

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 4 9 5 4 9 6 0

Company name in full Future Lifestyles (A) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) David Matthew

Surname Hammond

3 Liquidator's address

Building name/number One

Street Chamberlain Square

Post town Birmingham

County/Region

Postcode B 3 3 A X

Country United Kingdom

4 Liquidator's name ①

Full forename(s) Edward

Surname Williams

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number One

Street Chamberlain Square

Post town Birmingham

County/Region

Postcode B 3 3 A X

Country United Kingdom

② Other liquidator

Use this section to tell us about
another liquidator.

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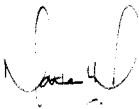
6 Period of progress report

From date	^d 0	^d 1	^m 0	^m 2	^y 2	^y 0	^y 2	^y 0	
To date	^d 3	^d 1	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1	

7 Progress report

☒ The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature 	
Signature date	^d 3 ^d 1 ^m 0 ^m 3 ^y 2 ^y 0 ^y 2 ^y 1	

LIQ03

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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 Sara Myers

Company name PricewaterhouseCoopers LLP

Address Central Square

29 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 4 D L

Country United Kingdom

DX

Telephone 0113 289 4566



Checklist

We may return forms completed incorrectly or with information missing.

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 the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Joint liquidators' progress report from 1 February 2020 to 31 January 2021

Future Life Group Limited
Future Life Limited
Future Life All Limited
Future Life Support Limited
Future Lifestyles (A) Limited
Future Lifestyles Group Limited

(all in liquidation)

31 March 2021

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The following table shows the abbreviations and insolvency terms that may be used in this report:

FL All	Future Life All Limited
FLS(A)	Future Lifestyles (A) Limited
FLSL	Future Life Support Limited
FLL	Future Life Limited
FLGL	Future Life Group Limited
FLSGL	Future Lifestyles Group Limited
Companies	FL All, FLS(A), FLSL, FLL, FLGL, FLSGL
Liquidators, we, our	Michael Thomas Denny and David Matthew Hammond to 4 January 2021. David Matthew Hammond and Edward Williams from 4 January 2021 by Court Order.
Firm	PricewaterhouseCoopers LLP
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
CVL	Creditors' voluntary liquidation
HMRC	HM Revenue and Customs
Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
Preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by David Matthew Hammond and Edward Williams as Joint Liquidators of the Companies, solely to comply with the Joint Liquidators' statutory duty to report to creditors under IR16 on the progress of the liquidations, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Liquidators' previous reports issued to the Companies' creditors, which can be obtained by contacting Sara Myers on 0113 289 4566. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

David Matthew Hammond and Edward Williams have been appointed as Joint Liquidators of the Companies. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at:
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Why we've sent you this report

I'm writing to update you on the progress of the liquidations of the Companies in the 12 months since our last report dated 26 March 2020.

You can obtain a copy of our earlier report by contacting Sara Myers at sara.myers@pwc.com.

How much creditors may receive

The following table summarises the possible outcome for creditors, based on what we currently know.

FL All			
Current estimate	N/A	N/A	Up to 19p
Previous estimate	N/A	N/A	Up to 19p
FLS(A)			
Current estimate	N/A	N/A	Nil
Previous estimate	N/A	N/A	Nil
FLSL			
Current estimate	N/A	N/A	Nil
Previous estimate	N/A	N/A	Nil
FLL			
Current estimate	N/A	N/A	Up to 16p
Previous estimate	N/A	N/A	Up to 16p
FLGL			
Current estimate	N/A	N/A	Nil
Previous estimate	N/A	N/A	Nil
FLSGL			
Current estimate	N/A	N/A	Uncertain
Previous estimate	N/A	N/A	Nil

What you need to do

FL All and FLL - We've asked for outstanding claims from unsecured creditors so that we can agree them for dividend purposes. During the period of this report, we issued a notice of intention to declare a first interim dividend to the unsecured creditors of FL All and FLL. The final date for submitting claims was 20 March 2020 and any claims received after this would not be entitled to participate in the dividend.

If you haven't already done so, please send your claim to us so that we can agree it. A claim form can be obtained by telephoning Sara Myers on 0113 289 4566.

