

The Insolvency Act 1986

Administrator's progress report

Form 2.24B

Name of Company Eaglecrest Care Management Ltd	Company number 04856621
In the High Court of Justice, Chancery Division, Newcastle Upon Tyne District Registry (full name of court)	Court case number 1150 of 2011

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

I/We (a) Sarah Helen Bell and Andrew Gordon Stoneman of Duff & Phelps Ltd , The Chancery, 58
Spring Gardens, Manchester, M2 1EW

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

(b) Insert dates

from (b) 17 February 2012	to (b) 30 July 2012
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Signed

Joint Administrator

Dated

8/8/12

Contact Details

You do not have to give any
contact information in the box
opposite but if you do it will help
Companies House to contact you
if there is a query on the form
The contact information that you

Duff & Phelps Ltd
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Tel 0161 827 9000



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13/08/2012

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COMPANIES HOUSE

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

DUFF & PHELPS

Report to Creditors

30 July 2012

**Eaglecrest Care Management Limited
and
Edge Lea Care Home Limited
(Both In Administration)**

Joint Administrators' Progress Report to Creditors
for the period from 17 February 2012 to 30 July 2012
pursuant to Rule 2.112(2) of the Insolvency Rules 1986 as amended

DUFF & PHELPS

Names of Joint Administrators: Andrew Stoneman
Sarah Bell

Date of Appointment 17 August 2011

Date of Report 30 July 2012

Appointed By: Santander UK plc
2 Triton Square
Regent's Place
London
NW1 3AN

Court Reference Eaglecrest Care Management Limited

Newcastle Upon Tyne District Registry
The Law Courts
The Quayside
Newcastle Upon Tyne
NE1 3LA
Case Reference 1150 of 2011

Edge Lea Care Home Limited

Newcastle Upon Tyne District Registry
The Law Courts
The Quayside
Newcastle Upon Tyne
NE1 3LA
Case Reference 1149 of 2011

Duff & Phelps Ltd
The Chancery
58 Spring Gardens
Manchester
M2 1EW

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Definitions

Word or Phrase	Definition
Barclays	Barclays Bank plc
Christies	Christie + Co, independent agent and valuers
CQC	Care Quality Commission
Dickinson Dees	Dickinson Dees LLP, the Joint Administrators' solicitors
Duff & Phelps	Duff & Phelps Ltd (formerly MCR)
EC Regulation	EC Regulation on Insolvency Proceedings 2000
ECML	Eaglecrest Care Management Limited Company Number 04856621
Edge Lea	Edge Lea Care Home, 14/16 Half Edge Lane, Eccles, Manchester M30 9GJ
EF	Mr Emmanuel Fanibi
ELCHL	Edge Lea Care Home Limited Company Number 03244799
Form 2 25B	Notice of Conduct of Business by Correspondence
HCMS	Healthcare Management Solutions Limited
HMRC	HM Revenue and Customs
the Homes	Edge Lea, The Shires and Longwood Lodge
Longwood Lodge	Longwood Lodge Care Home, 61/63 Queens Road, Oldham OL8 2BA
LPA	Law of Property Act 1925
MF	Ms Muyibatu Fanibi
NatWest	National Westminster Bank plc
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
Santander	Santander UK plc (formerly Abbey National plc)
SOA	Statement of Affairs

Eaglecrest Care Management Limited and Edge Lea Care Home Limited
Progress Report to Creditors – Extension Request
30 July 2012

the Act	The Insolvency Act 1986 (as amended)
the Companies	Eaglecrest Care Management Limited and Edge Lea Care Home Limited
the Joint Administrators	Andrew Gordon Stoneman and Sarah Helen Bell of Duff & Phelps Ltd The Chancery, 58 Spring Gardens, Manchester, M2 1EW
the Notice	Notice to Move From Administration to Dissolution – Form 2 35B
the Proposals	Joint Administrators' Report and Statement of Proposals dated 5 October 2011
The RPS	The Redundancy Payments Service
the Rules	The Insolvency Rules 1986 (as amended)
The Shires	The Shires Care Home, 12/13 Gorringer Road, Eastbourne BN22 8XL

1 Introduction

- 1 1 Andrew Stoneman and Sarah Bell of Duff & Phelps were appointed Joint Administrators of the Companies on 17 August 2011 by Santander, the holder of qualifying floating charges under Paragraph 14 of Schedule B1 to the Act
- 1 2 In accordance with Paragraph 100(2) of Schedule B1 to the Act, the functions of the Joint Administrators are being exercised by any of the Administrators
- 1 3 The purpose of this report is to detail the acts and dealings together with the conduct of the Administrations since the last report to creditors, dated 15 March 2012, and to request an extension to the Administrations in accordance with Paragraph 76(2)(b) of Schedule B1 to the Act for a period of 6 months
- 1 4 **As detailed at Section 10 of this report, would you please complete and sign Forms 2.25B attached at Appendix 5 and return them to my offices no later than 12 noon on 14 August 2012**
- 1 5 This report covers both ECML and ELCHL. The Joint Administrators believe this is appropriate as the Companies have common directorships and ELCHL is a wholly owned subsidiary of ECML. The Companies have also historically operated in the same sector and have cross corporate guarantees to their secured lender
- 1 6 This report should be read in conjunction with the earlier reports to creditors dated 5 October 2011 and 15 March 2012

