

Section 106

**Return of Final Meeting in a  
Creditors' Voluntary Winding Up**

**Pursuant to Section 106 of the  
Insolvency Act 1986**

To the Registrar of Companies

**S.106**

Company Number

06307000

Name of Company

European Care (Danbury) Limited

I/We A P Beveridge  
The Zenith Building  
26 Spring Gardens  
Manchester  
M2 1AB

A C O'Keefe  
The Zenith Building  
26 Spring Gardens  
Manchester  
M2 1AB

Note: The copy account must be  
authenticated by the written signature(s)  
of the Liquidator(s)

1 give notice that a general meeting of the company was ~~duly held on~~/summoned for 15 April 2016 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been disposed of, ~~and that the same was done accordingly~~/no quorum was present at the meeting,

2 give notice that a meeting of the creditors of the company was ~~duly held on~~/summoned for 15 April 2016 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of ~~and that the same was done accordingly~~/no quorum was present at the meeting

The meeting was held at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB

The report covers the period from 22/07/2015 (commencement of winding up) to 15/04/2016 (close of winding up)

The outcome of the meeting (including any resolutions passed at the meeting) was as follows

- 1) To accept the Liquidators' final report and account; and
- 2) To approve the Liquidators' release from office.

Signed 

Date 15 April 2016

AlixPartners  
The Zenith Building  
26 Spring Gardens  
Manchester  
M2 1AB

Ref 11447-018/ASIL/SRO/LEB/BHOLL/SAD

SATURDAY



\*A5508VU1\*

A15 16/04/2016 #270

COMPANIES HOUSE

**European Care (Danbury) Limited**  
**(In Liquidation)**  
**Liquidators' Abstract of Receipts & Payments**  
**From 22 July 2015 To 15 April 2016**

S of A £	£	£
<b>FLOATING REALISATIONS</b>		
Contribution to costs	17,669 11	
HMRC refund	3,098 04	
	<u>                    </u>	20,767 15
<b>FLOATING COSTS</b>		
Office Holders' remuneration	16,950 32	
Category 1 disbursements	341 22	
Category 2 disbursements	39 55	
Irrecoverable VAT	3,436 06	
	<u>                    </u>	(20,767 15)
		<u>                    </u>
		<b>0.00</b>
<b>REPRESENTED BY</b>		
		<u>                    </u>
		<b>NIL</b>

Liquidators' Final Report  
for the period  
22 July 2015 to  
15 April 2016

European Care (Danbury) Limited  
European Care (Dartmouth) Limited  
European Care (Gillingham) Limited  
In Liquidation

15 April 2016

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AlixPartners  
The Zenith Building  
26 Spring Gardens  
Manchester M2 1AB

t +44 (0) 161 838 4500 f +44 (0) 161 838 4501

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## **1 Why this report has been prepared**

- 1 1 As you will be aware, Alastair Beveridge and Anne O’Keefe (the **Liquidators**) were appointed Liquidators of European Care (Danbury) Limited (**Danbury**), European Care (Dartmouth) Limited (**Dartmouth**) and European Care (Gillingham) Limited (**Gillingham**) (together the **Companies**) on 22 July 2015
- 1 2 In accordance with UK Insolvency Legislation, when a liquidation has been concluded a liquidator must prepare an account of the liquidation and convene a final meeting of members and creditors, where the final report will be laid before those meetings. This report covers the period 22 July 2015 to 15 April 2016 (the **Period**)
- 1 3 This report has been prepared in accordance with rule 4.49D of the Insolvency Rules 1986
- 1 4 All matters in the Liquidations have now been finalised and the purpose of this report is to provide a final update on the progress of the Liquidations, including details of assets realised during the Period, actions taken by the Liquidators and details regarding the Liquidators’ fees and the outcome for each class of creditor
- 1 5 Details of the Liquidators’ fees and costs incurred are detailed at Appendices C and D
- 1 6 More information relating to the Liquidation process, Liquidators’ fees and creditors’ rights can be found on AlixPartners’ creditor portal (<http://www.alixpartnersinfoportal.com>). Log-in details to access this information can be found within the covering letter you previously received
- 1 7 If you require a hard copy of this report or have any queries in relation to its contents, or the Liquidations generally, please contact Sean Ronald on 0161 838 4507, by email at [creditorreports@alixpartners.com](mailto:creditorreports@alixpartners.com), or write to AlixPartners’ office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB

## 2 Summary of information for creditors

Description	Agreed debt £	Total distributed £
<b>Danbury</b>		
Current Senior Lenders <sup>1</sup>	347,800,000	Nil
Unsecured creditors	162,381,321	Nil
<b>Dartmouth</b>		
Current Senior Lenders <sup>1</sup>	347,800,000	Nil
Unsecured creditors	35,801,209	Nil
<b>Gillingham</b>		
Current Senior Lenders <sup>1</sup>	347,800,000	Nil
Unsecured creditors	33,628,033	Nil

**Note**

1 Lloyds Bank Plc acts as Security Agent for Varde Capital Partners and DE Shaw & Co (Arvo Investment Holdings S.a.r.l and SPV Capital Funding Luxembourg S.a.r.l.) (together the Current Senior Lenders)

**Notes:**

The directors' Statements of Affairs indicated that the Current Senior Lenders were owed £347.8 million (excluding accrued interest and charges) at the date of appointments under their security, which was cross-guaranteed across all entities within the European Care Group (the Group). It also indicated that the Companies had no preferential creditors and confirmed the level of unsecured creditors in each entity.

