

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

TUESDAY



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26/11/2019

#306

COMPANIES HOUSE

1 Company details

Company number 06279275
Company name in full SAFEHANDS NURSERIES LIMITED

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

2 Court details

Court name HIGH COURT OF JUSTICE BUSINESS AND PROPERTY COURTS
LEEDS INSOLVENCY AND COMPANIES LIST (CHD)
Court case number 1325 OF 2018

3 Administrator's name

Full forename(s) GARETH
Surname HARRIS

4 Administrator's address

Building name/number RSM RESTRUCTURING ADVISORY LLP
Street 9TH FLOOR
3 HARDMAN STREET
Post town MANCHESTER
County/Region
Postcode M3 3HF
Country

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Notice of move from administration to creditors' voluntary liquidation

5	Administrator's name ¹	
Full forename(s)	LINDSEY J	¹ Other administrator Use this section to tell us about another administrator
Surname	COOPER	

6	Administrator's address ²	
Building name/number	RSM RESTRUCTURING ADVISORY LLP	² Other administrator Use this section to tell us about another administrator
Street	9TH FLOOR	
	3 HARDMAN STREET	
Post town	MANCHESTER	
County/Region		
Postcode	M 3 3 H F	
Country		

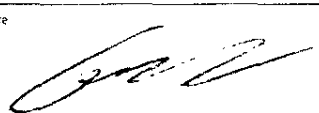
7	Appointor/applicant's name	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	WILLIAM SIMON	
Surname	RIGBY	

8	Proposed liquidator's name	
Full forename(s)	GARETH	
Surname	HARRIS	
Insolvency practitioner number	1 4 4 1 2	

9	Proposed liquidator's address	
Building name/number	RSM RESTRUCTURING ADVISORY LLP	
Street	9TH FLOOR	
	3 HARDMAN STREET	
Post town	MANCHESTER	
County/Region		
Postcode	M 3 3 H F	
Country		

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Notice of move from administration to creditors' voluntary liquidation

10	Proposed liquidator's name¹		
Full forename(s)	LINDSEY J		1 Other liquidator Use this section to tell us about another liquidator.
Surname	COOPER		
Insolvency practitioner number	8 9 3 1		
11	Proposed liquidator's address²		
Building name/number	RSM RESTRUCTURING ADVISORY LLP		2 Other liquidator Use this section to tell us about another liquidator.
Street	9TH FLOOR		
	3 HARDMAN STREET		
Post town			
County/Region	MANCHESTER		
Postcode	M 3 3 H F		
Country			
12	Period of progress report		
From date	d 2 d 1 m 0 m 6 y 2 y 0 y 1 y 9		
To date	d 2 d 2 m 1 m 1 y 2 y 0 y 1 y 9		
13	Final progress report		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report.		
14	Sign and date		
Administrator's signature	Signature X  X		
Signature date	22 11 2019		

In the matter of

**Safehands Nurseries Limited In Administration
(‘the Company’)**

In the High Court no 1325 of 2018

Joint Administrators' final progress report

22 November 2019

**Gareth Harris and Lindsey J Cooper
Joint Administrators**

**RSM Restructuring Advisory LLP
9th Floor
3 Hardman Street
Manchester
M3 3HF
Tel: 0161 830 4000
Email: restructuring.manchester@rsmuk.com**

Sections

1. Conduct of the Administration
2. Assets remaining to be realised
3. Creditors' claims and dividend prospects
4. Receipts and payments summary
5. Joint Administrators' remuneration, expenses and disbursements
6. Creditors' right to information and ability to challenge expenses
7. Closure of the Administration

Appendices

- A. Statutory and other information
- B. Dividend information
- C. Summary of receipts and payments
- D. RSM Restructuring Advisory LLP charging, expenses and disbursements policy
- E. RSM Restructuring Advisory LLP Manchester current charge out and disbursement rates
- F. Statement of expenses incurred in the period from 21 June 2019 to 22 November 2019
- G. Joint Administrators' time cost analysis for the period from 21 June 2019 to 22 November 2019

This report has been prepared in accordance with insolvency legislation to provide creditors, members and the Registrar of Companies with information relating to the progress of the Administration in the period from 21 June 2019 to 22 November 2019. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of the relevant legislation. It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this proposal.