2 Joint Administrators' Report and Statement of Proposals

- 2 1 The Joint Administrators issued the Proposals on 5 October 2011
- 2 2 In accordance with Paragraph 52(1) of Schedule B1 to the Act, a creditors' meeting was not required to be held as there will be insufficient realisations to enable a distribution to non-preferential creditors. No meeting was convened and in accordance with Rule 2.33(5) of the Rules the Proposals were deemed to have been approved by creditors
- 2 3 As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of the following hierarchical objectives
- Rescuing the Companies as a going concern, or
 - Achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration), or
 - Realising property in order to make a distribution to one or more secured or preferential creditors
- 2 4 In accordance with Paragraph 49(2) of Schedule B1 to the Act, as amended, the Joint Administrators believe that the first two objectives referred to above cannot be met in respect of either of the Companies. The detailed explanation for this situation is contained within the following sections of this report but in summary, the Joint Administrators believe that there will be insufficient asset realisations to enable a distribution to be made to the unsecured creditors of the Companies

- 2 5 In respect of ECML, a going concern sales of The Shires has been achieved and it is anticipated that a going concern sale of Longwood Lodge will be achieved. It is anticipated that the third objective will be achieved as a distribution will be made to the secured creditor.
- 2 6 In respect of ELCHL, the Joint Administrators were unable to rescue the ELCHL as a going concern due to the timeframes offered to them and the cash constraints within the businesses. Furthermore, ELCHL's assets base is sufficient only to enable a distribution to the secured creditor. A distribution of £285,000 has been made to Santander as at the date of this report, therefore, the third objective has been achieved.

3 Progress of the Administrations

- 3 1 The manner in which the affairs and business of the Companies have been managed since the appointment of Joint Administrators and will continue to be managed and financed are set out below.

Background

- 3 2 As stated in the Proposals, ECML managed and operated Longwood Lodge and The Shires, both of which provided residential and nursing care for the elderly and are located at
- Longwood Lodge, 61/63 Queens Road, Oldham OL8 2BA
 - The Shires, 12/13 Gorringe Road, Eastbourne BN22 8XL
- 3 3 Longwood Lodge and The Shires premises were owned by EF and MF. On 17 August 2011, Andrew Stoneman and Sarah Bell were appointed as Joint LPA Receivers of the premises known as Longwood Lodge and The Shires by Santander.
- 3 4 ELCHL operated Edge Lea, which provided residential and nursing care for the elderly and was located at
- Edge Lea, 14/16 Half Edge Lane, Eccles, Manchester M30 9GJ

Joint Administrators' Trading Period

- 3 5 Immediately upon their appointment, the Joint Administrators and their representatives attended all three of the Homes, addressed staff and undertook an immediate review of the Companies' financial and operational position.
- 3 6 Upon completion of this review, the Joint Administrators maintained the trading operations of the Companies in the short term, with the objective of maximising the value of the businesses and assets of the Companies whilst they were marketed for sale. The Joint Administrators appointed managing agents HCMS, a specialist care home management and support company, who ensured that the provision of care for the residents of the Homes was maintained.
- 3 7 As stated in the Proposals, following a detailed analysis of the Companies' operations, Edge Lea was closed on economic grounds, as it was no longer financially viable to continue trading. The Joint Administrators and HCMS worked closely with the Local Authorities to ensure that all residents were repatriated to an alternative care home in the area.
- 3 8 An update on the progress made by the Joint Administrators since our last report is detailed below.

- 3 9 Trading Receipts and Payments Accounts in respect of the Companies can be found at Appendix 2

Sale of Business

Longwood Lodge

- 3 10 The Joint Administrators' engaged Christies to market the business and assets of Longwood Lodge as a going concern, the respective asking price was £1,300,000
- 3 11 In the Joint Administrators Progress Report dated 15 March 2012, it was advised that an offer for the business and assets of Longwood Lodge was being progressed with the assistance of Christies. Following further due diligence, the prospective purchaser of Longwood Lodge advised that they no longer wished to proceed with the acquisition
- 3 12 The Joint Administrators, with the assistance of Christies, are continuing to market Longwood Lodge for sale on a going concern basis and an offer for the business and assets of Longwood Lodge is currently being progressed

The Shires

- 3 13 The Joint Administrators engaged Christies to market the business and assets of The Shires as a going concern, the respective asking price was £1,000,000
- 3 14 After receiving numerous expressions of interest, an offer was received from an unconnected third party and was recommended by Christies. The Shires was sold to Mr M Baldry on 2 April 2012 for £1,010,000
- 3 15 The sale consideration was apportioned as follows

	£
The Shires Premises	979,496
Goodwill	10,000
Intellectual Property	1
Stock	500
Plant and Machinery	20,000
Commercial Information	1
Contract	1
Computer Systems	1
	<u>1,010 000</u>

- 3 16 The premises known as The Shires was owned by EF and MF and was therefore sold by the Joint LPA Receivers
- 3 17 The sales consideration was paid in full upon completion and was remitted to the relevant Joint Administrators' and Joint LPA Receivers' estate bank accounts

Edge Lea

- 3 18 The Joint Administrators engaged Christies to market the freehold property known as Edge Lea for sale, the respective asking price was £400,000

- 3 19 An offer in the sum of £420,000 (plus certain fees) was received from an unconnected third party and the sale of this freehold property completed on 18 November 2011. The total proceeds of £420,426 have been remitted into the Joint Administrators' estate bank account in respect of ELCHL.
- 3 20 After paying the expenses of ELCHL's Administration, £285,000 has been distributed to Santander under its fixed charge to date. It is anticipated that a further c£10,000 will be distributed to Santander under its fixed charge.

