

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company Abbey House UK Limited	Company number 06415757
In the High Court of Justice (full name of court)	Court case number 9263 of 2014

(a) Insert full
Name and
Address of
administrator


I (a)
Charles Howard Ranby-Gorwood
CRG Insolvency & Financial Recovery
Alexandra Dock Business Centre
Fisherman's Wharf
Grimsby
DN31 1UL

administrator of the above company attach a progress report for the period

(b) Insert date

From (b) From 16 January 2016	To (b) To 15 July 2016
----------------------------------	---------------------------

Signed


 Administrator

Dated

12/9/2016

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 give will be visible to searchers of the

Charles Howard Ranby-Gorwood
CRG Insolvency & Financial Recovery
Alexandra Dock Business Centre
Fisherman's Wharf
Grimsby
DN31 1UL

DX Number

01472 250001
DX Exchange



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COMPANIES HOUSE

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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

Administrator's Progress Report relating to
Abbey House UK Limited ("the Company") – In
Administration

For the period 16 January 2016
to 15 July 2016

CRG Insolvency and Financial Recovery
Alexandra Dock Business Centre
Fisherman's Wharf
Grimsby
North East Lincolnshire
DN31 1UL

Tel No. 01472 250001
Fax No 01472 250777

Dated 9 September 2016
Ref CHRG/MF/K

Abbey House UK Limited ("the Company")

Administrator's Progress Report to Creditors For the period 16 January 2016 to 15 July 2016

EXECUTIVE SUMMARY

The company traded from rented leasehold premises at St Georges Care Home, Brickhills, Broughton, Brigg, DN20 0BZ as a care home. The property is owned by Stamford Enterprise Limited, a company owned by Mr and Dr Singh, who are also directors of Abbey House UK Limited.

A petition had been presented against Abbey House UK Limited dated 28 August 2014 by HM Revenue & Customs for a debt of £99,434.01.

The company proposed a company voluntary arrangement but this was rejected.

A petition for an Administration Order was presented by the directors of Abbey House UK Limited. CRG Insolvency & Financial Recovery were then consulted to ascertain if there was willingness for Charles Howard Ranby-Gorwood to act as Administrator. Prior to appointment the discussions held with Mr Singh included that the Administration costs would not include a rent liability, as Stamford Enterprise Limited could waive this liability.

The Administrator considered in the interests of the secured creditor, Santander plc, and the residents, that the care home of St Georges should remain open and the Director Mr Singh confirmed he would arrange to pay the wages and costs of the trading of the care home and the bank account was not closed to assist with this process.

There had been discussion with an interested party to purchase the care home prior to the administration and these were further developed by the Administrator. This resulted in an offer being made on 23 March 2015 for the purchase of the care home with the residents remaining in situ, and the staff continuing in their role.

Abbey House UK Limited - In Administration received a rent demand from Mr and Dr Singh's company, Stamford Enterprise Limited, for £16,500 even though, prior to Administration, discussions were held with Mr Singh that the Administration costs would not include a rent liability.

A request for an immediate rent waiver to allow this purchase to progress was not accepted and therefore the purchaser was not willing to take occupation and the Administrator was not willing for Abbey House UK Limited - In Administration to remain in occupation.

The residents were moved by Social Services on 24 March 2015 to an alternative care home and the limited trading that had previously been undertaken, was therefore able to cease.

STATUTORY INFORMATION

Company name	Abbey House UK Limited
Company number	06415757
Date of incorporation	2 November 2007
Court Reference	High Court of Justice 9263 of 2014

Floating charge holder	Santander plc
Date of charge	28 January 2010
Date of charge registration	14 February 2010
Directors and shareholders	Mr Jagpreet Singh Dr Reeta Manmeet Kaur Singh
Company Secretary	Dr Reeta Manmeet Kaur Singh
Share Capital	100 ordinary share of £1 Mr Jagpreet Singh 51 Ordinary shares Dr Reeta Manmeet Kaur Singh 49 Ordinary shares
Trading Address:	St Georges Care Home, Brickhills, Broughton, Brigg, DN20 0BZ
Registered Office	Suite 4, Alexandra Dock Business Centre, Fisherman's Wharf, Grimsby, DN31 1UL on 19 th February 2015
Administrator	Charles Howard Ranby-Gorwood
Administrator's address	Suite 4, Alexandra Dock Business Centre, Fisherman's Wharf, Grimsby, DN31 1UL
Appointor	Jagpreet Singh and Dr Reeta Manmeet Kaur Singh, of Stamford House, North Kelsey Road, Caistor, LN7 6SF
Date of Administration	13 February 2015.

