the period 1 January 2018 to 29 April 2019.

We shortly expect to instruct Clumber Consultancy Limited to provide their comments on the pension scheme operated by the Company on behalf of the employees and to assist in the winding up of the scheme.

Finally, insurers attended Burrswood to provide their report comments on the Company's assets. The costs of insurance are yet to be confirmed.

All professional fees are based upon the parties' recorded time costs incurred at their standard charge out rates, save those of ERA Solutions Limited for whom the Administrators agreed a fixed fee of £4,650 plus disbursements plus VAT for the service provided and Frank Knight whose fees are 1% of the sale fee, plus marketing costs and disbursements. The costs of agents will be reviewed by the Joint Administrators' staff before being approved for payment.

Investigation into the Company's Affairs Prior to the Administration

The Joint Administrators are undertaking a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a conduct report to be submitted in respect of Company directors in office at the commencement of the Administration and any who resigned in the three years prior to the Administration.

Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring these matters to the attention of the Joint Administrators as soon as possible.

6. THE STATEMENT OF AFFAIRS AND THE OUTCOME FOR CREDITORS

A Statement of Affairs as at 30 April 2019 has been submitted by the Directors of the Company, a copy of which is attached at **Attachment C**.

In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration (including agents, legal and other professional fees).

The Joint Administrators have not carried out any work to audit the information.

Secured Creditors

The Company's Bank debt at the date of the appointment of the Joint Administrators, and as set out in the Statement of Affairs, can be summarised as follows:

Term loan facility – Charity Bank Limited	£1,494,554.41
TOTAL	£1,494,554.41

The figure of £1,494,554.41 recorded on the Statement of Affairs comprises the balance outstanding on the Company's term loan facilities as at 30 April 2019. The Company granted a debenture to Charity Bank Limited on 18 December 2018, which was registered on 19 December 2018. This comprises fixed and floating charges over all the property or undertaking of the Company. The Company also granted fixed charge security over certain estate properties on 27 February 2019, when additional lending was secured.

In accordance with section 176A(2) of the Insolvency Act 1986, a liquidator is required to make a prescribed part of the Company's net property available for the satisfaction of unsecured debts prior to any distribution being made to a floating charge holder. However, this does not apply when the secured creditor will be repaid in full from assets falling under their fixed charge. Accordingly, the prescribed part provisions are not expected to apply.

The anticipated recovery to the secured creditor is shown on the Estimated Statement of Affairs at **Attachment C**, being in full.

Preferential Claims

Preferential claims relating to employee deductions are expected to be paid by the RPS who will have a claim estimated at £68,088.36. Employees are also expected to have surplus claims in respect of preferential amounts that are unpaid by the RPS, these are estimated at £4,084.86.

A preferential claim for unpaid pension contributions is also anticipated, although this is yet to be quantified.

There are no other known preferential claims outstanding.

Unsecured Claims

In this case, it is anticipated that the prescribed part provision will not apply, as there will be no residual liability due under Charity Bank's floating charge.

As demonstrated in the Estimated Statement of Affairs at **Attachment C**, on the basis of the costs incurred to date and the estimated further costs to be incurred in bringing the Administration to a conclusion, it is anticipated that there will be sufficient funds to pay a dividend to preferential and ordinary unsecured creditors. Due to the likely distribution to unsecured creditors, you are requested to submit claims to the address on the front of this report. A Proof of Debt form has been provided for this purpose.

Attached at **Attachment D** is the Joint Administrators' receipts and payments account for the period from 30 April 2019 to 14 June 2019. Also attached is a receipts and payments account for the period of trading after appointment.

There are no assets used in the trading period that were in existence at the appointment date, save the rental properties and stock used in the limited period of trade, being to wind down the Trust's care business.

7. THE JOINT ADMINISTRATORS' FEES

The Joint Administrators propose to fix their fees on the following basis:

- (i) On the basis of time properly given by the Administrators and their staff in attending to matters as set out in the fees estimate, such time to be charged at the prevailing standard hourly charge out rates used by Crowe U.K. LLP at the time the work is performed, plus VAT.

Unless a Creditors' Committee is established, the Joint Administrators will seek approval for the basis of their fees from the unsecured creditors.

Information to support the proposed basis of the Joint Administrators' fees, together with the Statement of pre-Administration costs, is provided in the Joint Administrators' Proposals.

8. APPROVAL OF THE STATEMENT OF PROPOSALS

Based on current information, the Joint Administrators consider that the Company has sufficient property to enable each creditor of the Company to be paid in full. Therefore, pursuant to paragraph 52(1)(a) of Schedule B1 of the Act, the Joint Administrators are not required to seek creditors' approval of the Statement of Proposals.

Notwithstanding this, the Joint Administrators shall be required to seek a creditors' decision on whether to approve the Statement of Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debts. Such request must be delivered to the Joint Administrators within 8 business days from the date on which the Statement of Proposals was delivered. Security must be given for the expenses of seeking such a decision.

If no decision is requested, the Statement of Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules. However, as mentioned in Section 7, the Joint Administrators are seeking creditors' approval of other proposed decisions. Information regarding these matters is provided in the Joint Administrators' Proposal, to which this Statement of Proposals forms an appendix.

9. SUMMARY OF THE JOINT ADMINISTRATORS' PROPOSALS

In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:

1. the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - i. they sell the Company's assets at such time(s) and on such terms as they consider appropriate;
 - ii. they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - iii. they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or

maximise the realisations of those assets, or of any purpose incidental to these activities.

2. the Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the Court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
3. the Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:
 - i. in the event that there is property that might permit a distribution to the Company's creditors, the Joint Administrators may make application to the Court to obtain approval to the payment (by the Joint Administrators) of an unsecured non-preferential distribution, and if funds allow, payment of statutory interest at the prevailing rate. In such circumstances, the Joint Administrators will also make application for the Administration to come to an end following the payment of such distributions and upon filing of their final report with the Registrar of Companies.
 - ii. in the event that there is no remaining property that might permit a distribution to the Company's creditors, they file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
 - iii. in the event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the Court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they send to the Registrar of Companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Mark Newman and Vincent John Green will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed Liquidator or Liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before they are approved; or
 - iv. alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Mark Newman and Vincent John Green may ask the Court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidators.



Mark Newman
Joint Administrator

18 June 2019

Attachment A**Definitions**

The Act	The Insolvency Act 1986
The Rules	The Insolvency Rules 1986 or the Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event described)
The Statement of Proposals	The Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Joint Administrators	Mark Newman and Vincent John Green
The Company	The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing (in Administration)
The Court	High Court of Justice
Crowe	Crowe U.K. LLP
Directors / Trustees	The Directors and the Trustees are the same for the purpose of this report. The Trustees are Directors for the purpose of the Companies Act 2006
FY17	Financial year ended 31 December 2017
RPS	The Redundancy Payments Service
HMRC	HM Revenue & Customs
ROT	Retention of Title
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice (England & Wales)
TUPE	Transfer of Undertakings (Protection of Employment) Regulations

Attachment B**Statutory Information**

Company Name	The Dorothy Kerin Trust
Trading name	Burrswood Health and Wellbeing
Previous trading name	Burrswood Hospital

Proceedings	In Administration
Court	High Court of Justice
Court Reference	CR-2019-002885
Date of Appointment	30 April 2019
Joint Administrators	Mark Newman and Vincent John Green Crowe U.K. LLP 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Registered office Address	c/o Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Company Number	04562803
Incorporation Date	15 October 2002
Company Secretary	N/A
Appointment by	The Directors
Directors at date of Appointment	The Right Reverend Brian Castle, Mr Gary Colvin, Mrs Jane Cook, Mr Timothy Cripps, Mr Justin Cumberlege, Mrs Sarah Davies, Mr Robin Hepburn, Mrs Melanie Sullivan and Dr Andrew Taylor
Directors' Shareholdings	Nil

Attachment C

Director's Statement of Affairs as at 30 April 2019 and Creditors' Details

STATEMENT OF AFFAIRS

Name of Company
The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing

Company Number
04562803

In the
High Court of Justice

Court case number
CR-2019-002885

Statement as to the affairs of

The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing
4 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1EE

on the 30 April 2019, the date that the company entered administration.