Asset Realisations

Cash at Bank

- 3 21 On the date of their appointment, the Joint Administrators requested that ECML's pre-Administration bank account held with Barclays be frozen with no further payments made. After applying all outstanding charges, a credit balance in the sum of £74,011 was transferred by Barclays to the Joint Administrators' estate bank account.
- 3 22 ELCHL's pre-Administration bank account, held with NatWest, was overdrawn by c£35,000 at the date of the Joint Administrators' appointment. NatWest have submitted an unsecured non-preferential claim to the Joint Administrators in respect of this.

Fixtures and Fittings

- 3 23 The Joint Administrators sold Fixtures and Fittings in the sum of £1,240 following the closure of Edge Lea. This sum has been deposited into the Joint Administrators' estate bank account in respect of ELCHL. No further realisations are anticipated from this source.

Rates Refund

- 3 24 The Joint Administrators have received non-domestic rates refunds for ECML in the sum of £251. This was apportioned as follows:
- The Shires £24
 - Longwood Lodge £227

No further realisations are anticipated from this source.

Bank Interest

- 3 25 The Joint Administrators have received Bank Interest on their estate bank accounts in the sum of £48 in respect of ECML and £87 in respect of ELCHL.

Other Assets

- 3 26 The Joint Administrators are not aware of any further realisable assets of the Companies.

4 Investigations

- 4 1 The Joint Administrators' investigations into the Companies' affairs are currently ongoing. The Joint Administrators cannot, at this stage, detail the nature of these investigations as it may hamper any further action that may be required. However, should any of the Companies' creditors have information concerning the Companies' affairs that they would like to bring to the Joint Administrators' attention, please contact this office.

- 4 2 The Joint Administrators have a statutory obligation to file a report with the Department for Business, Innovation and Skills regarding the conduct of all directors of the Companies that served in the three years prior to the appointment. The content of these reports are confidential and were submitted to the Insolvency Practitioners Compliance Unit on 9 February 2012

5 Dividend Prospects / Prescribed Part

Secured Creditors

- 5 1 In consideration for the monies advanced under a term loan facility, ECML granted Santander a legal and general charge, which confers fixed and floating charges over all of the assets of ECML. This charge was created on 8 August 2008 and registered at Companies House on 9 August 2008
- 5 2 In consideration for the monies advanced under a term loan facility, ELCHL granted Santander a third party legal and general charge, which confers fixed and floating charges over all of the assets of ELCHL. This charge was created on 25 July 2008 and registered at Companies House on 29 July 2008
- 5 3 At the date of the Joint Administrators' appointment, the Companies' indebtedness to Santander was approximately £4.9m subject to accruing interest and charges
- 5 4 ELCHL provided a cross guarantee in respect of the liabilities of ECML. EF provided Santander with a personal guarantee of £1.52m
- 5 5 In order to fund the Joint Administrators' trading period, thus far, Santander has provided funding to the Joint Administrators of £25,000 in respect of ECML
- 5 6 It is anticipated that there will be insufficient realisations to repay Santander in full

Preferential Creditors

- 5 7 The preferential creditors' claims consist of employee claims for arrears of pay and holiday pay, the majority of which are likely to be subrogated to the Department for Business, Innovation and Skills following payment to the employees by the RPS
- 5 8 The RPS submitted a preferential claim totalling £3,186 on 3 January 2012 in respect of payments made to ELCHL's former employees
- 5 9 The RPS submitted a preferential claim totalling £1,431 on 3 January 2012 in respect of payments made to ECML's former employees
- 5 10 Based on the current information, it is unlikely that there will be sufficient realisations to pay a dividend to the Companies' preferential creditors

Prescribed Part

- 5 11 Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003 a Prescribed Part of the Companies' net property shall be made available to non-preferential unsecured creditors

5 12 The Prescribed Part is calculated as a percentage of net property, as follows -

Net property is less than £10,000	50% unless the Joint Administrators believe the costs of distribution are greater than the benefit
Net property is greater than £10,000	50% up to £10,000 plus 20% thereafter to a maximum of £600,000

5 13 Based on the current information, the Joint Administrators believe it is unlikely that there will be sufficient funds available under the floating charge, in either ECML or ELCHL, to enable a Prescribed Part distribution

Non-Preferential Creditors

5 14 According to the director's SOA, non-preferential creditors total £142,810 for ECML and £188,462 for ELCHL. These non-preferential creditors can be summarised as follows

	ECML £	ELCHL £
Trade & Expense Creditors	17,810	101,962
HM Revenue & Customs	125,000	86,500
Total	<u>142,810</u>	<u>188,462</u>

5 15 Having reviewed the SOA, the Joint Administrators believe that the SOA for both ECML and ELCHL contains many figures which are inaccurate

5 16 Based on the current information, it is unlikely that there will be sufficient realisations to pay a dividend to the Companies' non-preferential creditors

6 Joint Administrators' Receipts and Payments Accounts

6 1 Detailed Receipts and Payments Accounts for the periods 17 August 2011 to 30 July 2012 and 17 February 2012 to 30 July 2012 in respect of ECML and ELCHL are shown at Appendix 2

6 2 Separate accounts have been prepared for the Administration trading periods. These are also attached at Appendix 2

6 3 As at 30 July 2012, there were cash balances as follows

- ELCHL £21,001
- ECML £82,270

7 Pre-Administration Costs

- 7.1 On 2 November 2011, the following amounts in respect of pre-Administration costs were approved

Name of recipient	Brief description of services provided	Total amount approved
Duff & Phelps	Putting in place a trading strategy prior to the Joint Administrators' appointment. This included liaising with HCMS and the CQC to ensure the correct licensing was in place in order to trade the Homes	£16,303
Dickinson Dees	Professional assistance in respect of appointing the Joint Administrators	£3,000