As the Companies had no assets to realise and therefore distribute, the level of return for all classes of creditors across the Liquidations is nil.

For further information please refer to section 4 of this report.

### **3 Progress of the Liquidations**

- 3.1 Attached at Appendix B are the Liquidators' Receipts and Payments Accounts for the Companies. The Liquidations have now been completed and all expenses incurred have been paid.

#### **Assets**

- 3.2 As detailed in the directors' Report to Creditors and Members pursuant to section 98 of the Insolvency Act 1986 (the **Section 98 Report**), prior to the Liquidators' appointments the directors had transferred the Companies' business and assets to third parties, unconnected to the Group. Details of the transfers, including the effective dates and names of the transferees, are included in the Section 98 Report. It was therefore believed that the Companies had no realisable assets.
- 3.3 A refund totalling £3,098 was received in Danbury during the Period from HM Revenue & Customs in respect of PAYE and NIC overpayments prior to the transfer of Danbury's assets. It has since been confirmed that the refund is due to Danbury and not the transferees.

#### **Contribution to costs**

- 3.4 As the Companies had no assets, the Liquidators were provided with funds (the **Fund**) to meet the costs of the Liquidations. The Fund is held in a separate bank account as agreed with the Current Senior Lenders. The Liquidators draw the costs of the Liquidations from the Fund in accordance with their agreements with the Current Senior Lenders.
- 3.5 Details of the costs can be found within the Receipts and Payments Accounts at Appendix B.

#### **Investigations**

- 3.6 The Liquidators have conducted investigations into the conduct of the directors and transactions entered into prior to the Companies' insolvencies, as required by the Company Directors Disqualification Act 1986, and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administrations and Insolvent Liquidations.
- 3.7 The key matter investigated was the transfer of the Companies' business and assets. Based upon the outcome of the Liquidators' investigations, there were no matters identified that required further action.

## 4 Outcome for creditors

### Secured creditor – Lloyds Bank Plc (as Security Agent to the Current Senior Lenders)

- 4.1 Various subsidiaries in the Group granted a debenture to Lloyds Bank Plc as Security Agent to the Current Senior Lenders in July 2012 and the security was cross-guaranteed across all Group entities
- 4.2 At the date of the Liquidators' appointments, the Current Senior Lenders were owed £347.8 million (excluding accrued interest and charges) under its security. No distributions have been made.

### Preferential creditors

- 4.3 The Company had no employees and therefore no preferential claims have been received.

### Unsecured Creditors

- 4.4 Where there is a floating charge which was created on or after 15 September 2003, the Liquidators are required to create a fund from the Companies' net property available for the benefit of unsecured creditors (**Unsecured Creditors' Fund**), commonly known as the 'Prescribed Part'.
- 4.5 As the Companies granted floating charge security to the Current Senior Lenders after 15 September 2003, the Liquidators are required to create an Unsecured Creditors' Fund for each entity, however, there have been insufficient realisations made to establish Unsecured Creditors' Funds and no unsecured dividends were available.

Yours faithfully



Anne O'Keefe  
Liquidator

Encs

## Appendix A. Statutory information

### Company information

	European Care (Danbury) Limited	European Care (Dartmouth) Limited	European Care (Gillingham) Limited
Company name	European Care (Danbury) Limited	European Care (Dartmouth) Limited	European Care (Gillingham) Limited
Registered number	06307000	05665889	06161912
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Part Ground Floor & First Floor, Two Parklands, Rednal, Birmingham, B45 9PZ	Part Ground Floor & First Floor, Two Parklands, Rednal, Birmingham, B45 9PZ	Part Ground Floor & First Floor, Two Parklands, Rednal, Birmingham, B45 9PZ
Former trading addresses	Broomfield Hospital Site, Court Road, Chelmsford CM1 7FG Manor House, Gay Bowers Road, Danbury, Chelmsford CM3 4JQ East Hanningfield Road, Howe Green, Chelmsford CM2 7TP	15 Victory Road, Dartmouth TQ6 9JR	Fern Brook Lane, Off Shaftesbury Road, Dorset, SP8 4LL
Former trading names	Broomfield Grange Care Home St Joseph's Nursing Home Chelmsford Nursing Home	River View Care Centre	Gillingham Grange

### Liquidators' information

Name	Address	IP number	Name of authorising body
Anne Clare O'Keefe	AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	8375	Insolvency Practitioners Association
Alastair Paul Beveridge	AlixPartners, 6 New Street Square, London, EC4A 3BF	8991	Insolvency Practitioners Association

The Liquidators were appointed on 22 July 2015 by the members and creditors of the Companies