ADMINISTRATORS' ACTIONS SINCE LAST REPORT

Following a review of the company records transactions involving connected companies were identified Transactions included payments from the bank account of Abbey House UK Limited to Stamford Enterprise Limited totalling £47,776 90 The debt remains unpaid

There have been two statutory demands issued against Abbey House UK Limited in Administration by the director Mr Singh dated 26 June 2016 for £16,250 and £12,201 30 but both these statutory demands were set aside by a Tomlin Order

The Tomlin Order set aside the statutory demands issued by Mr Singh Mr Singh has been unwilling to cease in his pursuit of the claim against the company Mr Singh appears not to be prepared to adhere to the Tomlin Order, which I would suggest could be seen as a contempt of Court

In an attempt to resolve and conclude the matter as amicably as possible the Administrator was prepared to reduce the £47,776 90 claim against Stamford Enterprises Limited by £16,250 and £12,201 30

Therefore a Statutory Demand was served against Stamford Enterprises Limited for £19,325 60 on 28 July 2016 The Administrator in no way accepts the claims from Stamford Enterprises Limited as these have been resolved at Court by the agreement of the Tomlin Order The Administrator is simply attempting to resolve the matter as amicably as possible

On 18 August 2016 Mr Singh e-mailed a response to dispute the claim Mr Singh alleges the particular transactions were quarterly rent payments to Stamford Enterprises Limited and that Santander would take rent totalling £10,000 per month from Abbey House UK Limited The analysis from the Santander bank account provide the following details -

<u>Date</u>	<u>Details</u>	<u>Transfers</u>
29 04 13	Transfer to Santander UK PLC Reference A52926	7409 80
13 08 13	Transfer Ref A52927	2140 52
16 09 13	Transfer Ref A52926	7349 10
18 11 13	Transfer to Santander UK PLC ref A52927	2126 98
20.11 13	Transfer to Santander UK PLC ref A52926	7302.27
28 01 14	Transfer ref A52927 Interest & Repayment	2151 34
29 01 14	Transfer ref A52926 Interest & Repayment	3528 31
19 02 14	Transfer to Santander ref A52926 Interest & Repayment	3857 96
17 06 14	Transfer to Santander ref A52927 Interest & Repayment	2192 46
17 06 14	Transfer to Santander ref A52962 Interest & Repayment	4777 98
19 06 14	Transfer to Santander ref A52926 Interest & Repayment	2749 45
11 08 14	Transfer to Santander Ref A52927 Arrears	2190 73
		<u>47776 90</u>

Even if these were payments against rent, and there has been no evidence provided by Mr Singh to prove this is correct, these payments were made to an associated company when creditors of Abbey House UK Limited were not being paid

HMRC	Outstanding debts	£	£ accumulation
31 03 11	CTSA,CT	5,118 14	5,118 14
31 03 11	Interest	508 38	5,626 52
05 04 11	PAYE	5,000 00	10,626 52
05 04 11	Interest	1,188 95	11,815 47
05 04 11	Penalty	100 00	11,915 47
31 03 12	CTSA,CT,Penalty	6,738 32	18,653 79
31 03 12	Interest	349 23	19,003 02
05 04 12	PAYE	25,820 89	44,823 91
05 04 12	Interest	2,198 99	47,022 90
31 03 13	CT	200 00	47,222 90
05 04 13	PAYE	21,275 83	68,498 73
05 04 13	Interest	1,175.39	69,674 12

05 05 13	PAYE underpayment	2,800 29	72,474 41
05 06 13	PAYE underpayment	2,536 89	75,011 30
05 07 13	PAYE underpayment	2,653 48	77,664 78
05 08 13	PAYE underpayment	2,299 04	79,963 82
05 09 13	PAYE underpayment	2,442.22	82,406 04
05 10 13	PAYE underpayment	2,707 49	85,113 53
05 11 13	PAYE underpayment	908 85	86,022 38
05 12 13	PAYE underpayment	1,778 06	87,800 44
05 01 14	PAYE underpayment	1,999 98	89,800 42
05 02 14	PAYE underpayment	2,009 68	91,810 10
05 03 14	PAYE underpayment	1,662 89	93,472 99
05 04 14	PAYE underpayment	1,946 55	95,419 54
05 04 14	Interest	49 27	95,468 81
05 05 14	PAYE	3,773 48	99,242 29
05 05 14	Interest	86 27	99,328 56
05 06 14	PAYE	2,416 04	101,744 60
05 06 14	Interest	49 10	101,793 70
05 07 14	PAYE	3,147 75	104,941 45
05 07 14	Interest	56 22	104,997 67
05 08 14	PAYE	2,530 82	107,528 49
05 08 14	Interest	38 77	107,567 26
05 10 14	PAYE	3,572 51	111,139 77
05 10 14	Interest	36 87	111,176 64
05 11 14	PAYE	1,729 31	112,905 95
05 11 14	Interest	13 46	112,919 41
05 12 14	PAYE	3,051 57	115,970 98
05 12 14	Interest	16 24	115,987 22
05 01 15	PAYE	3,051 57	119,038 79
05 01.15	Interest	8 48	119,047 27
05 02 15	PAYE	3,051 57	122,098 84
05 02 15	Interest	0 73	122,099 57
		122,099 57	122,099 57

