

**Liquidator's Progress  
Report****S.192****Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

04570222

Name of Company

Able Care (Oldham) Limited

I / We

Russell Stewart Cash, 7th Floor, Ship Canal House, 98 King Street, Manchester, M2 4WU

David Thornhill, 7th Floor, Ship Canal House, 98 King Street, Manchester, M2 4WU

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

The Progress Report covers the period from 13/11/2014 to 12/11/2015.

Signed



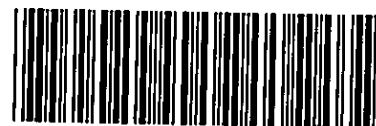
Date

11/1/16

FRP Advisory LLP  
7th Floor  
Ship Canal House  
98 King Street  
Manchester  
M2 4WU

Ref A1414MAN/RSC/DT/RCF/SHG/BC

WEDNESDAY



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13/01/2016

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COMPANIES HOUSE



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**TO SHAREHOLDERS AND ALL KNOWN CREDITORS**

Your ref:

Our ref: A1414MAN/RC/RH/SG

Please Contact: Shelie Gallagher

Telephone Number: 0161 833 5622

Email Address: Shelie.Gallagher@frpadvisory.com

Date 11 January 2016

Dear Sirs

**ABLE CARE (OLDHAM) LIMITED - IN LIQUIDATION ("THE COMPANY")**

Further to my appointment as Liquidator on 13 November 2014 I report on the progress of the liquidation for the period 13 November 2014 to 12 November 2015 ("the period") in accordance with Rule 4 49(C) of the Insolvency Rules 1986

This report should be read in conjunction with the Directors' report circulated to creditors on 17 November 2014.

I attach:

- Appendix A – Statutory Information
- Appendix B – Receipts and payments account
- Appendix C – Details of my firm's time costs and disbursements including charge out rates
- Appendix D – Statement of expenses

**1. Receipts and Payments**

I attach at Appendix B my receipts and payments account detailing transactions for the period.

**2. Work Undertaken by the Liquidator During the Period**

My time costs are in respect of completing all the necessary documents which satisfy the statutory compliance requirements of the Insolvency Act 1986, dealing with creditor correspondence received and responding appropriately, investigations into the directors' conduct together with other parties, investigations into the Company's asset position and realising Company assets

**Sale of the Trade and Assets**

As detailed in the Directors' Report, the trade and assets of the Company and an associated company, Elmwood Home Care Limited ("Elmwood") were sold prior to my appointment for £535,000. The terms of the agreement provided that contingent consideration of up to £200,000 be payable once certain criteria were met around the tender of an existing contract.

Negotiations were entered into with the purchaser in relation to the contingent consideration and the purchaser has agreed to make payment of £100,000 in respect of the contingent consideration in line with the agreement.

The sale consideration is payable to the Co-operative Bank Plc ("Co-op") in full due to an assignment entered into and will not be for the benefit of the Liquidation.

### **Book debts**

As per the directors' estimated Statement of Affairs, the book debt value was £59,000 and following a general provision of 40%, the sum of £35,400 was anticipated to be received

The sum of £34,849 05 has been received in respect of book debts of which £7,086.48 was due to the purchaser in respect of monies collected for invoicing after the date of sale.

A further sum of £4,977 95 has been received in respect of invoices not raised as at the date of Liquidation which were subject to apportionment with the purchaser

Our Agents have advised that no further debts are collectable.

The sum of £18,365 67 has been paid to our Agents in respect of their fees in collecting the book debts

### **Apportionment**

As part of the apportionment exercise, the sum of £4,221.43 was paid in respect of unpaid wages up to the date of sale and £2,014.05 was paid in respect of critical supplier payments

### **Co-op**

The sum of £22,500 was received from Co-op in respect of their contribution towards the Liquidators' pre-appointment fees and disbursements.

## **3. Investigations**

Part of my duties include carrying out proportionate investigations into the Company's assets, including any potential claims against directors or other parties and establishing what recoveries can be achieved for the benefit of creditors. I have reviewed the Company's books and records and accounting information that are available to me, requested further information from the directors, and invited creditors to provide information on any concerns they have regarding the way in which the Company's business has been conducted.

I have also undertaken investigations into the conduct of the Directors of the Company in the period leading up to the Liquidation

I have now concluded my investigations and have submitted my final report to the Department for Business, Innovation and Skills with the outcome of my enquiries. This report is a confidential document and is not disclosed to creditors.

## **4. Dividend to Creditors**

### Co-op

As previously advised, the Company granted Co-op a fixed and floating debenture over the Company's assets

As at the date of appointment, Co-op were owed £440,318

### YFM Private Equity Limited ("YFM")

The Company also granted YFM a fixed and floating charge over the Company's assets which ranks after the charge in favour of Co-op

As at the date of appointment, YFM were owed £6,387,331.