Statement of Truth

I believe the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at 30 April 2019 the date that the company entered administration.

Full Name

IMOTHOMAS CRIPPS

Signed

[Signature]

Dated

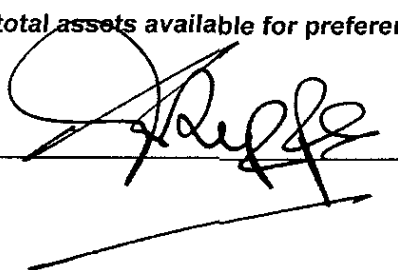
12th JUNE 2019.

The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing
Statement Of Affairs as at 30 April 2019

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Freehold Land & Property	6,162,000.00	7,570,000.00
Charity Bank Limited		(1,494,554.41)
Surplus c/d		<u>6,075,445.59</u>
Assets subject to floating charge:		
Uncharged assets:		
Fixtures, Fittings & Equipment	112,000.00	42,600.00
Stock	53,376.00	8,100.00
Book Debts	77,614.00	8,245.00
Shares & Investments	100.00	NIL
Cash at Bank and Cash in Hand	89,958.00	89,958.00
Donations	801.00	801.00
Estimated total assets available for preferential creditors		<u>149,704.00</u>

Signature



Date

12th June 2019.

The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing
Statement Of Affairs as at 30 April 2019

A1 - Summary of Liabilities

	Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)	149,704.00
Liabilities	
Preferential Creditors:-	
RPS Arrears & Holiday Pay	68,088.36
Employee Arrears/Hol Pay	4,084.86
	72,173.22
Estimated deficiency/surplus as regards preferential creditors	77,530.78
Debts secured by floating charges pre 15 September 2003	
Other Pre 15 September 2003 Floating Charge Creditors	NIL
	77,530.78
Estimated prescribed part of net property where applicable (to carry forward)	NIL
Estimated total assets available for floating charge holders	77,530.78
Debts secured by floating charges post 14 September 2003	
	NIL
Estimated deficiency/surplus of assets after floating charges	77,530.78
Estimated prescribed part of net property where applicable (brought down)	NIL
Total assets available to unsecured creditors	77,530.78
SURPLUS B/D	6,075,445.59
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	
Trade & Expense Creditors	303,311.84
Employees	22,631.45
RPS	467,666.23
Loan Creditors	222,334.00
HM Revenue & Customs - Tax	62,951.54
HM Revenue & Customs - VAT	15,568.64
Deposit Creditors	30,515.30
	1,124,979.00
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)	5,027,997.37
Estimated deficiency/surplus as regards creditors	5,027,997.37
Issued and called up capital	
	NIL
Estimated total deficiency/surplus as regards members	5,027,997.37

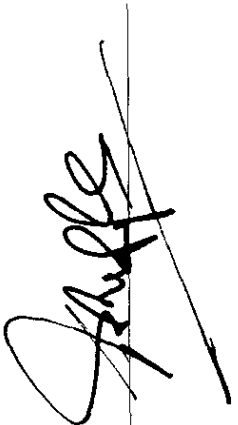
Signature

Date

12th June 2019.

Crowe U.K. LLP
The Dorothy Kerin Trust t/as Burrowswood Health and Wellbeing
B - Company Creditors

Key	Name	Address	£
CA00	Action Planning Consultancy Limited	99 Ashurst Road, Tadworth, Surrey, KT20 5EY	7,692.84
CA01	Affinit Limited	The Warehouse, Draper Street, Southborough, Tunbridge Wells, Kent, TN4 0PG	2,700.00
CA02	Alacer Software Limited	Alacer House, Buckingham, Business Park, Anderson Way, Swavesey, Cambridge, CB24 4UQ	6,560.00
CA03	Albion Fine Foods Limited	21-22 Sovereign Way, Tonbridge, Kent, TN9 1RH	2,232.82
CA04	Allsop & Francis Limited	Unit 18, Ford Lane Business Park, Ford, Arundel, West Sussex, BN18 0UZ	210.00
CA05	Amdell Limited	Suite 9, Almond House, Betteshanger Road, Deal, Kent, CT14 0EN	35,704.20
CA06	Mrs Catherine and Mr Trevor Attwell	132 Salisbury Avenue, Broadstairs, Kent, CT10 2EB	10,000.00
CA07	Mr James Archer	James Archer, 6A The Granville, Hotel Road, St Margaret's Bay, Dover, CT15 6DX	120,000.00
CB00	B G Benton Limited	Units 5-8, Yeowart Business Centre, Bellbrook Estate, Bell Lane, Uckfield, East Sussex, TN22 1QL	578.37
CB01	BFS Group Limited	c/o Atradius Collections Limited, 3 Harbour Drive, Cardiff Bay, CF10 4WZ	4,338.32
CB02	Bishops Office Products Limited	Unit 33, Chapman Way, High Brooms Industrial Estate, Tunbridge Wells, Kent, TN2 3EF	10.42
CB03	Blueleaf	Charwood House, Wilberforce Way, Oakhurst Business Park, Southwater, West Sussex, PH13 9RT	694.32
CB04	BNP Paribas Leasing Solutions Limited	Northern Cross, Basing View, Basingstoke, Hampshire, RG1 4HL	294.94
CB05	Booksellers Association of UK & Ireland Limited	6 Bell Yard, London, WC2A 2JR	150.00
CB06	Business Phones & Networks Limited	The Stables, Wassell Grove Lane, Hagley, Stourbridge, West Midlands, DY9 9JH	293.20
CB07	Bookpoint Limited	130 Milton Park, Abingdon, Oxon, OX14 4SB	144.79
CB08	Bracketts LLP	27 - 29 High Street, Tunbridge Wells, Kent, TN1 1UU	810.00
CB09	Brenntag UK Limited	Albion House, Rawdon Park, Green Lane, Yeadon, Leeds, West Yorkshire, LS19 7XX	289.99
CB0A	Brook Street (UK) Limited	Capital Court, Windsor Street, Uxbridge, UB8 1AB	7,554.68
CB0B	Business Stream Limited	7 Lochside View, Edinburgh, EH12 9DH	2,870.00
CB0C	Ms Edith Sarah Elsie Bellamy	c/o Ms Susan Willmott, 27A Northdown Close, Maidstone, Kent, ME14 2ER	10,000.00
CB0E	BCG Community Fund	Birch Road, Eastbourne, East Sussex, BN23 6PL	7,861.60
CC00	C Brewer & Sons Limited	Athena House, Athena Drive, Tachbrook Park, Warwick, CV34 6RL	587.50
CC01	Calor Gas Limited	Mascalls Farm Building, Badsell Road, Paddock Wood, Kent, TN12 6LP	2,108.43
CC02	Castle Heat Pumps Limited	Mascalls Farm Building, Badsell Road, Paddock Wood, Kent, TN12 6LP	365.23
CC03	Castle Fridge Limited	Mascalls Farm Building, Badsell Road, Paddock Wood, Kent, TN12 6LP	1,472.90
CC04	Certas Energy UK Limited t/as Emo Oil	302 Bridgewater Place, Birchwood Park, Warrington, Cheshire, WA3 6XG	923.13