FLSGL - There may be a dividend to the unsecured creditors of FLSGL; however the timing and quantum remain uncertain. Any surplus funds available for distribution would be dependent on capital distributions from two associated group companies which are currently in members' voluntary (solvent) liquidation ("MVL"). Based on the current position of these two MVL cases, we would anticipate capital distributions being received during the middle part of 2021.

If you haven't already done so, please send your claim to us so it can be adjudicated and agreed.

FLS(A), FLSL and FLGL - No dividends are expected in FLS(A), FLSL and FLGL. As such, if you are a creditor of one of those estates this report is for your information and you don't need to do anything else.

As previously reported, following the liquidators' appointment we took control of the Companies' assets, which included an intercompany claim by FLL in the estate of FL All, as well as the following in relation to FL All:

- Cash in bank of £5,565,717;
- Deferred consideration; and
- Sundry debtors.

We remain in office to deal with a number of unresolved matters, including:

- Deferred consideration of £3m within FL All which is held in escrow under the terms of a sale and purchase agreement, which has not yet met its maturity date for release;
- Obtaining tax clearances for the Companies (as well as other entities within the wider group which are current in Members' Voluntary Liquidation); and
- Payment of final unsecured creditor dividends in FLL and FL All.

Secured creditors

There are no known secured creditors of any of the Companies.

Preferential creditors

Preferential claims typically arise in relation to arrears of wages (subject to statutory limits) and holiday pay. The Companies have no employees and therefore we are not expecting any preferential claims to arise.

Unsecured creditors

As previously reported, the prescribed part doesn't apply because there is no floating charge registered against any of the Companies.

FL All and FLL

Based on the information currently available we think dividends of up to 19 pence in the £ will be paid to the unsecured creditors of FL All and up to 16 pence the £ for unsecured creditors of FLL.

The estimates are based on the levels of unsecured creditors included in the statement of affairs, along with our own assumptions regarding costs and asset realisations.

The amount of the dividend will depend on the final level of submitted claims, future realisations and liquidation costs. As such, the estimates given above should be viewed with an appropriate degree of caution and shouldn't be used as the main basis for any bad debt provisions.

FLSGL

Based on the information currently available funds may become available to FLSGL from the wider group entities in solvent liquidation. However, given the uncertainty on the level of those recoveries, the timing and quantum of any potential distribution to FLSGL's unsecured creditors currently remains uncertain.

FLS(A), FLSL and FLGL

No dividends are expected to be paid in relation to these three companies.

Realisation of assets

Deferred Consideration

Funds of c.£3m continue to remain in an escrow account in FL All, pending the resolution of certain indemnity claims, or the expiry of a longstop date being five years from the date of completion. We are aware of one such outstanding claim, hearings for which have been delayed as a result of the global pandemic. It is our expectation that the escrow funds will not be released until the expiry of the long stop date being July 2022. Once the position of the claim has been resolved the funds will be released to FL All.

Bank Interest

During the period FL All received bank interest of £5,840.

Other

Creditors

FL ALL - despite a larger number of creditor claims being received in FL All than originally anticipated, a number of which were complex in nature and required a significant level of review, we have completed the adjudication of the received claims. To date, 33 claims totalling £24,832,814.49 have been received in FL All, of which claims totalling £24,570,211.66 have been admitted.

A dividend distribution of 11.7p in the £, totalling £2,874,715 was paid on 15 July 2020.

FLL - claims totalling £26,134,143.48 have been received, all of which have been admitted.

A dividend distribution of 10p in the £, totalling £2,645,848, was paid on 7 August 2020.

For both FL ALL and FLL, the paying of a second and final dividend is dependent on the release of the aforementioned escrow funds to FL ALL. It is anticipated that this position will be resolved by the end of July 2022, we would therefore expect to make a final distribution before the end of 2022, following which the liquidations will be closed.

Stakeholders

During the period we continued to receive and respond to regular and ongoing requests from several of the Companies' creditors and stakeholders in order to satisfy their own internal or statutory reporting processes. Whilst these requests have been outside the usual reporting requirements for a Liquidation, we have tried, wherever possible, to provide the additional information we can.