¹ This is exclusive of VAT and relates to ECML

² This is exclusive of VAT and relates to both ECML and ELCHL

- 7.2 Duff & Phelps have not received any payment in respect of their pre-Administration fees of £16,303 plus VAT
- 7.3 Dickinson Dees have received payment in full in respect of their pre-Administration fees of £3,000 plus VAT

8 Joint Administrators' Remuneration Charged and Expenses Incurred

- 8.1 The basis of the Joint Administrators' remuneration was fixed by reference to time costs incurred by them and their staff in dealing with matters arising in respect of the Administrations. This was approved in respect of ECML and ELCHL by Santander on 2 November 2011
- 8.2 The time costs charged for the six month period from 17 August 2011 to 30 July 2012 by the Joint Administrators and their staff are as analysed at Appendix 3. Time costs to date total
- ECML £139,350
 - ELCHL £47,409
- 8.3 The Joint Administrators have drawn remuneration in the sum of £25,000 in respect of ELCHL to date, none of these fees were drawn in the period 17 February 2012 to 30 July 2012. Details of payments are shown on the Receipts and Payments Account at Appendix 2
- 8.4 The Joint Administrators are yet to draw any remuneration in respect ECML
- 8.5 Information regarding the fees of Administrators called *A Creditors' Guide to Administrators' Fees* can be found on the Duff & Phelps' website at <http://www.duffandphelps.com/uk-restructuring>. Should you require a copy please contact this office
- 8.6 A schedule of the expenses incurred by the Joint Administrators is provided at Appendix 4
- 8.7 The Joint Administrators' choice of Agents and Solicitors instructed was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangement with them

- 8 8 Any secured creditor, or any unsecured creditor (with the support of at least 10% in value of the unsecured creditors or the permission of the Court), may apply to the Court on the grounds that the remuneration or basis fixed for the Joint Administrators' remuneration or the expenses incurred by the Joint Administrators are considered to be excessive. This application must be made no later than 8 weeks after receipt of the progress report, where the charging of the remuneration or the incurring of expenses in question occurs.

9 EC Regulations

- 9 1 It is the Joint Administrators' opinion that the EC Regulation apply and these proceedings are main proceedings as defined in Article 3 of the EC Regulation. The centre of main interest of the Companies is in England.

10 Extension of the Administrations

- 10 1 The Enterprise Act 2002 states that, after 15 September 2003, a company cannot be in Administration longer than 12 months, without prior approval of the Court or the company's creditors.
- 10 2 In accordance with Paragraph 76(2)(b) of Schedule B1 to the Act and Paragraph 78(1) of Schedule B1 to the Act, the Joint Administrators are seeking approval that you as a secured creditor of the Companies agree to provide the consent to the extension of the Administrations for a period of 6 months.
- 10 3 The extension is necessary to deal with a number of significant outstanding issues which remain to be dealt with including the following:
- Completing a sale of the business and assets of Longwood Lodge
 - Completing the Joint Administrators' tax compliance duties
 - Remitting a final distribution to Santander, the Companies' secured creditor
- 10 4 The Joint Administrators propose to extend the Administration by a period of 6 months to 16 February 2013 in order to achieve the above.
- 10 5 **Please would you complete and sign Forms 2.25B, in respect of both ECML and ELCHL, attached at Appendix 5 and return it to my offices by no later than 12 noon on 14 August 2012**

11 Conclusion and Ending the Administrations

- 11 1 As the Companies have no property with which to make a distribution to its non-preferential creditors, the Joint Administrators anticipate that following final distributions to the secured creditor, the Notice will be submitted to the Registrar of Companies pursuant to Paragraph 84 of Schedule B1 to the Act.
- 11 2 Following registration of the Notice by the Registrar of Companies, the Joint Administrators' appointment will cease to have effect, and they will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act.
- 11 3 At the end of three months beginning with the date of the Notice being registered by the Registrar of Companies, the Companies will be dissolved.

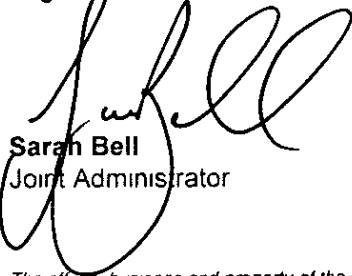
12 Further Information

- 12 1 In accordance with Rule 2 48A of the Rules (as amended), the secured creditor and non-preferential creditors (with the concurrence of at least 5% in value of total unsecured claims) may make a request in writing to the Joint Administrators for further information about the remuneration or expenses set out in this progress report. This should be done within 21 days receipt of this report.

13 Next Report

- 13 1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administration. This report will be provided no later than 28 February 2013 or earlier if the Administration has not been extended beyond 16 February 2013.
- 13 2 If you have any queries or require any further assistance, please do not hesitate to contact my colleague Chris Fisher of this office.

For and on behalf of
Eaglecrest Care Management Limited and
Edge Lea Care Home Limited



Sarah Bell
Joint Administrator

The affairs, business and property of the Companies are being managed by the Joint Administrators Sarah Bell and Andrew Stoneman, who act as agents for the Companies and without personal liability. Both are licensed by the Insolvency Practitioners Association.