Signature 

Crowe U.K. LLP

The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing

B - Company Creditors

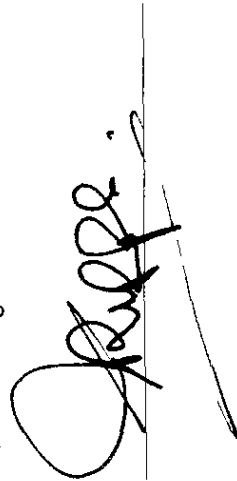
Key	Name	Address	£
CC05	CLC Wholesale	5 Glendale Avenue, Sandycroft, Flintshire, CH5 2QP	165.74
CC06	Coppard Plant Hire Limited	Wraysbury, Crowborough Hill, Crowborough, East Sussex, TN6 2JE	55.92
CC07	Crestala Fencing & Construction Co Limited	South Farm, Langton Green, Tunbridge Wells, Kent, TN3 9JN	128.06
CC08	Cripps Pemberton Greenish	Number22, Mount Ephraim, Tunbridge Wells, Kent, TN4 8AS	1,684.44
CC09	Crown Oil Limited	The Oil Centre, Bury New Road, Heap Bridge, Bury, BL9 7HY	13,238.35
CC0A	CWR	Waverley Abbey House, Waverley Lane, Farnham, Surrey, GU9 8EP	102.15
CC0B	Charles Farris Limited	Quarry Fields, Mere, Wiltshire, BA12 6LA	78.33
CC0C	The Charity Bank Limited	Fosse House, 182 High Street, Tonbridge, Kent, TN9 1BE	1,494,554.41
CC0D	Mrs Margaret K. Casey	Bassets, Windmill Lane, Ashurst Wood, East Grinstead, RH19 3SZ	3,334.00
CC0E	Mr Justin Francis Cumberlege	12 Gimble Way, Pembury, Tunbridge Wells, Kent, TN2 4BX	20,000.00
CC0F	Church of England Pension Scheme	Church House, Great Smith Street, London, SW1P 3AZ	24,000.00
CC0G	Mr Timothy Thomas Cripps	10 Muskerry Court, Nellington Lane, Rusthall, Tunbridge Wells, Kent, TN4 8SX	10,000.00
CD00	Daisy Communications Limited	Daisy House, Lindred Road Business Park, Nelson, Lancashire, BB9 5SR	51.26
CD01	Dartford Catering	The Barn, Speedgate Farm, Fawkham, Longfield, Kent, DA3 8NJ	132.00
CD02	DMA Maintenance Limited	4 Amberly Green, Gillingham Business Park, Gillingham, Kent, ME8 0NJ	2,763.76
CD03	D E Ford (Insurance Brokers) Limited	Poppleton Grange, Low Poppleton Lane, York, Yorkshire, YO26 6GZ	25,899.97
CD04	Mr Robin and Mrs Sarah Davies	22 Tynning Road, Winsley, Bradford-on-Avon, Wiltshire, BA15 2JJ	17,500.00
CD05	Mr Richard Diggory	The Vicarage, Oakdale Lane, Crockham Hill, Edenbridge, Kent, TN8 6RL	10,000.00
CD07	The Stancourt - Dicker Charitable Trust	Touchstone Cottage, Springfield Lane, Broadway, Worcs, WR12 7BT	25,000.00
CE00	EcoSan Services Limited	Unit 1, Hilton Business Centre, Kingsnorth Industrial Estate, Wotton Road, Ashford, Kent, TN23 6LL	917.70
CE01	Environmental Contract Services Limited	Unit 21A, Durkins Road, East Grinstead, West Sussex, RH19 2RW	1,407.12
CE02	Edmundson Electrical Limited	Hanover Place, 8 Church Road, Tunbridge Wells, Kent, TN1 1JP	14.28
CE03	Emma Ball Limited	Top Floor, Hartley Business Centre, Hucknall Road, Nottingham, NG5 1FD	211.85
CE04	EMS Physio Limited	Grove Technology Park, Downview Road, Wantage, Oxfordshire, OX12 9FE	168.00
CE05	Engie Power Limited	No 1, 26 Whitehall Road, Leeds, LS12 1BE	10,775.84
CE06	Equinox Recycling	Equinox House, 8 Dairy Lane, Chainhurst, Marden, Kent, TN12 9SP	539.12
CE07	E W King & Co Limited	Monks Farm, Pantlings Lane, Coggeshall Road, Kelvedon, Essex, CO5 9PG	4.96
CF00	F & J Collection	Unit 1 & 2, Little Trethew Warehouse, Horningtops, Liskeard, Cornwall, PL14 3PZ	137.76
CF01	Fowler Swimming Pools Limited	Henfield Road, Cowfold, Horsham, West Sussex, RH13 8BS	85.31

Signature

Crowe U.K. LLP
The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing
B - Company Creditors