Third-party funds

We are holding c.£107k of third-party funds in FL All. During the period efforts have been made, and are ongoing, to attempt to return these funds to the relevant individuals concerned.

Owing to the fact that many of the former residents to whom these refunds are due have sadly since passed away, it is challenging for us to trace the beneficiaries of the individuals' estates. We have therefore begun the process during the period of engaging with a specialist tracing agent to assist us.

So far only a small number of individuals have been successfully traced and refunded.

FLS(A), FLSL, FLGL and FLSGL

The Companies are part of a wider group which includes several entities in solvent and insolvent liquidations. During the period of this report, significant efforts have been made to progress as many of these associated cases to closure as possible. Of the 15 solvent liquidations which formed part of this group, a total of 12 have been closed, with the balance remaining open in an effort to benefit from capital distributions when the liquidations are closed.

We continue to be in office for the Companies covered in this report so that the estates can benefit from distributions due as part of the inter-company positions.

We continue to monitor the progress of the other insolvencies to ensure that FLS(A), FLSL, FLGL and FLSGL can be closed as and when appropriate. We await the conclusions of the solvent liquidations elsewhere in the group,

distributions from which will flow up into the insolvent entities for the benefit of FL All and FLL's creditors. In addition, tax losses held within the group will be utilised as part of these distributions.

Connected party transactions

In accordance with SIP13, we are required to disclose any known connected party transactions that occurred in the period following our appointment or any proposed connected party transactions.

I confirm that following my review there are no known connected party transactions which should be disclosed.

We have been notified by the liquidator of Future Life Care Five Limited ("FLC5"), an associated group company which is in solvent liquidation, that FLA may be holding funds on their behalf. We are investigating this position.

In the event that funds are due back to FLC5, due to the intercompany positions, the vast majority of funds would ultimately return back to the creditors of the FLA by way of capital distribution and ultimate dividend distributions from the CVLs.

Statutory and compliance

During the period we have issued our second progress report to creditors, and prepared our third progress report to creditors, as well as complying with our statutory obligations.

Change of liquidator

Michael Thomas Denny, one of the previous Joint Liquidators, has left the Firm. To make sure that outstanding issues in the liquidations continue to be pursued, an application was made to Court to remove him and appoint Edward Williams as Liquidator. Edward Williams is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The application was granted and so Edward Williams replaced Michael Thomas Denny as Liquidator with effect from 4 January 2021.

Creditors had 28 days from our published advertisement noting the above change on 17 December 2020 to apply to Court to vary or discharge the Court order.

No such application was made and so Michael Thomas Denny was released from all liability in respect of his conduct as administrator with effect from 14 January 2021.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments account

We set out in Appendix A accounts of our receipts and payments in the liquidations from 1 February 2020 to 31 January 2021

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as a liquidation expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Our fees

We set out in Appendix C an update on our fees, disbursements and other related matters.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/liquidations-creditor-fee-guide-6-april-2017.ashx?la=en>

You can also get a copy free of charge by telephoning Sara Myers on 0113 289 4566.

What we still need to do

Before we can finalise our work in the liquidations of the Companies, we still need to address the following outstanding tasks:

- Recover the deferred consideration due to FL All;
- Draft & issue a further remuneration report;
- Deal with the third party funds held;
- Pay the second and final dividend to the unsecured creditors of FL All and FLL;
- Obtain outstanding tax clearances from HMRC; and
- Make a first and final distribution to the unsecured creditors of FLSGL, if funds become available.

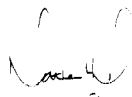
Other matters include complying with our statutory duties as liquidators and other incidental tasks associated with the winding down and ultimate dissolution of the Companies.

Next report

We expect to send our next report to creditors at the end of the liquidations or in about 12 months, whichever is the sooner.