A distribution to the secured creditors will not be available in this matter.

### **Outcome for Preferential Creditors**

As detailed in the Directors' report, the Company's employees were transferred following the sale on 3 November 2014 in accordance with the Transfer of Undertaking (Protection of Employment) Regulations 2006, it was therefore not anticipated that any preferential claims would be received.

Shortly following the Liquidators' appointment, it came to light that the Company operated a pension scheme and several contributions were outstanding to the pension scheme. The Liquidator therefore submitted a claim to the Redundancy Payments Office ("RPO") in this regard and a claim of £325.98 has been received.

### **Outcome for Unsecured Creditors**

I have received claims totalling £112,614.69 from unsecured creditors who have proved their debts in these proceedings.

Pursuant to the Insolvency Rules 1986 no dividend will be declared to preferential and unsecured creditors as the funds realised were distributed, used or allocated for defraying the expenses of the administration.

## **5. Prescribed Part**

In accordance with the Enterprise Act 2002, the prescribed part is an element of net realisations due to the floating charge holder which is made available for unsecured creditors (subject to the floating charge post-dating 15 September 2003)

In this circumstance the floating charge realisations will be fully utilised in meeting the costs of realising the assets and making a distribution to preferential creditors, there will be insufficient funds to make a prescribed part distribution to unsecured creditors

## **6. Liquidators' Remuneration, Disbursements and Expenses**

Turning to my own costs in this matter, my remuneration as Joint Liquidator is based on computerised records of all time spent on the administration of this case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory LLP charge out rates together with a breakdown of the time costs and disbursements incurred during the period of this report and cumulatively, in accordance with Statement of Insolvency Practice 9 are attached at appendix C

At the creditors meeting held on 13 November 2014 I was authorised to draw fees on a time cost basis. I have drawn fees to date of £11,000 exclusive of VAT

The Liquidators' disbursements are a recharge of actual costs incurred by the Liquidators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are attached at appendix C

I attach at appendix D a statement of expenses that have been incurred during the period

Creditors have a right to request further information from the Liquidator and further have a right to challenge the Liquidator's remuneration and other expenses which are first disclosed in this report, under the Insolvency Rules 1986. (For ease of reference these are the expenses incurred in the

reporting period as set out in Appendix D only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <http://creditors.frapadvisory.com/feesguide.htm> and selecting the one for liquidations. Alternatively a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

If you have any queries about this report or the progress of the liquidation, please do not hesitate to contact Shelie Gallagher of this office

Yours faithfully

A handwritten signature in black ink, appearing to read 'Russell Cash', with a stylized flourish at the end.

**Russell Cash**  
**Joint Liquidator**

Licensed in the United Kingdom by the Institute of Chartered Accountants in England & Wales bound by the Insolvency Code of Ethics

Encs.

**STATUTORY INFORMATION**

**Company Details:**

Other trading names	None
Date of incorporation:	23 October 2002
Company number:	04570222
Registered office	c/o FRP Advisory LLP 7th Floor, Ship Canal House 98 King Street Manchester M2 4WU
Previous registered office	Able House Trent Industrial Estate Duchess Street Oldham OL2 7UX
Business address	As above

**Liquidator Details:**

Liquidators	Russell Stewart Cash & David Thornhill
Address of Liquidators	FRP Advisory LLP 7th Floor, Ship Canal House 98 King Street Manchester M2 4WU
Date of appointment of Liquidators:	13 November 2014

**Able Care (Oldham) Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 13/11/2014 To 12/11/2015 ✓
<b>SECURED CREDITORS</b>	
(440,318 00) The Co-operative Bank Plc (Note 1) (6,387,331 00) YFM Equity Partners	NIL NIL <hr/> NIL
<b>ASSET REALISATIONS</b>	
35,400 00 Invoicing Book debts (Note 2) Co-op Contribution to Fees Rates Refund Miscellaneous receipts Monies Owed to (Comfort Call)/FRP Bank Interest Gross	4,977 95 34,849 05 22,500 00 784 73 15 00 (7,086 48) 21 77 <hr/> 56,062 02
<b>COST OF REALISATIONS</b>	
Joint Liquidators' Remuneration Joint Liquidators' Disbursements Pre-appointment Disbursements Pre- appointment fees Agents/Valuers Fees (1) Ransom Payments Payroll	11,000 00 333 80 195 00 10,000 00 18,365 67 2,014 05 4,221 43 <hr/> (46,129 95)
<b>UNSECURED CREDITORS</b>	
(69,487 75) Unsecured Creditors (Note 5)	<hr/> NIL NIL
<hr/> (6,861,736 75)	<hr/> <hr/> 9,932 07
<b>REPRESENTED BY</b>	
Vat Recoverable Floating Bank 2 Current A/c	3,439 89 6,492 18 <hr/> 9,932 07 <hr/>