Key	Name	Address	£
CF02	Fullers Farm Shop	1 The Barn, Bunny Lane, Eridge, Tunbridge Wells, Kent, TN3 9BY	848.06
CG00	Gardners Books Limited	1 Whittle Drive, Eastbourne, East Sussex, BN23 6QH	420.65
CG01	Garners News Limited	Unit 6F, Southbourne Business Park, Courtlands Road, Eastbourne, East Sussex, BN22 8UY	839.68
CG02	Geerings Limited	Cobbs Wood House, Chart Road, Ashford, Kent, TN23 1EP	81.48
CG03	Green Hippo Print Limited	Unit 36, Chapman Way, Tunbridge Wells, Kent, TN2 3EF	333.60
CH01	Hamilton Cross City & County Healthcare	Birkbeck House, Colliers Way, Nottingham, NG8 6AT	479.52
CH02	Healthcare Management Solutions Limited	Drakes Court, 302 Alcester Road, Wythall, Birmingham, B47 6JR	3,931.77
CH03	H M Revenue & Customs - VAT	Enforcement and Insolvency Service, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	15,568.64
CH04	H M Revenue & Customs - PAYE	Enforcement and Insolvency Service, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	62,951.54
CI00	Imperial Pharmacy	4 The Pantiles, Tunbridge Wells, Kent, TN2 5TN	821.77
CJ00	JPRO Services Limited	PO Box 176, Edenbridge, Kent, TN8 9DG	106.90
CK00	KCOM Group plc	37 Carr Lane, Hull, HU1 3RE	288.00
CK01	Kent Mobility Limited	Unit 1, Bridge Farm, Upper Haysden Lane, Tonbridge, Kent, TN11 8AA	890.10
CK02	KM Media Group Limited	Medway House, Ginsbury Close, Sir Thomas Longley Road, Medway City Estate, Strood, Rochester, Kent, ME2 4DU	200.00
CK03	Kone plc	Global House, Fox Lane North, Chertsey, Surrey, KT16 9HW	555.95
CK04	Kevin Mayhew Limited	Buxhall, Stowmarket, Suffolk, IP14 3BW	104.27
CL00	Labyrinth Stained Glass	4 Shawpits Cottages, Mill Lane, Hellingly, East Sussex, BN27 4HD	500.00
CL01	Mr John Lascelles	7 Highlands Close, Crowborough, East Sussex, TN6 1BE	810.69
CL02	Laundry 365 Limited	Unit 426, 37 St. Andrews Street, Norwich, Norfolk, NR2 4TP	258.00
CL04	LBS Worldwide Limited	Standroyd Mill, Cottontree, Colne, Lancashire, BB8 7BW	1,347.39
CL05	Leonard Smith	The Courtyard, Marks Hall Road, Coggeshall, Colchester, CO6 1TE	182.19
CL06	The Letting Company	34 London Road, Tunbridge Wells, Kent, TN1 1BX	240.20
CL07	Licensing Partnership	Sevenoaks District Council, Argyle Road, Sevenoaks, Kent, TN13 1HG	350.00
CL08	Loomis UK Limited	1 Alder Court, Rennie Hogg Road, Nottingham, NG2 1RX	147.64
CM00	Marston Book Services Limited	160 Easten Avenue, Abingdon, Oxfordshire, OX14 4SB	571.31
CM01	Maskell Heating Services Limited	Unit 4E, Croft Works, Diplocks Way, Hailsham, East Sussex, BN27 3JF	1,170.00

Signature



Crowe U.K. LLP

The Dorothy Kerin Trust t/as Burrowswood Health and Wellbeing

B - Company Creditors

Key	Name	Address	£
CM02	Medically Legal	8 Tregony Road, The Maples, Orpington, Kent, BR6 9XF	270.00
CM03	Sir Stephen Males	Postillions, 2 Hastings Road, Pembury, Tunbridge Wells, Kent, TN2 4PD	10,000.00
CN00	Newlands Healthcare Limited	7 Hanover Road, Tunbridge Wells, Kent, TN1 1EY	17,382.50
CN01	Nigel Quiney Publications Limited	Cloudestley House, Shire Hill, Saffron Walden, Essex, CB11 3FB	230.54
CN02	Norwich Books & Music	13a Hellesdon Park Road, Norwich, Norfolk, NR6 5DR	157.09
CN03	Novus Compliance Services Limited	Unit 6, Warish Hall Farm Estate, Smiths Green, Bishop's Stortford, Herts, CM22 6NZ	481.57
CO00	Ofcom Radio Licence Fees	Riverside House, 2a Southwark Bridge Road, London, SE1 9HA	100.00
CO01	Offter House Limited	Exe Box, Matford Park Road, Matford, Exeter, EX2 8FD	175.98
CO02	Owllet Fruit Juice	Owl House Fruit Farm, Mount Pleasant Lane, Lamberhurst, Kent, TN3 8LY	99.36
CP00	Parker Building Supplies Limited	Unit J1-J4, Franklin House, Chaucer Business Park, Dittons Road, Polegate, East Sussex, BN26 6JF	234.26
CP01	Patients Know Best	St. John's Innovation Centre, Cowley Road, Cambridge, CB4 0WS	1,500.00
CP02	PK Produce Limited	Wood House, 58 North Street, Biddenden, Kent, TN27 8AS	4,642.28
CP03	Ms Victoria Powderill		250.90
CP04	PPL		549.38
CP05	Premier Doors Nationwide Limited	1 Upper James Street, London, W1F 9DE	712.80
CP06	Pritchards Removals	Bunting Lodge, Mayland Close, Mayland, Essex, CM3 6SS	1,350.00
CP07	Production AV Limited	5 The Farthings, Crowborough, East Sussex, TN6 2TW	1,833.52
CP08	Punter Southall Aspire	Unit 3, Barmel Way, Gloucester Business Park, Gloucester, GL3 4BH	2,173.50
CP09	PWC	Tempus Court, Onslow Street, Guildford, GU1 4SS	27.00
CQ00	The Butchery (Rusthall) Limited	The Old Dairy, Bird in Eye Farm, Framfield Road, Uckfield, TN22 5HD	585.14
CR00	Reach Volunteering	Shadwell House, 65 Lower Green Road, Tunbridge Wells, Kent, TN4 8TW	864.00
CR01	Redemptorist Publications	89 Albert Embankment, London, SE1 7TP	56.29
CR02	Nickie Rhodes-Hill	Alphonsus House, Chawton, Hampshire, GU34 3HQ	150.00
CR03	Ricoh UK Limited	43 Taylor Street, Tunbridge Wells, Kent, TN4 0DU	3,091.93
CR04	Roasted Coffee Limited	300 Pavillion Drive, Northampton Business Park, Northampton, NN4 7YL	439.93
CR05	Robson Newman Limited t/as Floss Agency	Unit 22, Henfield Business Park, Shoreham Road, Henfield, West Sussex, BN5 9SL	1,495.85
CR06	Robust Floors Limited	The Exchange, Langton Green, Tunbridge Wells, Kent, TN3 0EG	1,296.00
CR07	Rusbridge Family Bakery Limited	Unit 1, Mill Road, Portslade, Brighton, East Sussex, BN41 1PD	123.80
CR08	Rusthall Medical Centre	53 London Road, Southborough, Tunbridge Wells, Kent, TN4 0PB	3,500.00
		Neillington Road, Rusthall, Tunbridge Wells, Kent, TN4 8UW	