If you've got any questions, please get in touch with Sara Myers at sara.myers@pwc.com

Yours faithfully



David Matthew Hammond
Joint Liquidator

Appendix A: Receipts and payments

FL All				
Statement of Affairs (£)		Total for the period 1 February 2018 to 31 January 2020 (£)	Total for the period 1 February 2020 to 31 January 2021 (£)	Total for the period 1 February 2018 to 31 January 2021 (£)
	Receipts			
5,039,809.00	Cash in hand	5,355,144.85	-	5,355,144.85
	Third party funds	213,151.41	-	213,151.41
	Rents	49,565.73	-	49,565.73
	Sundry debts & refunds	7,484.55	-	7,484.55
	Bank interest gross	48,943.22	5,839.73	54,782.95
3,000,000	Debtors	-	-	-
8,039,809	Total receipts	5,674,289.76	5,839.73	5,680,129.49
	Payments			
	Liquidators' remuneration on a time costs basis	(32,913.00)	(50,000.00)	(82,913.00)
	Liquidators' fixed fee for preparation of SofA	(10,000.00)	-	(10,000.00)
	Release of third party funds	(104,221.55)	-	(104,221.55)
	Legal fees & Expenses	(12,311.50)	-	(12,311.50)
	Statutory advertising	-	(166.00)	(166.00)
	Storage costs	(6,625.13)	-	(6,625.13)
	Finance / Bank interest & charges	(15.00)	(6.50)	(21.50)
	Contribution to costs	(18,000.00)	-	(18,000.00)
	Creditor distribution	-	(2,874,715.00)	(2,874,715.00)
	Total payments	(184,086.18)	(2,924,887.50)	(3,108,973.68)
	VAT control account	(12,369.93)	(10,033.20)	(22,403.13)
	Balance held in interest bearing current account	5,477,833.65	(2,929,080.97)	2,548,752.68

FLL

Statement of Affairs (£)	Total for the period 1 February 2018 to 31 January 2020 (£)	Total for the period 1 February 2020 to 31 January 2021 (£)	Total for the period 1 February 2018 to 31 January 2021 (£)
Receipts			
Contribution to costs	3,600.00	-	3,600.00
Book debts	-	2,645,879.66	2,645,879.66
Total receipts	3,600.00	2,645,879.66	2,649,479.66
Payments			
Liquidators' fixed fee for preparation of SofA	(3,000.00)	-	(3,000.00)
Irrecoverable VAT	(600.00)	-	(600.00)
Finance / Bank interest & charges	-	(45.00)	(45.00)
Creditor distribution	-	(2,645,848.34)	(2,645,848.34)
Total payments	(3,600.00)	(2,645,893.34)	(2,649,493.34)
Balance held in interest bearing current account	-	(13.68)	(13.68)

FLGL

Statement of Affairs (£)	Total for the period 1 February 2018 to 31 January 2020 (£)	Total for the period 1 February 2020 to 31 January 2021 (£)	Total for the period 1 February 2018 to 31 January 2021 (£)
Receipts			
Contribution to costs	3,600.00	-	3,600.00
Total receipts	3,600.00	-	3,600.00
Payments			
Liquidators' fixed fee for preparation of SofA	(3,000.00)	-	(3,000.00)
Irrecoverable VAT	(600.00)	-	(600.00)
Total payments	(3,600.00)	-	(3,600.00)
Balance	-	-	-

FLSGL

Statement of Affairs (£)	Total for the period 1 February 2018 to 31 January 2020 (£)	Total for the period 1 February 2020 to 31 January 2021 (£)	Total for the period 1 February 2018 to 31 January 2021 (£)
Receipts			
Contribution to costs	3,600.00	-	3,600.00
Total receipts	3,600.00	-	3,600.00
Payments			
Liquidators' fixed fee for preparation of SofA	(3,000.00)	-	(3,000.00)
Irrecoverable VAT	(600.00)	-	(600.00)
Total payments	(3,600.00)	-	(3,600.00)
Balance	-	-	-

FLSL

Statement of Affairs (£)	Total for the period 1 February 2018 to 31 January 2020 (£)	Total for the period 1 February 2020 to 31 January 2021 (£)	Total for the period 1 February 2018 to 31 January 2021 (£)
Receipts			
Contribution to costs	3,600.00	-	3,600.00
Total receipts	3,600.00	-	3,600.00
Payments			
Liquidators' fixed fee for preparation of SofA	(3,000.00)	-	(3,000.00)
Irrecoverable VAT	(600.00)	-	(600.00)
Total payments	(3,600.00)	-	(3,600.00)
Balance	-	-	-