As approved by the meetings of creditors held pursuant to section 98 of the Insolvency Act 1986, any act required or authorised to be done by the Liquidators may be done by all or any one or more of them. Any reference to the Liquidators should be read as the Joint Liquidators

## Appendix B. Receipts and Payments Accounts for the period 22 July 2015 to 15 April 2016

### Danbury

Statement of Affairs £	£
<b>Floating charge assets</b>	
Receipts	
Contribution to costs	17,669
HMRC refund	3,098
	<b>20,767</b>
Payments	
Liquidators' fees	16,950
Category 1 disbursements	
Travel and subsistence	29
Specific penalty bond	20
Statutory advertising	248
Storage	15
Stationary, postage and photocopying	28
Category 2 disbursements	
Photocopying and printing	40
Irrecoverable VAT	3,436
	<b>(20,767)</b>
<b>Balance of floating charge assets</b>	<b>-</b>

### Dartmouth

Statement of Affairs £	£
<b>Floating charge assets</b>	
Receipts	
Contribution to costs	20,618
	<b>20,618</b>
Payments	
Liquidators' fees	16,853
Category 1 disbursements	
Travel and subsistence	29
Specific penalty bond	20
Storage	15
Statutory advertising	248
Category 2 disbursements	
Photocopying and printing	28
Irrecoverable VAT	3,425
	<b>(20,618)</b>
<b>Balance of floating charge assets</b>	<b>-</b>

## Gillingham

<b>Statement of Affairs £</b>	<b>£</b>
<b>Floating charge assets</b>	
Receipts	
Contribution to costs	20,549
	<b>20,549</b>
Payments	
Liquidators' fees	16,740
Category 1 disbursements	
Travel and subsistence	29
Specific penalty bond	20
Storage	15
Statutory advertising	248
Category 2 disbursements	
Photocopying and printing	94
Irrecoverable VAT	3,402
	<b>(20,549)</b>
<b>Balance of floating charge assets</b>	<b>-</b>

Please note that there were no realisable assets listed on the directors' Statements of Affairs. In addition, the Companies were exempt for VAT purposes, therefore the Liquidators cannot recover any VAT.

Please note that the above Receipts and Payments Accounts are subject to small rounding differences.

## Appendix C. Liquidators' fees and disbursements

### Fees

A copy of 'A Creditors' Guide to Liquidations' can be downloaded from AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>) If you would prefer this to be sent to you in hard copy please contact the Liquidators and they will forward a copy to you

Approval of the Liquidators' fees has been sought in accordance with rule 4 127 of the Insolvency Rules 1986 as amended, at the meeting of creditors on 22 July 2015 as being by reference to the time properly spent by the Liquidators and their staff on matters arising in the Liquidations As detailed in paragraph 3 4, the Current Senior Lenders provided the Fund to meet the costs and expenses of the Liquidations The Liquidators drew their fees from the Fund, which are held in a separate bank account, in accordance with their agreements with the Current Senior Lenders

The following fees were drawn during the Period.

Company	£
Danbury	16,950
Dartmouth	16,853
Gillingham	16,740

### Disbursements

A summary of the category 1 and 2 disbursements drawn can be found below Approval to draw category 2 disbursements was also granted at the meetings of creditors and the following disbursements were drawn

- Photocopying – charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying, and
- Printing – charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour

Company	Category 1 disbursements £	Category 2 disbursements £
Danbury	284	40
Dartmouth	256	11
Gillingham	256	94

## **Appendix D. Additional information in relation to the Liquidators' fees pursuant to Statement of Insolvency Practice 9**

### **Policy**

Detailed below is AlixPartners' policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

### **Staff allocation and the use of sub-contractors**

The Liquidators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of a managing director or director, an associate director or a senior associate, an associate and an analyst. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Liquidators' charge-out rate schedule overleaf provides details of all grades of staff

With regard to support staff, time spent by treasury staff in relation to tasks such as recording transactions and dealing with bank accounts is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution

The Liquidators have not utilised the services of any sub-contractors in these cases

### **Professional advisors**

The Liquidators have not utilised the services of any professional advisors on these assignments

### **Disbursements**

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case eg postage, case advertising, invoiced travel and external printing, room hire and document storage. Any properly reimbursed expenses incurred by the Liquidators and their staff will also be chargeable.

Category 2 disbursements do require approval prior to being paid and will be drawn in accordance with the approval given, they may include

- photocopying – charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying,
- printing – charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour; and
- business mileage for staff travel - charged at the rate of 45 pence per mile

## Charge-out rates

A schedule of AlixPartners' charge-out rates for these assignments effective from 1 February 2016, together with those applicable prior to that date, is detailed below. Time is charged by managing directors and case staff in units of six minutes.

Description £	Rates from 1 February 2016	Rates pre 1 February 2016
Managing director 1	650	650
Managing director 2	595	595
Director	570	570
Associate director	480	460
Senior associate	430	430
Associate	350	350
Analyst	305	295
Junior analyst	200	200
Senior treasury associate	230	230
Treasury associate	155	155
Treasury analyst	100	100
Support	95	95