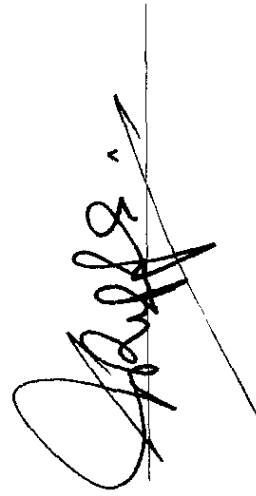
Signature

Crowe U.K. LLP

The Dorothy Kerin Trust t/as Burrowswood Health and Wellbeing

B - Company Creditors

Key	Name	Address	£
CR09	Mr Robin Reise	Owls Oast, Lossenham Lane, Newenden, Kent, TN15 5QQ	10,000.00
CS00	Sabre Kent Limited	c/o Alan Firmin Limited, Wares Farm, Redwall Lane, Linton, Maidstone, Kent, ME17 4BB	102.00
CS01	Saffery Champness LLP	71 Queen Victoria Street, London, EC4V 4BE	5,442.00
CS02	Savills	Unex House, 132-134 Hills Road, Cambridge, CB2 8PA	6,909.00
CS03	Scrapco Metal Recycling Limited t/as Scrapco S	2 A Landau Way, Darent Industrial Park, Erith, Kent, DA8 2LF	276.00
CS04	Mrs M P Seabrook	57 Elmshurst Gardens, Tonbridge, Kent, TN10 3QT	14.00
CS06	Smee & Ford	2nd Floor, 6-14 Underwood Street, London, N1 7JQ	29.88
CS07	South East Water Limited	Rocfort Road, Snodland, Kent, ME6 5AH	2,068.95
CS08	Southern Electric		3,950.32
CS09	Stanley Security Solutions Limited	Stanley House, Bramble Road, Swindon, Wiltshire, SN2 8ER	2,401.20
CS0A	Stannah Lifts Services Limited	Watt Close, East Portway, Andover, Hampshire, SP10 3SD	866.22
CS0B	Standard Life Group Pension Schemes	Standard Life House, 30 Lothian Road, Edinburgh, EH1 2DH	9,000.00
CT00	TLM Trading Limited	PO Box 212, Peterborough, PE2 5GD	22.80
CT01	The Tooley & Foster Partnership	Warwick House, 116 Parlmerston Road, Buckhurst Hill, Essex, IG9 5LQ	4,320.00
CT02	Trade UK	Selectapost 28, Sheffield, S97 3GE	414.75
CT03	Trueplan (UK) Limited	Mount Pleasant House, 2/6 Lonsdale Gardens, Tunbridge Wells, Kent, TN1 1HJ	234.00
CW00	Warburtons Chefs Limited	14 The Freehold, Hadlow, Tonbridge, Kent, TN11 0ES	4,920.00
CW01	Warners Law LLP	16 South Park, Sevenoaks, Kent, TN13 1AN	3,395.93
CW02	Wightman & Parrish Limited	Station Road Industrial Estate, Hailsham, East Sussex, BN27 2QA	4,449.16
CW03	Mr John Roderick Wilkin	10 Seabrook Road, Tonbridge, Kent, TN10 3AS	84.00
CW04	Mrs Anne Williams	13 Waterside, Abergavenny, Monmouthshire, NP7 5LJ	1,500.00
CW05	Wealden District Council	Vicarage Lane, Hailsham, BN27 2AX	711.00
CY00	Yell Limited	3 Forbury Place, Forbury Road, Reading, RG1 3YL	373.44
CZ00	Zen Internet Limited	Sandbrook Park, Sandbrook Way, Rochdale, OL11 1RY	64.80
135 Entries Totalling			2,098,720.43

Signature 

Attachment D

The Joint Administrator's Receipts and Payments Account to 14 June 2019 and trading account

**The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing
(In Administration)
Joint Administrators' Trading Account**

Statement of Affairs £	From 30/04/2019 To 14/06/2019 £	From 30/04/2019 To 14/06/2019 £
POST APPOINTMENT SALES		
Rental Income	6,912.75	6,912.75
Sales	3,180.90	3,180.90
	<u>10,093.65</u>	<u>10,093.65</u>
OTHER DIRECT COSTS		
Direct Labour	16,245.29	16,245.29
	<u>(16,245.29)</u>	<u>(16,245.29)</u>
TRADING EXPENDITURE		
Indirect Labour	600.00	600.00
Property Costs	635.00	635.00
	<u>(1,235.00)</u>	<u>(1,235.00)</u>
TRADING SURPLUS/(DEFICIT)	<u>(7,386.64)</u>	<u>(7,386.64)</u>

**The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 30/04/2019 To 14/06/2019 £	From 30/04/2019 To 14/06/2019 £
	SECURED ASSETS		
7,570,000.00	Freehold Land & Property	NIL	NIL
		NIL	NIL
	SECURED CREDITORS		
(1,494,554.41)	Charity Bank Limited	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
8,245.00	Book Debts	8,245.10	8,245.10
89,958.00	Cash at Bank and Cash in Hand	88,957.59	88,957.59
801.00	Donations	833.98	833.98
42,600.00	Fixtures, Fittings & Equipment	NIL	NIL
	Miscellaneous Receipts	26.80	26.80
NIL	Shares & Investments	NIL	NIL
8,100.00	Stock	NIL	NIL
	Trading Surplus/(Deficit)	(7,386.64)	(7,386.64)
		90,676.83	90,676.83
	COST OF REALISATIONS		
	Agents/Valuers Fees (2)	1,350.00	1,350.00
		(1,350.00)	(1,350.00)
	PREFERENTIAL CREDITORS		
(4,084.86)	Employee Arrears/Hol Pay	NIL	NIL
(68,088.36)	RPS Arrears & Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(30,515.30)	Deposit Creditors	NIL	NIL
(22,631.45)	Employees	NIL	NIL
(62,951.54)	HM Revenue & Customs - Tax	NIL	NIL
(15,568.64)	HM Revenue & Customs - VAT	NIL	NIL
(222,334.00)	Loan Creditors	NIL	NIL
(467,666.23)	RPS	NIL	NIL
(303,311.84)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
5,027,997.37		89,326.83	89,326.83
	REPRESENTED BY		
	Bank 1 Current - METRO		29,199.83
	Bank 1 Deposit		60,000.00
	Vat Receivable		127.00
			89,326.83

The Dorothy Kerin Trust (in Administration)

Statement of Pre-Administration Costs

Pre-administration costs are defined in the Insolvency Rules as fees charged and expenses incurred by the Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to its doing so.

Summary of the Joint Administrators' Pre-Administration Costs

The Joint Administrators' pre-administration costs comprise:-

	£
Pre-administration time costs (25 April 2019 to 29 April 2019):	8,300.25
Pre-administration disbursements (25 April 2019 to 29 April 2019):	30.24
Pre-administration expenses:	
Legal costs (Cripps LLP)	5,000.00
Total	13,330.49

The Joint Administrators will be seeking approval for payment of their pre-administration costs as an expense of the Administration by resolution of conduct of business by correspondence.

Further information on each category of pre-administration cost is given below.

Pre-Administration Time Costs of the Joint Administrators

The Joint Administrators' unpaid pre-administration time costs total £8,300.25 at Crowe U.K. LLP's standard charging rates (see **Appendix III**). This cost relates to the provision of generic insolvency advice to the Company.

As stated above, the Joint Administrators' pre-administration time costs incurred specifically with a view to Administration total £8,300.25. These costs were all incurred on or after 25 April 2019 and in relation to the following activities:

- confirming that one of the statutory objectives of Administration could be achieved
- liaising with secured creditors, key stakeholders and major creditors
- carrying out all necessary steps in order to place the Company into Administration

The agreement under which we incurred the pre-administration costs was received from the Company's Board of Directors in a Letter of Engagement dated 26 April 2019.

None of these costs have been paid.

Pre-Administration Expenses

Details of pre-administration expenses which have been incurred with a view to the Company's Administration are:

Advisor and Nature of Work	Fees £
Cripps LLP	
Appointment of Administrators	5,000.00
	<hr/> 5,000.00
Total	5,000.00

The directors instructed Cripps LLP to deal with the steps necessary to effect our appointment at court. These pre-administration expenses have been incurred by Cripps LLP on a fixed fee basis, plus VAT.

These expenses have not been paid.

Pre-Administration Disbursements

We have incurred pre-administration disbursements as follows:-

	£
Category 2	
Travel	30.24
Total	30.24

Advisory Costs

In addition, the sum of £50,716.25 was incurred by Crowe U.K. LLP for conducting a financial/solvency review, providing reports and presenting to the Board of Trustees and undertaking a review of the Trust's accounting systems.