1 Conduct of the Administration

The costs incurred to date and those expected to be incurred in dealing with the matters below in the subsequent Liquidation are set out in detail at Section 5.

1.1 The Administrators' proposals

The Administrators' Proposals were issued to all creditors on 8 February 2019, no meeting was convened by the Administrators

No amendments have been made to the original Proposals approved by creditors

1.2 Realisation of assets

The Joint Administrators are obliged to realise and get in the Company's property and maximise realisations. In some cases this does not result in sufficient realisations to result in a financial benefit to creditors, after taking into account the costs and expenses of realisation and dealing with the legislative requirements of administering the case. Details of the realisations made are set out below, with information relating to dividends, if any, contained within Appendix B.

1.3 Property

As referred to previously in this report, the Company has four freehold properties which have been sold, as set out below:

Property	£
Penrith - Oak Road, Penrith CA11 8TS	275,199
Rishton - 16 Noble Street, Rishton, Blackburn BB1 4HX	180,000
Staleybridge - 83 Huddersfield Road, Stalybridge SK15 2PT	285,000
Thornton - 82-84 Lawsons Road, Thornton-Cleveleys FY5 4PW	154,999
Total	895,198

Independent valuations of the properties have been undertaken by our agents, Avison Young, and our legal advisors, Addleshaw Goddard LLP, have conducted a review of the Bank's security and title documentation.

The properties were marketed for sale and sold by our agents, Avison Young, and the funds are reflected in the attached receipts and payments account.

1.4 Debtors

The Company's books and records show debtors of c£107,000 due at the date of appointment.

On 10 April 2019 Clydesdale Bank transferred the sum of £104,718 in respect to book debts received into the Company's pre-appointment bank account. In addition, the sum of £450 has been received into the Administration estate. Total book debt collections are £105,168.

1.5 Motor vehicles

The Company owned two minibuses which have been realised for £2,900.

1.6 Intercompany / connected party balances

As at the date of appointment it appears from the Company's records that there are intercompany / connected party balances due to the Company.

The Joint Administrators believe intercompany / connected party balances are due to the Company and continue to pursue the balances that appear due but are not presently in a position to comment on the level of realisations from this source.

1.7 Rates Refund

On 28 October 2019 a rates refund in the sum of £2,553 was received.

1.8 Pension Refund

On 6 August 2019 a Pension refund in the sum of £3,552 was received.

1.9 Bank Interest

The gross bank interest received totals £591

1.10 Claim for compensation for mis-selling of Interest

The Joint Administrators have now completed their investigations and confirmed that whilst the Company was sold an IRHP, there is no evidence of mis-selling and therefore no redress due to the Company.

1.11 Investigations

In accordance with the Joint Administrators statutory obligations, the appropriate documentation has been submitted to the Department for Business, Energy and Industrial Strategy in relation to the conduct of the Directors

1.12 Administration and planning

Certain aspects of the work that the Joint Administrators undertake are derived from the underlying legal and regulatory framework for cases of this nature. This work, which does not usually result in any direct financial benefit to creditors, is a necessary part of complying with both the legislative and best practice responsibilities arising in such cases, and ensuring that the case is managed efficiently and effectively. It includes matters such as:

- Periodic case reviews, ongoing case planning and strategy;
- Maintaining and updating computerised case management records;
- Dealing with routine correspondence not attributable to other categories of work;
- Ongoing consideration of ethical and anti-money laundering regulations;
- General taxation matters, including seeking tax clearance from HMRC;
- Preparation of receipts and payments accounts, maintenance of cashing records;
- Preparing, reviewing and issuing final report to creditors and other parties;
- Filing of final documentation at Companies House, Court and other relevant parties;
- General administrative matters in relation to closing the case;
- Pension schemes, liaising with PPF/Pensions Regulator/Trustees; and
- Consideration of Health and Safety and environmental regulations.

2 Assets remaining to be realised

The only assets remaining to be realised are the intercompany / connected party balances as detailed in section 1.6.

3 Creditors' claims and dividend prospects

Details of the dividends paid to creditors, including the amount under the prescribed part, if any are shown in Appendix B.