APPENDIX 1
Statutory Information

STATUTORY AND FINANCIAL INFORMATION

Eaglecrest Care Management Limited

Date of Incorporation	5 August 2003		
Registered Number	04856621		
Company Director	Mr Emanuel Fanibi		
Company Secretary	Ms Muyibatu Fanibi		
Shareholders	Mr Emmanuel Fanibi – 15,000 £1 shares Ms Muyibatu Fanibi – 5,000 £1 shares		
Trading Addresses	Longwood Lodge, 61/63 Queens Road, Oldham OL8 2BA and The Shires, 12/13 Gorringe Road, Eastbourne BN22 8XL		
Registered Office	Current	Formerly	
	c/o MCR The Chancery 58 Spring Gardens Manchester M2 1EW	Lynton House 7/12 Tavistock Square London WC1H 9BQ	
Any Other Trading Names	Not applicable		
Financial Information		18 Months to 30 Sept 2010 (Statutory) £	12 Months to 31 March 2009 (Statutory) £
	Turnover	<u>2,865,875</u>	<u>2,182,239</u>
	Gross Profit	<u>800,503</u>	<u>871,892</u>
	Retained profit/(loss) for the period	<u>(135,715)</u>	<u>(47,391)</u>

STATUTORY AND FINANCIAL INFORMATION

Edge Lea Care Home Limited

Date of Incorporation	2 September 1996	
Registered Number	03244799	
Company Director	Mr Emanuel Fanibi	
Company Secretary	Ms Muyibatu Fanibi	
Shareholders	Eaglecrest Care Management Limited – 30,000 £1 shares	
Trading Addresses	Edge Lea, 14/16 Half Edge Lane, Eccles, Manchester M30 9GJ	
Registered Office	Current	Formerly
	c/o MCR The Chancery 58 Spring Gardens Manchester M2 1EW	Lynton House 7/12 Tavistock Square London WC1H 9BQ
Any Other Trading Names	Not applicable	

Financial Information	18 Months to 30 Sept 2010 (Statutory) £	12 Months to 31 March 2009 (Statutory) £
Turnover	<u>1,760,515</u>	<u>1,551,908</u>
Gross Profit	<u>1,662,052</u>	<u>1,441,274</u>
Retained profit/(loss) for the period	<u>(380,160)</u>	<u>(21,914)</u>

APPENDIX 2

Joint Administrators' Receipts and Payments Accounts

**Eaglecrest Care Management Limited
(In Administration)
Joint Administrators' Trading Account**

Statement of Affairs	From 17/02/2012 To 30/07/2012	From 17/08/2011 To 30/07/2012
POST APPOINTMENT SALES		
Fee Income - Longwood Lodge	375,506 80	771,956 64
Fee Income - The Shires	<u>151,356 98</u>	<u>367,167 07</u>
	526,863 78	1,139,123 71
TRADING EXPENDITURE		
Rates	(1,107 00)	(1,935 38)
CQC Fees	NIL	(8,600 00)
Insurance	(6,507 06)	(6,507 06)
HCMS - Professional Fees	(47,500 00)	(92,500 00)
HCMS - Disbursements	(11,165 74)	(19,764 66)
Sundry Expenses/Office Consumables	NIL	(143 92)
PAYE/NI - Longwood Lodge	(40,644 06)	(62,225 07)
PAYE/NI - The Shires	(20 246 95)	(33,358 50)
Suppliers - Longwood Lodge	(66,753 04)	(141,951 80)
Suppliers - The Shires	(45,368 62)	(103,622 16)
Wages - Longwood Lodge BACS	(248,466 44)	(488,175 74)
Wages - The Shires BACS	(48 503 25)	(164,993 90)
Irrecoverable VAT	<u>(9,500 00)</u>	<u>(19,175 41)</u>
	(545,762 16)	(1,142,953 60)
TRADING SURPLUS/(DEFICIT)	(18,898 38)	(3,829 89)

Eaglecrest Care Management Ltd
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 17/02/2012 To 30/07/2012	From 17/08/2011 To 30/07/2012
SECURED ASSETS		
Goodwill	10,000 00	10,000 00
Intellectual Property	1 00	1 00
	<u>10,001 00</u>	<u>10,001 00</u>
COSTS OF REALISATION		
Agents/Valuers Fees	(20,500 00)	(24,500 00)
Legal Fees	(2,500 00)	(2,500 00)
VAT - Irrecoverable	(4,600 00)	(5,400 00)
	<u>(27,600 00)</u>	<u>(32,400 00)</u>
21,250 00		
ASSET REALISATIONS		
Plant & Machinery	20,000 00	20,000 00
Stock	500 00	500 00
Cash at Bank	NIL	74,010 54
Rates Refund	NIL	251 47
Bank Interest Gross	28 94	47 60
Trading Surplus/(Deficit)	(18,898 38)	(3,829 89)
Commercial Info, Contracts & Computer Equipment	3 00	3 00
	<u>1,633 56</u>	<u>90,982 72</u>
21,250 00		
COST OF REALISATIONS		
Accountants Fees	NIL	(200 00)
Agents/Valuers Fees	(2,000 00)	(2,000 00)
Legal Fees	(5,070 00)	(6,570 00)
Irrecoverable VAT	(1,709 06)	(2,064 36)
Statutory Advertising	NIL	(76 50)
Bank Charges	(286 93)	(403 12)
	<u>(9,065 99)</u>	<u>(11,313 98)</u>
(1,536,239 00)		
<u>(1,536,239 00)</u>		
PREFERENTIAL CREDITORS		
UNSECURED CREDITORS		
Trade and Expense Creditors		
HMRC		
Santander - overdraft		
(17 810 16)		
(125,000 00)		
(5,000 00)		
<u>(147,810 16)</u>		
CAPITAL		
Ordinary Shareholders		
(20,000 00)		
<u>(20,000 00)</u>		
	<u>(25,031 43)</u>	<u>57,269 74</u>
REPRESENTED BY		
Barclays Floating/main current account		82,269 74
Suspense Account - bank funding		(25,000 00)
		<u>57,269 74</u>
<u>(3,365,598 32)</u>		