FLS(A)

Statement of Affairs (£)	Total for the period 1 February 2018 to 31 January 2020 (£)	Total for the period 1 February 2020 to 31 January 2021 (£)	Total for the period 1 February 2018 to 31 January 2021 (£)
Receipts			
Contribution to costs	3,600.00	-	3,600.00
Total receipts	3,600.00	-	3,600.00
Payments			
Liquidators' fixed fee for preparation of SofA	(3,000.00)	-	(3,000.00)
Irrecoverable VAT	(600.00)	-	(600.00)
Total payments	(3,600.00)	-	(3,600.00)
Balance	-	-	-

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

FL All

Legal fees	12,312	-	12,312	-	12,312	Uncertain	Uncertain
Pre-appointment fees	10,000	-	10,000	-	10,000	10,000	-
Storage and data retention costs	6,625	-	6,625	123,375	130,000	130,000	-
Liquidators' fees*	203,838	95,854	299,692	80,000**	379,692	90,444	(289,248)
Liquidators' disbursements*	4,650	2,540	7,190	3,000	10,190	275	(9,915)
Bank Charges	15	-	15	100	115	-	(115)
Total	237,440	98,394	335,834	206,475	542,309	230,719	Uncertain

*Anticipated liquidators' fees and disbursements are significantly higher than our initial estimate. This is mainly due to the actual length of time we expect to be in office, compared with an initial estimate of 18 - 24 months. Full details of the revised estimate can be found in our revised fee estimate document which was issued on 3 February 2020. If you require a copy of this document please contact Sara Myers at sara.myers@pwc.com

**Details of this work can be found at Appendix C, section "Our Future Work".

FLS(A)

Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees	18,000	-	18,000	-	18,000	18,000	-
Liquidators' disbursements	175	-	175	100	275	175	100
Total	21,175	-	21,175	100	21,275	21,175	100

FLSL

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees	18,000	-	18,000	-	18,000	18,000	-
Liquidators' disbursements	175	-	175	100	275	175	100
Total	21,175	-	21,175	100	21,275	21,175	100

FLL

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees	18,000	-	18,000	-	18,000	18,000	-
Liquidators' disbursements	175	-	175	100	275	175	100
Total	21,175	-	21,175	100	21,275	21,175	100

FLGL

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees	18,000	-	18,000	-	18,000	18,000	-
Liquidators' disbursements	267	-	267	100	367	175	192
Total	21,175	-	21,175	100	21,275	21,175	100

FLSGL

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees	18,000	-	18,000	-	18,000	18,000	-
Liquidators' disbursements	175	-	175	100	275	175	100
Total	21,175	-	21,175	100	21,275	21,175	100

FL AII

Our initial fees were approved on a time costs basis by the general body of unsecured creditors on 28 March 2018. This approval allowed us to draw fees by reference to the time properly given by us and our staff in dealing with the liquidation, albeit capped at our initial time costs estimate of £90,444.

As a result of our time costs exceeding our initial estimate, during the period covered by this report a revised fee estimate was issued to unsecured creditors on 3 February 2020, seeking a decision increasing our fees to £220,784. The deadline for the creditors' responses was 9 March 2020 and the decision was approved by the requisite majority of creditors.

The time cost charges incurred in the period covered by this report are £95,854. Total time costs charged from our appointment to 31 January 2021 are £299,692. To date we have drawn fees of £82,913 in line with the approval given, as shown on the enclosed receipts and payments account. This amount does not necessarily reflect how much we will eventually draw as fees for this period.

As the fee estimate has been exceeded, we intend to prepare a further remuneration report to request an increase in fees in due course.

FLS(A), FLSL, FLL, FLGL, FLSGL

Fees in respect of the above companies were approved on a fixed fee basis as set out in the remuneration report for each company. No additional fees are to be sought in respect of these companies. A summary of the approved fixed fees is shown below.

FLS(A)	18,000	3,000
FLSL	18,000	3,000
FLL	18,000	3,000
FLGL	18,000	3,000
FLSGL	18,000	3,000

As we previously reported, £15,000 has been drawn in respect of the additional fees detailed above.