The Joint Administrators are obliged to deal with a number of matters in relation to creditors to comply with both the legislative and best practice requirements in relation to the case and to ensure creditors are kept informed. Creditors will only derive an indirect financial benefit from this work on cases where a dividend has been paid or is due to be paid in the subsequent liquidation. It includes such matters as:

- Preparation and issue of progress reports and associated documentation;
- Maintenance of schedules of preferential and unsecured creditors' claims;
- Dealing with correspondence and telephone calls;
- Where necessary, consideration of creditors' claims; acceptance or rejection of claims and complying with legislative obligations in relation to adjudication of creditors' claims generally for voting and, if applicable, dividend purposes;
- Review of creditor claim supporting documentation; and
- Calculation and payment of dividend(s) to one or more classes of creditors.

4 Receipts and payments summary

The Joint Administrators' receipts and payments for the period from 21 June 2019 to 22 November 2019 are attached. Receipts and payments are shown net of VAT as the Company was not VAT registered and consequently VAT is not recoverable from HMRC. The irrecoverable VAT is shown in the receipts and payments account as a cost of realisation.

5 Joint Administrators' remuneration, expenses and disbursements

5.1 Authority for remuneration, disbursements and expenses

The Joint Administrators' remuneration was approved on 26 April 2019 by the secured and preferential creditors on the following basis

On the basis of time costs in respect of work undertaken limited to the sum of £121,457 (plus VAT) in accordance with the fee estimate attached to the Joint Administrators' proposals on 8 February 2019.

The Joint Administrators cannot draw more than this amount without obtaining the further approval of the secured and preferential creditors.

5.2 Remuneration incurred and drawn in the period from 21 December 2018 to 20 June 2019 and since appointment

Sums drawn, both in respect of the current period of the report and since appointment, in accordance with the relevant approval(s) set out above, are detailed in the attached receipts and payments account.

The Joint Administrators are required to report remuneration 'charged' in the period. This reflects the time charged to the case for any category of work where remuneration has been approved on a time cost basis. The Joint Administrators can only draw remuneration based on time costs that has been approved in accordance the fee estimate(s), as set out above.

The Joint Administrators have incurred time costs of £18,696 in the current period. An analysis of time incurred in the period is attached.

Since the date of appointment, the Joint Administrators have incurred time costs totalling £106,140. Of this, a total of £100,000 (plus VAT) has been paid and £6,140 remains outstanding and due to be paid.

Fees drawn are within the estimated amount approved by the relevant approving body and no further increase will be sought.

5.3 Expenses and disbursements

Details of all the Joint Administrators' expenses (which include category 1 and category 2 disbursements) incurred during the period of the report are shown in the attached Statement of Expenses. Expenses paid in the period, along with cumulative figures, are shown in the attached receipts and payments account. Details of the current rates are attached.

5.3.1 Other professional costs and expenses ("Category 1")

Whilst professional costs are not subject to approval by the relevant approving body, all professional costs are subject to review before being paid.

Addleshaw Goddard LLP, solicitors, have been retained as legal advisors in view of their general experience and expertise in these matters. They have provided advice on the appointment formalities and the drafting of the sale and purchase agreements.

Avison Young were retained as agents to dispose of the Company's tangible assets. Their remuneration has been agreed on the basis of 2% of property sales.

EK Employment have been retained as employee specialists and calculated the employee claims.

Clumber Consultancy Limited were instructed to file s22 notices and prepare a report in respect of the pension scheme. I have agreed that they be remunerated on the basis of their fixed fee plus VAT.

5.4 Pre-appointment costs

The Joint Administrators' proposals dated 8 February 2019 detailed un-paid pre-administration costs totalling £13,839.50. The sums below have been approved.

Pre-administration costs incurred	£		
	Incurred	Paid	Unpaid
Administrators' fees	11,186.50	-	11,186.50
Administrators' expenses	-	-	-
Total	11,186.50	-	11,186.50
GVA's fees (Now Avison Young')	600.00	-	600.00
Addleshaw Goddard LLP's	703.00	-	703.00
Hilco Valuation Services	1,250.00	-	1,250.00
Hilco Valuation Services expenses	100.00	-	100.00
Total	2,653.00	-	2,653.00
Total	13,839.50	-	13,839.50

5.5 Costs to closure

It is proposed that the Company will exit the Administration by Creditors' Voluntary Liquidation. I anticipate that I will incur additional costs to closure of £1,000.