Edge Lea Care Home Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs	From 17/02/2012 To 30/07/2012	From 17/08/2011 To 30/07/2012
POST APPOINTMENT SALES		
Fee Income - Edge Lea	1,422 48	47,622 44
	<u>1,422 48</u>	<u>47,622 44</u>
TRADING EXPENDITURE		
CQC Fees	(3,533 34)	(3,533 34)
Insurance	NIL	(2,270 31)
HCMS - Professional Fees	NIL	(10,000 00)
HCMS - Disbursements	NIL	(1,831 50)
PAYE/NI - Edge Lea	NIL	(15,732 14)
Suppliers - Edge Lea	NIL	(7,747 81)
Wages - Edge Lea BACS	NIL	(57,039 91)
Wages - Edge Lea CHEQUE	NIL	(510 74)
	<u>(3,533 34)</u>	<u>(98,665 75)</u>
 TRADING SURPLUS/(DEFICIT)	 (2,110 86)	 (51,043 31)

Edge Lea Care Home Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 17/02/2012 To 30/07/2012	From 17/08/2011 To 30/07/2012
1,550,000 00	SECURED ASSETS		
	Freehold Land & Property	NIL	420,000 00
	Late Completion Fee	NIL	186 40
	Notice to Complete Fee	NIL	240 00
<u>1,550,000 00</u>		<u>NIL</u>	<u>420,426 40</u>
	COSTS OF REALISATION		
	Agents/Valuers Fees	NIL	(11,000 00)
	Legal Fees	NIL	(3,250 00)
	Legal Disbursements	(22 50)	(22 50)
	Maintenance/Holding Costs	NIL	(6,726 00)
	VAT - Irrecoverable	(4 50)	(4,199 70)
		<u>(27 00)</u>	<u>(25,198 20)</u>
	SECURED CREDITORS		
	Santander UK plc	(285,000 00)	(285,000 00)
		<u>(285,000 00)</u>	<u>(285,000 00)</u>
10,000 00	ASSET REALISATIONS		
	Fixtures and Fittings	NIL	1,240 00
	Bank Interest Gross	60 36	87 44
	Trading Surplus/(Deficit)	(2,110 86)	(51,043 31)
<u>10,000 00</u>		<u>(2,050 50)</u>	<u>(49,715 87)</u>
	COST OF REALISATIONS		
	Joint Administrators' remuneration	NIL	(25,000 00)
	Joint Administrators' disbursements	NIL	(56 42)
	Legal Fees	NIL	(5,250 00)
	Irrecoverable VAT	NIL	(8,626 86)
	Storage Costs	NIL	(440 75)
	Statutory Advertising	NIL	(76 50)
	Bank Charges	(29 59)	(60 31)
		<u>(29 59)</u>	<u>(39,510 84)</u>
	UNSECURED CREDITORS		
(101,962 00)	Trade and Expense		
(20,000 00)	HMRC - PAYE		
<u>(66,500 00)</u>	Company Voluntary Arrangement Creditors		
(188,462 00)			
	CAPITAL		
(30,000 00)	Ordinary Shareholders		
<u>(30,000 00)</u>			
		<u><u>(287,107 09)</u></u>	<u><u>21,001 49</u></u>
	REPRESENTED BY		
	Floating/main current account		21,001 49
<u><u>1,341,538 00</u></u>			<u><u>21,001 49</u></u>

APPENDIX 3

Analysis of Time Charged and Expenses Incurred

EAGLECREST CARE MANAGEMENT LIMITED (IN ADMINISTRATION)
ANALYSIS OF THE JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD 17 AUGUST 2011 to 30 JULY 2012

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review and Case Diary management	0 00	0 00	0 00	8 00	0 00	8 00	1 355 00	169 38
Cashiering & accounting	0 80	7 20	21 60	34 10	0 40	64 10	15 652 50	244 19
Dealings with Directors and Management	1 50	2 20	0 10	4 10	0 00	7 90	1 948 00	246 58
IPS set up & maintenance	0 00	0 30	0 00	2 90	0 00	3 20	652 00	203 75
Insurance	0 00	0 00	0 00	0 40	0 00	0 40	64 00	160 00
Statement of affairs	0 00	0 20	0 00	0 10	0 00	0 30	84 00	280 00
Statutory matters (Meetings & Reports & Notices)	3 30	2 20	2 10	18 90	0 00	26 50	6 190 50	233 60
Strategy planning & control	14 60	27 10	0 00	30 20	0 00	71 90	22 382 50	311 30
Tax Compliance/Planning	0 00	0 00	0 00	0 40	0 00	0 40	73 00	182 50
Creditors								
Communications with Creditors/Employees	0 00	2 90	0 00	10 60	0 00	13 50	2 765 00	204 81
Non Pref Creditors/Employee claim handling	0 00	1 50	0 00	1 50	1 00	4 00	825 00	206 25
Secured Creditors	12 00	37 80	0 40	14 40	0 00	64 60	21 542 50	333 48
Investigations								
CDDA & reports & Communication	0 50	0 50	0 00	7 60	0 00	8 60	1 822 50	211 92
Financial review and investigations (S238/239 etc)	0 00	0 00	2 60	3 00	0 00	5 60	1 366 50	244 02
Realisation of Assets								
Book debts	0 00	1 50	0 00	0 00	0 00	1 50	510 00	340 00
Freehold and Leasehold Property	11 50	1 30	0 30	2 20	0 00	15 30	6 971 50	455 65
Hire Purchase and Lease Assets	0 00	0 00	0 00	0 70	0 00	0 70	112 00	160 00
Other Tangible Assets	0 00	0 00	0 00	3 80	0 00	3 80	608 00	160 00
Sale of business	0 00	73 00	0 00	4 80	0 00	77 80	26 736 00	343 65
Trading								
Trading - Accounting	0 00	3 20	0 00	42 30	0 00	45 50	8 420 00	185 05
Trading - Employees	0 00	5 60	0 00	34 50	0 00	40 10	8 159 50	203 48
Trading - Hire Purchase Matters	0 00	0 00	0 00	0 60	0 00	0 60	96 00	160 00
Trading - Insurance	0 00	0 30	0 00	3 00	0 00	3 30	651 00	197 27
Trading - Operations	6 20	12 80	0 00	13 60	0 00	32 60	10 362 50	317 87
Total Hours	50 40	179 60	27 10	241 70	1 40	500 20		278 59
Total Fees Claimed	25,966 50	63,328 50	7,687 50	42,217 00	150 00		139,349 50	