We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Our hours and average rates - FL All

							Total for period 1 February 2020 to 31 January 2021 (Hrs)	Cost for period 1 February 2020 to 31 January 2021 £	Average hourly rate £	Cumulative cost for period 1 February 2018 to 31 January 2021 £	Initial estimate £
Work Type	Partner (Hrs)	Director (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)					
Administration	3.50	5.00	2.80	41.79	3.15	6.05	62.29	29,799.50	478.40	53,242	19,020
Assets	-	1.50	-	-	-	-	1.50	1,080.00	720.00	8,081	10,279
Creditors	-	4.20	2.60	10.24	22.15	13.65	52.84	17,242.20	326.31	102,607	92,176
Employees and Pensions	-	-	-	-	-	0.75	0.75	171.50	228.67	737	2,250
Investigations	-	-	-	-	-	-	-	-	-	9,510	10,825
Statutory & Compliance	-	2.75	2.30	44.60	0.80	27.60	78.05	28,639.50	366.94	86,568	55,090
Tax and VAT	-	-	0.90	0.50	29.03	6.25	36.68	18,921.20	515.85	38,948	31,144
Total for the period	3.50	13.45	8.60	97.13	55.13	54.30	232.11	95,853.90	412.97	299,692	220,784

Brought forward at 31

January 2020:

632.50

203,838.00

Total:

864.61

299,691.90

The key areas where increased costs have been incurred and show the largest variances are “administration”, “creditors” and “statutory & compliance”. Included within these worktypes are costs associated with the following key actions which have been undertaken during the period of this report:

- **Dividend Distribution** - We have completed a first dividend distribution to unsecured creditors of FL ALL & FLL. Due to the global pandemic, the method by which we were actioning payment was adjusted, and there was additional time spent obtaining bank details to action and approve electronic payments instead of issuing cheques which is our standard practice.
- **Escrow funds** - Funds of £3m are currently held in an escrow account and are to be released in July 2022. During this reporting period, we have held discussions with a former director in an effort to understand whether the release of escrow funds could be accelerated, however, we understand this is not possible.
- **Third party funds** - The liquidators hold a balance of c.£107k relating to third party funds from approximately 27 former residences and service users. We have made an increased effort during this reporting period year to return these funds to the individuals or the beneficiaries of the individuals' estates. As many of the original beneficiaries have now sadly passed away, the task is more complex as we look to trace beneficiaries of the individuals' estates. During the period of this report, we began discussions with a specialist tracing agent, providing the service for a small fixed fee if the beneficiary, or their heirs, were found.
- **Contingent claims** - We have during the course of the liquidation kept abreast of the Court proceedings around the “sleep in” legislation. This is critical to understand given many of the contingent creditors are connected to the success of the case sought to overturn a 2018 Court of Appeal ruling.

Our time charging policy and hourly rates - FL All

We and our team charge our time for the work we need to do in the Liquidations. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the Liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

Partner	910	1,520
Director	800	1,465
Senior Manager	605	1,290
Manager	525	775
Senior Associate	435	575
Associate	270	305
Support staff	140	250

Partner	955	1,520
Director	840	1,465
Senior Manager	665	1,290
Manager	575	775
Senior Associate	465	575
Associate	297	305
Support staff	155	250

Partner	1,600
Director	1,465
Senior Manager	1,355
Manager	815
Senior Associate	605
Associate	325
Support staff	230

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associates

We have not made any payments to associates in the period covered by this report.

Our work in the period

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

All Companies	Strategy and planning	- Monitoring and internal reporting of costs - Team strategy and progress meetings - Six monthly manager and appointee review summaries	- Ensures orderly and efficient management of the case - Required by statute or regulation.
FL All and FLL	Assets	Pursuit of potential recoverable amounts	Maximise returns to creditors
FL All and FLL	Creditors	- Receive and file proof of debts - Respond to creditor enquiries by post, phone and email - Liaise with investors and provide updates - Update IPS with creditor information - Admit and agree intercompany claims - Agree unsecured claims claims - Pay interim dividends to unsecured creditors	- Update creditors and keep them informed of case progression - Return of funds to creditors
FL All	Accounting and treasury	Carry out and review bank reconciliations	Comply with statutory obligations