Crowe U.K. LLP's Advisory costs comprise:-

		£
Advisory time costs	(4 March 2019 to 24 April 2019):	50,716.25
Advisory disbursements	(4 March 2019 to 24 April 2019):	302.35
Total		51,018.60

These costs do not fall within the definition of pre-administration costs as they were not incurred specifically with a view to the Company entering into Administration. However these costs were incurred in respect of the Company's financial affairs and accordingly we are seeking to recover the amount of £51,018.60.

Work Done

If any creditor would like a further copy of that notification, please do not hesitate to contact this office.

The work done by us, and by our advisors, in the period leading up to the Administration was liaising with the Qualifying Floating Charge Holder and the Board/senior management of the Company together with informing the staff of the impending Administration. Our pre-administration work was in the interests of creditors and was in furtherance of the objective of this Administration, being to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

Other Persons Entitled to Claim

We are unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any such claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

Not Part of the Administrators' Proposals

Please note that our request for payment of pre-administration costs and Advisory costs is separate to and does not form part of our proposals to creditors for the conduct of the Administration.



CROWE U.K. LLP

RECOVERY SOLUTIONS

CHARGE-OUT RATES AND DISBURSEMENTS

The table below sets out the charge-out rates utilised by Recovery Solutions at Crowe U.K. LLP for charging staff time:-

Partner	£375 per hour
Director	£290 per hour
Senior Manager/Manager	£210 to £250 per hour
Assistant Manager	£180 per hour
Senior Administrator	£165 per hour
Administrator	£125 per hour
Trainee/support staff	£65 per hour

It should be noted that the above rates may increase from time to time over the period of the administration of each insolvency case. The above rates are effective from 1 April 2018. Time is charged in six minute units.

Category 1 disbursements are charged at the actual cost at which they are incurred and are directly attributable to the case. Category 1 disbursements include statutory advertising, specific bond insurance, external records storage and postage. Reimbursement of Category 1 disbursements does not require the approval of creditors.

Category 2 disbursements are those incurred by Crowe U.K. LLP and re-charged to the case and they may include a profit element. Category 2 disbursements are reimbursed from the case only when the basis of the disbursement charge has been approved by creditors in advance.

It is the firm's policy to recover the following disbursements:

Photocopying	Re-charged at 10p per sheet
Internal room hire	Charged at £50 per meeting held in house
Company searches	£15 per corporate case
Mileage	Charged at 45 pence per mile

Additionally, Crowe U.K. LLP has been instructed to assist in bringing the Company's accounting affairs up to date, including preparing any required tax returns, VAT, accounts and assisting with an audit. Prior to the Company's Administration, the Trustees agreed Crowe's hourly rates relating to accountancy support.

GUIDES TO FEES AND BEST PRACTICE

Guidance in respect of insolvency practitioners' fees is available to download at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

Information about insolvency processes can be found on the R3 website at:

<http://www.creditorinsolvencyguide.co.uk/>

Appendix IV

Details of the Joint Administrators' Time Costs from 30 April 2019 to 14 June 2019

The Joint Administrators' Fees Estimate

The Dorothy Kerin Trust

APPENDIX IV

Time Cost Summary for the period 30 April 2019 to 14 June 2019

	Partner	Manager	Other Senior Professionals	Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration and Planning							
Case General Admin	0.00	16.60	28.25	9.15	54.00	10,439.00	193.31
Tax and VAT	0.00	0.60	0.00	0.00	0.60	174.00	290.00
Legal/Litigation		1.10	0.00	0.00	1.10	319.00	290.00
Statutory Matters	0.00	16.90	19.60	0.00	36.50	8,119.00	222.44
Case Accounting	0.00	1.30	4.08	0.00	5.38	949.00	176.39
Strategy/Case Review	2.75	9.50	1.85	0.00	14.10	4,031.50	285.92
Property Related	1.25	33.35	0.00	0.00	34.60	10,140.25	293.07
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets							
Book Debts	0.00	0.30	0.00	0.00	0.30	87.00	290.00
F & E/P & M	0.00	0.60	0.30	0.00	0.90	223.50	248.33
Other	0.00	7.70	0.00	0.75	8.45	2,326.75	275.36
Trading	0.00	82.50	10.40	0.00	92.90	25,201.00	271.27
Creditors							
Unsecured	1.25	12.20	32.90	0.00	46.35	9,415.25	203.13
Employees	0.00	6.70	4.75	0.00	11.45	2,698.75	235.70
ROT	0.00	0.60	0.00	0.00	0.60	174.00	290.00
Secured	0.00	0.50	0.00	0.00	0.50	145.00	290.00
Trustee' communication	0.00	2.40	0.00	0.00	2.40	696.00	290.00
Total Hours	5.25	192.85	102.13	9.90	310.13		242.28
Total Cost	1,968.75	55,302.50	16,750.25	1,117.50		75,139.00	

The Administrators are proposing to be remunerated on a time cost basis. Detailed below is an analysis of the work we expect to undertake, the time we expect it to take and an estimate of the cost. The average charge out rate has been calculated for each task and the case as a whole, which takes into account the different grades of staff who will be carrying out each task. It is the policy of Crowe U.K. LLP to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum. Time is recorded in 6 minute units. Crowe U.K.'s statement of policy on fees details our full policy on fees and our hourly rates by grade.

Please note that this estimate has been provided as soon as practicable but before full knowledge of the case is known. Every effort has been made to estimate the costs based on our current knowledge of the case, as well as our experience of cases of a similar nature and complexity. If the time costs incurred exceed, or are likely to exceed, the estimate we will provide an explanation to creditors and seek further approval before drawing remuneration in excess of the estimate.