## Able Care (Oldham) Limited (In Liquidation)

Time charged for the period 13 November 2014 to 12 November 2015

	Appointment Takers / Partners			Managers / Directors		Other Professional	Junior Professional & Support		Total Hours	Total Cost	Average Hourly Rate £
Administration and Planning	1.00			8.30		5.50	23.75		38.55	5,827.50	151.17
Case Accounting			0.25				1.70		1.95	231.75	118.85
Travel			0.10						0.10	27.00	270.00
Case Control and Review	1.00		1.10				9.40		11.50	1,567.75	136.33
Case Accounting - General			5.40			5.50	7.65		18.55	3,135.75	169.04
General Administration							4.60		4.60	431.00	93.70
Strategy				1.20					1.20	324.00	270.00
Fee and WIP			0.25				0.40		0.65	110.25	169.62
Asset Realisation				31.70			7.55		39.25	10,198.25	259.83
Chattel Assets							0.15		0.15	26.25	175.00
Debt Collection				29.60			7.40		37.00	9,605.00	259.59
Legal-asset Realisation			0.75						0.75	202.50	270.00
Other Assets			1.35						1.35	364.50	270.00
Creditors			4.05			7.25	20.25		31.55	4,257.25	134.94
Unsecured Creditors			1.25				6.85		8.10	1,006.00	124.20
Secured Creditors			1.40						1.40	489.25	349.46
Employees			0.60			1.20	1.50		3.30	489.00	148.18
Preferential Creditors			0.25						0.25	78.75	315.00
Legal-Creditors			0.15						0.15	40.50	270.00
Pensions			0.40			6.05	11.50		17.95	2,117.75	117.98
TAX/VAT - Pre-appointment							0.40		0.40	36.00	90.00
Investigation				0.60			4.75		5.35	605.25	113.13
Investigatory work - Other							0.75		0.75	67.50	90.00
CDDA Enquiries				0.60			4.00		4.60	537.75	116.90
Statutory Compliance							6.73		8.33	1,093.20	131.24
Post Appt TAX/VAT			1.60				2.53		2.63	259.20	98.58
Statutory Compliance - General			0.10				0.90		2.40	537.00	223.75
Statutory Reporting/Meetings			1.50						0.10	9.00	90.00
Appointment Formalities							2.30		2.30	207.00	90.00
Bonding/ Statutory Advertising							0.90		0.90	81.00	90.00
Trading							0.50		0.50	87.50	175.00
Case Accounting - Trading							0.50		0.50	87.50	175.00
Total Hours	1.00		46.25			12.75	63.53		123.53	22,068.95	178.65
Total Cost £	400.00		13,804.50			1,972.50	5,891.95				
Average Hourly Rate £	400.00		298.48			154.71	92.74				

## Disbursements for the period

13 November 2014 to 12 November 2015

Category 1	Value £
Advertising	253.80
Bonding	80.00
Grand Total	333.80

Mileage is charged at the HMRC rate  
prevailing at the time the cost was incurred



## **FRP ADVISORY LLP ("FRP")**

### **HOURLY CHARGE OUT RATES WITH EFFECT FROM 1 MAY 2015**

<b>Charge out rates</b>	<b>£/hour</b>
Appointment taker/Partner	370-400
Managers/Directors	270-370
Other Professional	160-225
Junior Professional/Support	70-105

Time costs are maintained on computerised records of all time spend on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frpadvisory.com/fees-guide.htm>. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

### **DISBURSEMENT POLICY**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

There are two types of disbursements, direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

#### **Category 1 disbursements:**

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance.

Category 1 disbursements can be drawn without prior approval.

#### **Category 2 disbursements**

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

## Appendix D

### ABLE CARE (OLDHAM) LIMITED - IN LIQUIDATION STATEMENT OF EXPENSES FOR THE 12 MONTH PERIOD ENDED 12 NOVEMBER 2015

Expenses	Total Expenses for the 12 months ended 12/11/2015 £
Liquidators' time costs	22,069
Liquidators' disbursements	334
Pre-appointment disbursements	195
Pre-appointment fees	10,000
Agents/valuers fees	18,366
Ransom Payments	2,014
Payroll	4,221
Legal fees	2,083
Monies owed to Comfort Call	7,086
<b>Total</b>	<b>66,369</b>