			Secure stewardship of funds
All Companies	Statutory and compliance	- Finalise and issue second annual progress report - Issue notices of intended dividend for FL All and FLL - Prepare and issue further fee request documents - Prepare third annual progress report - Prepare and issue statutory documentation regarding change of appointment taker	Comply with statutory obligations
All Companies	Tax and VAT	- Liaise with internal tax and VAT teams - Carry out reconciliations in support of tax clearance request - Finalise tax clearance matters	Comply with statutory obligations
FL All	Employees and pensions	Respond to employee related queries	Keep former employees abreast of developments

Our future work

We still need to do the following work in the liquidations.

All Companies	Strategy and planning	- Team strategy and progress meetings - Six monthly manager and appointee case reviews	15,000	- Ensures orderly and efficient case management - Required by statute or regulation
FL All and FLL	Assets	- Continue to monitor any potential inter-co recoveries - Negotiation and release of Escrow monies - Finalise return of third party funds	15,000	Maximises returns to creditors
FL All and FLL	Creditors	- Deal with creditor enquiries - Continue claims agreement process - Pay final dividends to unsecured creditors	21,000	- Update creditors and keep them informed of case progression - Return of funds to creditors
FL All and FLL	Accounting and treasury	- Process dividend payments - Bank reconciliations - Deal with unbanked dividends - Process ad-hoc receipts and payments	9,500	- Comply with statutory obligations - Secure stewardship of funds
All Companies	Statutory and compliance	- Issue notices of intended dividend for FLL All and FLL - Issue Remuneration Report - Finalise and issue fourth annual progress report - Prepare and issue subsequent and final progress reports	30,000	Comply with statutory obligations
All Companies	Tax and VAT	- Liaise with internal tax and VAT teams - Confirm tax clearance for all Companies	3,500	Comply with statutory obligations
FL All	Employees and pensions	Issue final pensions notices	1,000	Required by statute
All Companies	Closure	- Prepare and implement closure strategy - Obtain clearances - Close down systems	15,000	- Required by statute or regulation - Ensures orderly closure of the cases

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called 'Category 2' disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the liquidation and has been approved by the investors where required..

The following disbursements arose in the period of this report.

FL All

2	Photocopying – at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	1,818.00
1	Postage	721.89
Total		2,539.89
Brought forward from previous period		4,649.73
Cumulative total		7,189.62

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidations where the relationship could give rise to a conflict of interest.

Details of subcontracted work

We have not subcontracted any work during the period covered by this report.

Legal and other professional firms

We instructed the following professionals on this case:

Legal services, including:

- Advising on unsecured creditor claims
- Pinsent Masons LLP
- Knowledge of the Companies / insolvency expertise
- Time costs

The Liquidators require all third party professionals to submit either time cost analyses and narrative or other relevant information in support of invoices rendered. The Liquidators monitor time regularly as appropriate and require third party professionals to seek the approval of the Liquidators prior to undertaking work.

Company's registered name:

FL All	Future Life All Limited
FLS(A)	Future Lifestyles (A) Limited
FLSL	Future Life Support Limited
FLL	Future Life Limited
FLGL	Future Life Group Limited
FLSGL	Future Lifestyles Group Limited

Trading name:

FL All	Embrace Life All Limited
FLS(A)	Embrace Lifestyles (A) Limited
FLSL	Embrace Life Support Limited
FLL	Embrace Life Limited
FLGL	Embrace Life Group Limited
FLSGL	Embrace Lifestyles Group Limited

Registered number:

FL All	04301212
FLS(A)	04954960
FLSL	08991217
FLL	08977236
FLGL	08948604
FLSGL	04870157

Registered address:	8th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL
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Date of the Liquidators' appointment:	1 February 2018
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Liquidators' names, addresses and contact details:	David Matthew Hammond and Edward Williams of PricewaterhouseCoopers LLP, One Chamberlain Square, Birmingham, B3 3AX
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Contact details: Sara Myers
sara.myers@pwc.com or 0113 289 4566