5.6 Liquidation costs

For the avoidance of doubt the above information relates only to the period of the Administration. Further fee approval for the Liquidation will be sought from the appropriate approving body in due course, once the Company is in Liquidation.

6 Creditors' right to information and ability to challenge expenses

In accordance with the provisions of the relevant legislation creditors have a right to request further information about remuneration or expenses (other than pre-administration costs) and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the Administrator are in all the circumstances excessive.

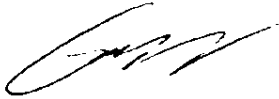
Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Administrators Fees, which provides information for creditors in relation to the remuneration of an Administrator, can be accessed at <https://rsm.insolvencypoint.com/> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

7 Closure of the Administration

The Joint Administrators will bring the Administration to a close by moving to Creditors' Voluntary Liquidation.

Should you require any further information please do not hesitate to contact me.



Gareth Harris

Joint Administrator

Appendix A

Statutory and other information

Company information	
Company name:	Safehands Nurseries Limited
Company number:	06279275
Date of incorporation:	14 June 2007
Trading name:	Safehands Nurseries Limited
Trading address:	Unit 3 Neptune Court, Whitehills Business Park, Blackpool, FY4 5LZ
Principal activity:	Other human health activities
Registered office:	RSM Restructuring Advisory LLP, 9th Floor, 3 Hardman Street, Manchester, M3 3HF
Previous registered office:	Unit 3 Neptune Court, Whitehills Business Park, Blackpool, FY4 5LZ

Administration information		
Joint Administrator:	Gareth Harris and Lindsey J Cooper	
Date of appointment:	21 December 2018	
Appointor:	Directors	
Date and details of extension:	None	
Exit route:	Creditors' Voluntary Liquidation	
Correspondence address & contact details of case manager	Ross Taylor 0113 285 5000 RSM Restructuring Advisory LLP, 9th Floor, 3 Hardman Street, Manchester, M3 3HF	
Name, address & contact details of Joint Administrators	Primary Office Holder Gareth Harris RSM Restructuring Advisory LLP 3 Hardman Street, Manchester, M3 3HF 0113 285 5000 IP Number: 14412	Joint Office Holder: Lindsey J Cooper RSM Restructuring Advisory LLP 3 Hardman Street, Manchester, M3 3HF 0161 830 4031 IP Number: 8931

Appendix B

Dividend information

Dividend prospects	Owed*	Paid to date	Estimated future prospects
Secured creditor: Clydesdale Bank PLC	£7 300,547	£600,000	Uncertain, dependent on future realisations
Preferential creditors (Bank subrogated wages claim)	£22 000	NIL	Uncertain, dependent on future realisations
Unsecured creditors	£607,204	NIL	NIL
Estimated net property	NIL		
Estimated prescribed part available for unsecured creditors	NIL		