Category 2 Disbursements NONE

EAGLECREST CARE MANAGEMENT LIMITED
ANALYSIS OF TIME COSTS FOR THE PERIOD TO 17 AUGUST 2011

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	0 00	0 00	0 30	0 20	0 00	0 50	121 00	242 00
Strategy planning & control	8 90	32 70	0 00	1 20	0 00	42 80	16 182 00	378 08
Creditors								
Secured Creditors	0 00	6 00	0 00	0 00	0 00	6 00	2 040 00	340 00
Realisation of Assets								
Book debts	0 00	0 40	0 00	0 00	0 00	0 40	136 00	340 00
Sale of business	0 00	3 00	0 00	0 00	0 00	3 00	1 020 00	340 00
Total Hours	8 90	42 10	0 30	1 40	0 00	62 70		370 00
Total Fees Claimed	4,272 00	14,903 00	87 00	237 00	0 00		19,499 00	

Category 2 Disbursements NONE

EDGE LEA CARE HOME LIMITED (IN ADMINISTRATION)
ANALYSIS OF TIME COSTS FOR THE PERIOD 17 AUGUST 2012 TO 30 JULY 2012

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review and Case Diary management	0 00	0 00	0 00	6 90	0 00	6 90	1 185 00	171 74
Cashiering & accounting	0 10	2 30	6 80	19 80	0 00	29 00	6 405 50	220 88
Dealings with Directors and Management	0 00	0 40	0 00	0 00	0 00	0 40	136 00	340 00
IPS set up & maintenance	0 00	0 20	0 00	2 90	0 00	3 10	613 00	197 74
Insurance	0 00	0 00	0 00	0 30	0 00	0 30	48 00	160 00
Statement of affairs	0 00	0 00	0 00	0 30	0 00	0 30	48 00	160 00
Statutory matters (Meetings & Reports & Notices)	1 00	1 70	2 10	18 80	0 00	23 40	4 816 50	205 83
Strategy planning & control	5 20	14 40	0 00	30 90	0 00	50 50	12 918 00	255 80
Tax Compliance/Planning	0 00	0 00	0 00	2 40	0 00	2 40	417 00	173 75
Creditors								
Communications with Creditors/Employees	0 00	0 30	0 00	5 70	0 00	6 00	1 032 00	172 00
Non Prof Creditors/Employee claims handling	0 00	0 20	0 00	1 10	0 00	1 30	277 00	213 08
Secured Creditors	6 60	6 30	0 40	7 50	0 00	20 80	6 714 00	322 79
Investigations								
CDDA & reports & Communication	0 50	0 00	0 00	2 70	0 00	3 20	705 00	220 31
Realisation of Assets								
Book debts	0 00	1 60	0 00	0 70	0 00	2 30	662 00	287 83
Freehold and Leasehold Property	6 40	0 20	0 00	4 90	0 00	11 50	3 999 00	347 74
Hire Purchase and Lease Assets	0 00	0 00	0 00	0 50	0 00	0 50	80 00	160 00
Other Intangible Assets	0 00	0 00	0 00	1 00	0 00	1 00	160 00	160 00
Other Tangible Assets	0 00	0 00	0 00	3 90	0 00	3 90	645 00	165 38
Plant & Machinery & Fixtures & Motor Vehicles	0 00	0 00	0 00	0 80	0 00	0 80	152 00	190 00
Sale of business	0 00	5 50	0 00	0 00	0 00	5 50	1 870 00	340 00
Trading								
Trading - Accounting	0 00	2 30	0 00	6 40	0 00	8 70	1 812 00	208 28
Trading - Employees	0 00	0 30	0 00	3 10	0 00	3 40	598 00	175 88
Trading - Insurance	0 00	0 00	0 00	0 10	0 00	0 10	16 00	160 00
Trading - Operations	1 20	0 90	0 00	0 00	0 00	2 10	882 00	420 00
	0 00	0 00	0 00	11 60	0 00	11 60	1 218 00	105 00
Total Hours	21 00	36 60	9 30	132 10	0 00	199 00		238 24
Total Fees Claimed	10,281 50	12,587 00	2,574 50	21,968 00	0 00		47,409 00	