Task	Estimated hours hrs	Estimated cost £	Average charge out rate £
ADMINISTRATION AND PLANNING			
Statutory/advertising - Filing of documents to meet statutory requirements, Advertising in accordance with statutory requirements	8.00	1,780.00	222.50
Document maintenance/file review/checklist - Filing of documents, Periodic file reviews, Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards, Maintenance of statutory and case progression task lists/diaries, Updating checklists	102.00	19,775.00	193.87
Bank account administration - Preparing correspondence opening and closing accounts, Requesting bank statements, Bank account reconciliations; Correspondence with bank regarding specific transfers; Maintenance of the estate cash book, Banking remittances and issuing cheques/BACS payments	25.00	4,750.00	190.00
Planning / Review - Discussions regarding strategies to be pursued, Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case	45.00	11,187.50	248.61
Books and records / storage - Dealing with records in storage, Sending job files to storage	10.00	2,275.00	227.50
Creditor Reports - SIP 13 disclosure, Preparing Proposals, preparing six monthly progress reports, Conversion to CVL (where appropriate); preparing the final report, Seeking extension via creditors (where appropriate)	49.00	11,425.00	233.16
Creditors' decisions - Preparation of decision notices, proxies/voting forms, Collate and examine proofs and proxies/votes to establish decisions; Consider objections received and requests for physical meeting or other decision procedure, Responding to queries and questions following decisions, Issuing notice of result of decision process	17.00	3,850.00	226.47
Tax and VAT - Preparation of VAT returns and arranging for VAT deregistration; Corresponding with HM Revenue & Customs and seeking closure clearance	7.50	1,592.50	212.33
Legal and Litigation - Liaising with solicitors regarding advice to be given in the Administration	14.50	4,417.50	304.66
Subtotal	278.00	61,052.50	219.61
REALISATIONS OF ASSETS			
Fixtures, Fittings & Equipment and Stock - Liaising with valuers, agents and interested parties, Reviewing asset listings, Reviewing stock values	28.50	7,100.00	249.12
Freehold Land & Property - Liaising with valuers and agents on marketing strategy and offers received, Dealing with tenant issues, Liaising with secured creditor	130.00	37,100.00	285.38
Debtors - Collecting supporting documentation, Correspondence with debtors, Reviewing and assessing debtors' ledgers; Liaising with debt collectors and solicitors; Agreeing debt collection agency agreements, Dealing with disputes, including communicating with directors/former staff, Pursuing credit insurance claims, Submitting VAT bad debt relief claims	20.00	4,010.00	200.50
Other assets - Cash at Bank and in Hand and Donations - corresponding with Banks regarding funds held, Collecting cash in hand and donations	7.50	1,550.00	206.67
Insurance - Identification of potential issues requiring attention of insurance specialists, Correspondence with insurer regarding initial and ongoing insurance requirements; Reviewing insurance policies; Correspondence with previous brokers	21.00	5,550.00	264.29
Subtotal	207.00	55,310.00	267.20
INVESTIGATIONS			
SIP 2 Review - Collection of company books and records; Reviewing questionnaires submitted by creditors and directors, Reconstruction of financial affairs of the company, Reviewing company's books and records	8.00	1,780.00	222.50
Statutory reporting on conduct of directors - Preparing statutory investigation reports, Liaising with Insolvency Service, Submission of report with the Insolvency Service, Preparation and submission of supplementary report if required, Assisting the Insolvency Service with its investigations	5.00	1,160.00	232.00
Subtotal	13.00	2,940.00	226.15
CREDITORS			
Creditor Communication - Receive and follow up creditor enquiries via telephone, Review and prepare correspondence to creditors and their representatives via facsimile, email and post	66.00	12,975.00	196.59
Processing proofs of debt - Preparation of correspondence to potential creditors inviting submission of POD, Receipt of POD, Adjudicating POD, Request further information from claimants regarding POD, Preparation of correspondence to claimant advising outcome of adjudication, Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims	48.00	10,425.00	217.19
Dividend procedures - Preparation of correspondence to creditors advising of intention to declare distribution, Advertisement of notice of proposed distribution, Preparation of distribution calculation, Preparation of correspondence to creditors announcing declaration of distribution; Preparation of cheques/BACS to pay distribution; Preparation of correspondence to creditors enclosing payment of distribution, Dealing with unclaimed dividends	51.00	9,875.00	193.63
Creditors Committee (where applicable) - Holding an initial meeting of the Committee, Reporting to committee members; Seeking the committee's approval on case strategy, Calling and holding meetings of the committee as required and the circumstances of the case dictate	-	-	-
Retention of Title Claims - Receive initial notification of creditor's intention to claim, Provision of retention of title claim form to creditor, Adjudicate retention of title claim, Forward correspondence to claimant notifying outcome of adjudication, Preparation of payment and correspondence to claimant to accompany payment of claim (if valid)	4.00	910.00	227.50
Subtotal	169.00	34,185.00	202.28
TRADING			
Management of operations - Analysing work in progress, Liaising with suppliers to secure supplies and credit terms, Negotiating with ransom creditors, Establishing new accounts with utility providers, Ensuring security of premises, computer system, equipment and stock; Liaising with customers to confirm orders and secure undertakings, Liaising with management and staff, Site Supervision, Authorising purchase orders, Maintaining purchase order registry; Preparing and authorising receipt vouchers, Preparing and authorising payment vouchers, Liaising with RPS and Job Centre Plus regarding redundancies, Arranging new PAYE scheme with HMRC and submitting online payroll returns, Concluding payroll and issuing forms P45 when trading ceases, Liaising with Pensions regulator regarding auto-enrolment, Collecting sales ledger	180.00	49,500.00	275.00
Accounting for trading - Reviewing company's financial statements; Finalising trading profit or loss, Trading strategy review, VAT returns	10.00	2,900.00	290.00
On-going Employee issues - Review of staffing requirements for trading period, Deciding on and making redundancies where necessary	10.00	2,900.00	290.00
Subtotal	10.00	2,900.00	290.00
CASE SPECIFIC MATTERS			
Communicating with Trustees - Reporting on progress of Administration, Discussion regarding handover of company following conclusion of Administration	15.00	4,350.00	290.00
Subtotal	15.00	4,350.00	290.00
TOTAL	882.00	213,137.50	241.65

Notes:

- 'Administration and planning' represents the work involved in the routine administrative functions of the case. It does not give direct financial benefit to the creditors, but has to be undertaken to meet requirements and obligations under the insolvency legislation and the Statements of Insolvency Practice.

- 'Realisation of Assets' represents the work required to be undertaken to realise the known assets in the case, for the estimated realisable values provided to creditors.

- 'Investigations' represents the work required to undertake an initial investigation to determine whether there are potential recovery actions for the benefit of creditors. If potential recoveries or matters are identified that require further investigation, additional time costs will be incurred to investigate them in detail and to bring recovery actions where necessary. If further fee approval is required, creditors will be provided with additional information as necessary and asked to approve the fee request. The office holder is also required by legislation to report to the Insolvency Service on the conduct of the directors and the work to enable them to comply with this statutory obligations is of no direct benefit to the creditors, although it may identify potential recovery actions.

- 'Creditors' represents the work required to deal with the various creditors of the Company. The claims of trade and expense creditors need to be maintained and recorded, together with the amounts of the claims to ensure notices and reports can be issued. All queries and correspondence will be dealt with as part of our statutory obligations. In order to pay a dividend, all creditor claims must be adjudicated and agreed, which may involve additional work if further supporting information is required.
- 'Trading' represents the work required where the decision has been made to undertake a limited trade of the business of the company in order to achieve a sale of the business assets, which will result in greater realisations for the benefit of the creditors as a whole. The tasks detailed are required in order to enable the office holder to monitor and control the trading of the business, including statutory functions as required when running the business.
- 'Case specific matters' represents work required to communicate the progress made in the Administration to the Trustees. This is anticipated to provide information on the decision taken by the Administrators which may affect the Trustees when their powers revert to them. This has no benefit to the Administration but will to the Company in due course.