* Per Company records

Any estimated outcome for creditors is illustrative and may be subject to change

Safehands Nurseries Limited
In Administration
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 21/12/2018 To 25/11/2019 £	From 21/12/2018 To 25/11/2019 £
	SECURED ASSETS		
250,000.00	Penrith Nursery	275,199.00	275,199.00
100,000.00	Rishton Nursery	180,000.00	180,000.00
300,000.00	Stalybridge Nursery	285,000.00	285,000.00
140,000.00	Thornton Cleveleys	154,999.00	154,999.00
		<u>895,198.00</u>	<u>895,198.00</u>
	COSTS OF REALISATION		
	Legal Fees / Disbs	6,830.00	6,830.00
	Security Costs	6,350.85	6,350.85
	Utility charges	2,118.00	2,118.00
	VAT - Irrecoverable	2,433.43	2,433.43
		<u>(17,732.28)</u>	<u>(17,732.28)</u>
	SECURED CREDITORS		
(7,300,547.00)	Clydesdale Bank Plc	104,718.00	104,718.00
		<u>(104,718.00)</u>	<u>(104,718.00)</u>
	ASSET REALISATIONS		
	Bank Interest Gross	591.49	591.49
50,000.00	Book Debts	105,168.00	105,168.00
1.00	Inter-company debtors	NIL	NIL
	Motor Vehicles	2,900.00	2,900.00
	Pension Refunds	3,552.00	3,552.00
	Petty Cash - Thornton	124.14	124.14
	Rates Refund	2,552.96	2,552.96
		<u>114,888.59</u>	<u>114,888.59</u>
	COST OF REALISATIONS		
	Administrators Fees	100,000.00	100,000.00
	Agents/Valuers Fees	32,646.59	32,646.59
	Employee related costs	2,965.13	2,965.13
	Insurance of Assets	17,692.58	17,692.58
	Legal Fees inc disbursements	5,421.52	5,421.52
	Mileage	352.43	352.43
	Pension Costs	2,320.00	2,320.00
	Post appointment Legal fees & Disbs	3,243.00	3,243.00
	Pre-appointment fees	11,531.50	11,531.50
	Pre-appointment Legal fees	638.00	638.00
	Statutory Advertising	84.60	84.60
	Statutory Bond	85.00	85.00
	Storage Costs	771.62	771.62
	VAT - Irrecoverable	31,621.35	31,621.35
		<u>(209,373.32)</u>	<u>(209,373.32)</u>
	PREFERENTIAL CREDITORS		
(22,000.00)	Employee Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(213,000.00)	Employees	NIL	NIL
(145,383.00)	Trade & Expense Creditors	600,000.00	600,000.00
		<u>(600,000.00)</u>	<u>(600,000.00)</u>
(6,840,929.00)		78,262.99	78,262.99
	REPRESENTED BY		
	Bank 1 Current		77,579.99
	Fixed Charge Vat Receivable		683.00

**Safehands Nurseries Limited
In Administration
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 21/12/2018 To 25/11/2019 £	From 21/12/2018 To 25/11/2019 £
------------------------------	---------------------------------------	---------------------------------------

REPRESENTED BY CONTINUED

78,262.99

Note:

Appendix D

RSM Restructuring Advisory LLP charging, expenses and disbursements policy

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP Manchester are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A decision regarding the approval of category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Manchester was sought from the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

Appendix E

RSM Restructuring Advisory LLP Manchester current charge out and disbursement rates

Hourly charge out rates	Rates at commencement	Current rates
	£	£
Partner	525	525
Directors / Associate Directors	385-475	385-475
Manager	245-335	245-335
Assistant Managers	240-245	240-245
Administrators	105-240	105-240
Support staff	195	195

Category 2 disbursement rates	
Subsistence	£25 per night (from 3 rd September 2013)
Travel (car)	42.5p per mile (from 1 April 2011)
'Tracker' searches	£10 per case

Appendix F

Statement of expenses incurred in the period from 21 June 19 to 22 November 2019

Expenses (excluding category 2 disbursements) Type and purpose	Incurred in period	
	Paid £	Unpaid £
Bond	85.00	-
Statutory advertising	84.60	-
Website fee	-	10.00
Storage agent (collection/storage of records)	771.62	-
Legal fees – Addleshaw Goddard LLP	15,494.52	-
Insurance	17,692.58	-
Avison Young agents costs property sales	32,646.59	-
Hilco agents	1,977.68	-
EK Employment	2,965.13	-
Pension consultancy – Clumber Consultancy Limited	2,320.00	-
Security Costs	6,350.85	-
Utility Charges	2,118.00	-
Sub Total	82,506.57	10.00
Category 2 disbursements		
Recipient, type and purpose		
RSM Restructuring Advisory LLP - Mileage	352.43	-
Sub Total	352.43	-
Total	82,859.00	10.00

NOTE: The amounts paid in the period are shown in the attached receipts and payments account. Invoices may have been paid in a period after that in which they were incurred.

AM22

Notice of move from administration to creditors' voluntary liquidation



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 **Matthew Woodcock**

Company name **RSM Restructuring Advisory LLP**

Address **9th Floor**

3 Hardman Street

Post town **Manchester**

County/Region

Postcode

M 3 3 H F

Country

DX

Telephone **0161 830 4000**



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



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 and dated the form.

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