Category 2 Disbursements NONE

APPENDIX 4

Schedule of Expenses Incurred

The Joint Administrators have incurred the following expenses in the period of this report in dealing with the Administration of the Companies

Eaglecrest Care Management Limited

Company	Role	Amount Incurred £
Dickinson Dees	Assisting with the sale of The Shires and additional ad-hoc legal advice	7,570
Stylefront Homes	Valuations of The Shires	2,000
Trade Suppliers	Providing ongoing goods and services to Longwood Lodge and The Shires in order to ensure continuity of trade	112,122
HCMS	Operational management of Longwood Lodge and The Shires, liaising with the CQC and other critical suppliers, calculating payroll amounts and dealing with employee matters	Fees 47,500 Disb 11,166
Oldham Metropolitan Borough Council	Council Tax due on the occupation of Longwood Lodge	1,107
IRS Insolvency Risk Services Limited	Providing insurance cover in respect of the Longwood Lodge and The Shires	6,507
Christies	The valuation, marketing and sale of The Shires	20,500
Employees	Payment of employee wages	296,970
HMRC	PAYE & NI in respect of employee wages	60,891
Barclays Bank plc	Bank charges in respect of the Administration estate accounts	287

Edge Lea Care Home Limited

Company	Role	Amount Incurred £
CQC	Providing the Joint Administrators with the Licence to trade Edge Lea	3,533
Dickinson Dees	Disbursements incurred in respect of placing ELCHL into Administration, the sale of Edge Lea and other ad hoc legal matters	Disb 23
Barclays Bank plc	Bank charges in respect of the Administration estate accounts	30

APPENDIX 5

Form 2.25B – Notice of Conduct of Business by Correspondence

Rule 2 48

Notice of conduct of business by correspondence

Name of Company Eaglecrest Care Management Limited	Company number 04856621
In the High Court of Justice, Chancery Division, Newcastle Upon Tyne District Registry (full name of court)	Court case number 1150 of 2011

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

Notice is hereby given by (a) Sarah Helen Bell and Andrew Gordon Stoneman of Duff & Phelps Ltd , The Chancery, 58 Spring Gardens, Manchester, M2 1EW

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

To the creditors of (b) Eaglecrest Care Management Limited of The Chancery, 58 Spring Gardens, Manchester, M2 1EW

(c) Insert number of
resolutions enclosed

That, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed is (c) one resolution for your consideration Please indicate below whether you are in favour or against each resolution

(d) Insert address to which
form is to be delivered

This form must be received at (d) Duff & Phelps Ltd , The Chancery, 58 Spring Gardens, Manchester, M2 1EW

(e) Insert closing date

By 12 00 hours on (e) 14 August 2012 in order to be counted It must be accompanied by details in writing of your claim Failure to do so will lead to your vote(s) being disregarded

Repeat as necessary for the
number of resolutions attached

Resolution (1) that in accordance with Paragraph 76(2)(b) of Schedule B1 to the Insolvency Act and Paragraph 78(1) that you as secured creditor of the company agree to provide your consent to the extension of the Administration for a period of 6 months

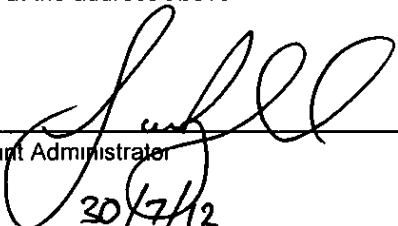
I am *in Favour/Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor _____

Signature of creditor _____
(if signing on behalf of creditor, state capacity e g director/solicitor)

If you require any further details or clarification prior to returning your votes, please contact me/us at the address above

Signed  _____
Joint Administrator

Dated 30/7/12 _____

Rule 2 48

Notice of conduct of business by correspondence

Name of Company Edge Lea Care Home Limited	Company number 03244799
In the High Court of Justice, Chancery Division, Newcastle Upon Tyne District Registry (full name of court)	Court case number 1149 of 2011

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

Notice is hereby given by (a) Sarah Helen Bell and Andrew Gordon Stoneman of Duff & Phelps Ltd , The Chancery, 58 Spring Gardens, Manchester, M2 1EW

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

To the creditors of (b) Edge Lea Care Home Limited of The Chancery, 58 Spring Gardens, Manchester, M2 1EW

(c) Insert number of
resolutions enclosed

That, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed is (c) one resolution for your consideration Please indicate below whether you are in favour or against each resolution

(d) Insert address to which
form is to be delivered

This form must be received at (d) Duff & Phelps Ltd , The Chancery, 58 Spring Gardens, Manchester, M2 1EW

(e) Insert closing date

By 12 00 hours on (e) 14 August 2012 in order to be counted It must be accompanied by details in writing of your claim Failure to do so will lead to your vote(s) being disregarded

Repeat as necessary for the
number of resolutions attached

Resolution (1) that in accordance with Paragraph 76(2)(b) of Schedule B1 to the Insolvency Act and Paragraph 78(1) that you as secured creditor of the company agree to provide your consent to the extension of the Administration for a period of 6 months

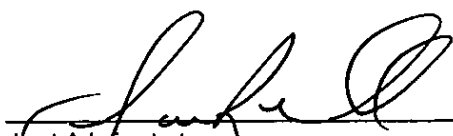
I am *in Favour/Against

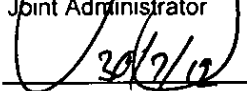
TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor _____

Signature of creditor _____
(if signing on behalf of creditor, state capacity e g director/solicitor)

If you require any further details or clarification prior to returning your votes, please contact me/us at the address above

Signed  _____
Joint Administrator

Dated  _____