Expenses including Category 1 Disbursements	Basis	Estimated Total
Legal Costs		£
Cripps LLP have been instructed to provide advice in respect of a number of post appointment matters including the expected sale of assets, estate properties, tenancies, GDPR, employee matters and a lease. Instructions may also be given to Cripps to consider the validity of the charges registered against the Company and on the charitable objects of the Trust.	Time Costs / Fixed Fees	25,000.00
Warners Law LLP have been instructed to provide advice in respect of property matters. Additionally, Warners Law LLP was instructed by the Company in the pre Administration period to recover a debtor with a value of £45,000, additional fees will be charged for this service.	Time Costs	25,000.00
Agents and Valuers		
Lambert Smith Hampton have been instructed to provide inventories and a valuation, to assist with a sale of the Company's fixtures, fittings & equipment and stock and to assist with claims of retention of title. The agents are also assisting with the repatriation of third party assets. The agents may be required to dispose of the contents of Burrswood, comprising the chattel assets, and percentage of realisations and auction fees may be payable.	Time Costs Percentage of Realisations	20,000.00 7,500.00
Knight Frank have been instructed to provide a strategy for the sale of the freehold land & property, to prepare marketing documentation and to assist with the sale of the property. Knight Frank have also been instructed to provide reports on planning appraisals and to provide a report on the reinstatement cost assessment, being for the purpose of insurance.	1% of Sale Fee plus disbursements and marketing costs	110,000.00
Care Providers - Agents		
Chosen with Care Limited were instructed to assist in the placement of patients in the care of the Company as at the date of Administration.	Fixed fee	1,350.00
Accounting Fees		
Saffrey Champness LLP will be instructed to complete an audit to the date of Administration.	Time Costs	12,500.00
Books & Records Collection, Storage and Destruction		
SMB Records Management will be instructed to collect, store and, if required, securely destroy the Company's books and records. Many of the records relate to patient matters and indications are that these should be retained for 20 years. The financial and other records will need to be retained for 6 years pre-destruction. The costs of storage are estimated at some £2,000 per annum and may need to be paid to destruction. A further instruction may need to be given to SMB Records Management to clear the estate properties upon sale.	Fixed Fees	25,000.00
Rates Review Agents		
A rates review agent may be instructed to carry out a historic rates audit to ascertain whether a rates refund may be due to the Company.	Success Fee - Percentage	unknown
Pension Consultancy		
Cumber Consultancy will be instructed to provide advice in respect of the Company's pension arrangements.	Fixed Fee	3,500.00
Employees		
ERA Solutions Limited were instructed to attend the meeting at which the employees were advised of their redundancy, to assist former employees with their claims and online submissions to the Redundancy Payments Service ("RPS"), to submit the required forms to the RPS and liaise with them regarding the claims.	Fixed Fee & Disbursements	5,050.00
Statutory Advertising		300.00
Statutory Bond		1,280.00
Postage		1,500.00
Mail Redirection		500.00
Insurance of Assets		40,000.00
Category 2 Disbursements	Basis	Estimated Total
Accounting Fees		
Crowe U.K. LLP have been instructed to assist in bringing the Company's accounting affairs up to date, including preparing any required tax returns, VAT, accounts and assisting with an audit.	Time Costs	25,000.00
Photocopying		250.00
Mileage		300.00

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

Company Name: The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing - in Administration ("the Company")
Company Number: 04562803

In the High Court of Justice No. CR-2019- 002885

This Notice is given under Rule 3.39 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrator of the Company, Mark Newman, of Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE (telephone number 01892 700 200), who was appointed by the directors of the Company.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to the Joint Administrator by one of the following methods:

By post to: 4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE
By fax to: +44 (0)1892 619 312
By email to: recoverysolutions@crowe.co.uk

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All nominations must be delivered by: 23.59 on 5 July 2019

Nominations can only be accepted if the Joint Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Creditors' Committees, go to:

<https://www.r3.org.uk/liquidation-creditors-committees-and-commissioners-a-guide-for-creditors>

Signed: _____


Mark Newman
Joint Administrator

Dated: 18 June 2019

NOMINATIONS FOR MEMBERS OF A CREDITORS' COMMITTEE

The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing - in Administration

On behalf of (name of Creditor): _____

at (address of Creditor): _____

I nominate the following creditor(s) to be member(s) of a Creditors' Committee (provide name(s) and address(es)):

1. _____

2. _____

3. _____

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you the sole member/shareholder of the Creditor (where it is a company)?

Yes / No

NOTICE OF DECISION PROCEDURE

Company Name: The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing - in
Administration ("the Company")
Company Number: 04562803

In the High Court of Justice No. CR-2019-002885

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrator of the Company, Mark Newman, of Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE (telephone number 01892 700 200), who was appointed by the directors of the Company.

Creditors are invited to vote by correspondence on the following decisions (for the full wording of proposed decisions, see overleaf):

1. The establishment of a Creditors' Committee, if sufficient nominations are received by 23:59 on 5 July 2019 and those nominated are willing to be members of a Committee.¹
2. The basis of the Joint Administrators' fees
3. The approval of the Joint Administrators' Category 2 disbursements
4. The approval of the pre-Administration costs
5. The approval of the Advisory costs of Crowe U.K. LLP.
6. The timing of the Joint Administrators' discharge

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrator by one of the methods set out below:

By post to: 4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE
By fax to: +44 (0)1892 619 312
By email to: recoverysolutions@crowe.co.uk

Please note that if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.


All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, 5 July 2019.

If the Joint Administrator has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting: 10% in value of the creditors
10% in number of the creditors
10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed: 
Mark Newman
Joint Administrator

Dated: 18 June 2019

¹ Please see the Notice Inviting Creditors to Form a Committee for further instructions.

VOTE BY CORRESPONDENCE

The Dorothy Kerin Trust t/as Burrswood Health and Wellbeing - in Administration

Name of Creditor: _____

Address: _____

Decisions:

1	That a Creditors' Committee be established if sufficient nominations are received and those nominated are willing to be members of a Committee. ²	*For / Against
2	That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.	*For / Against
3	That the Joint Administrators be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Crowe U.K. LLP's summary.	*For / Against
4	That the unpaid pre-Administration costs set out in the Joint Administrators' Proposal be approved.	*For / Against
5	That the unpaid Advisory costs of Crowe U.K. LLP as set out in the Joint Administrators' Proposal be approved.	*For / Against
6	That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the Court specifies a time.	*For / Against

*** Please delete as applicable to indicate your voting instructions**

Signed: _____ Dated: _____

Name in capitals: _____

Position with, or relationship to, creditor or other authority for signature: _____

Are you the sole member/shareholder of the creditor (where it is a company)? Yes / No

NOTE: Once a vote has been cast, it cannot be changed.

Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 5 July 2019, by:

By post to: 4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE

By fax to: +44 (0)1892 619 312

By email to: recoverysolutions@crowe.co.uk

² Please see the Notice Inviting Creditors to Form a Committee for further instructions. Please note that, in the event that a Creditors' Committee is formed, authority to approve decisions 3, 4, 5 and 6 proposed above may be exercised by the Committee.

PROOF OF DEBT - GENERAL FORM

The Dorothy Kerin Trust
t/as Burrswood Health and Wellbeing
04562803

This proof must be made out by, or under the direction of, the creditor and authorised by the creditor or a person with relevant authorisation as at the date of administration order.

Date of Administration Order 30 April, 2019

1.	Name of Creditor (If a company please also give company name and registration number)	
2.	Address of Creditor for correspondence (principal place of business)	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration	£
4.	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
5.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
6.	Particulars of any security held, the value of the security, and the date it was given	
7.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
8.	Details of any documents by reference to which the debt can be substantiated. [Note there is no need to attach them now but the administrator may call for any document or evidence to substantiate the claim at his discretion as may the chair or convenor of any meeting]	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or in relation to creditor	
	Address of person signing (if different from 2 above)	
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Administrator		Administrator