It is suggested that the payments made to Stamford Enterprises Limited are a preference as payments have been made to an associated company when creditors of the company were not being paid Therefore I consider the £47,776 90 is repayable by Stamford Enterprises Limited As I have reported the Statutory Demand was issued for £19,325 60 and I am prepared to accept this amount to resolve matters

The Administration was due to automatically end on 12 February 2016 Consent was gained from the relevant form of creditors to continue the Administration for a further 12 months to allow matters to be concluded

There is certain work that I am required by the insolvency legislation to undertake work in connection with the Administration that provides no financial benefit for the creditors A description of the routine work undertaken since my last progress report is as follows

1 Administration

- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing the office holder's estate bank account
- Creating, maintaining and managing the office holder's cashbook
- Undertaking regular bank reconciliations of the bank account containing estate funds
- Reviewing the adequacy of the specific penalty bond on a quarterly basis
- Undertaking periodic reviews of the progress of the case
- Overseeing and controlling the work done on the case by case administrators
- Preparing, reviewing and issuing progress reports to creditors and members
- Filing returns at Companies House
- Preparing and filing Corporation Tax returns

2 Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims
- Maintaining up to date creditor information on the case management system
- Preparing reports to creditors
- Maintaining creditor information on IPS case management software

3 Investigations

- against a third party in order to recover funds for the benefit of creditors

4 Cashiering

- Maintaining and managing the Administrator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

5 Realisation of Assets

- Issuing a Statutory Demand

RESOLUTIONS BY CORRESPONDENCE

The company had insufficient expected to realise assets to allow a distribution to unsecured creditors. A creditor's meeting was therefore not held. The proposals were therefore deemed approved 8 business days after the proposals had been issued. The proposals were issued on 9 April 2015.

The basis of fees and disbursements were agreed by the secured and preferential creditors by correspondence.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 16 January 2016 to 15 July 2016 is attached. Receipts and payments are shown net of VAT, with any amounts due to, or from, HM Revenue & Customs shown separately. Estate funds were banked in a designated client account at a UK bank and accordingly there is no account held by the Secretary of State to reconcile the attached report to.

ASSETS

No assets were sold to connected parties.

Residents Fees

Residents Fees totalling £18,729 were received prior to the period 16 January 2016 to 15 July 2016. There was also a refund of overpaid residential fees of £2,478.73 so the net received was £16,250.27.

Bank Interest

Bank Interest totalling £4 06 were received during the period 16 January 2016 to 15 July 2016

Bankruptcy Petition

A refund of 750 relating to the Bankruptcy Petition was received during the period 16 January 2016 to 15 July 2016

Furniture & Equipment

CJM Asset Management collected the assets which comprised furniture and equipment. These items were sold at auction and funds totalling £1,705 were received prior to the period 16 January 2016 to 15 July 2016

Director's Loans

As reported it was necessary to instruct Solicitors to begin Bankruptcy proceedings against the former Director. An agreement was reached for the director to repay £23,950. Payments were received by instalment. The full £23,950 was received prior to the period 16 January 2016 to 15 July 2016

Deposit towards Legal Fees

£2,000 was received from Joomla! Balti House Limited towards the legal fees relating to the application for an Administration Order, prior to the current reporting period

Refund of Council Tax

The Company has received a refund totalling £18 in regard to Council Tax, prior to the period 16 January 2016 to 15 July 2016

Intercompany Transactions

As reported, following an analysis of the Santander bank account during the period 29 April 2013 to 11 August 2014 an amount of £47,776 90 has been identified being transferred between Abbey House UK Limited and Stamford Enterprises Limited. The payment to Stamford Enterprises Limited is considered a preference as payments have been made to an associated company when creditors of the company were not being paid. HMRC have a claim of £122,099 57. I have analysed HMRC's claim and have included a full list of amounts unpaid. As at 29 April 2013, when the first analysed payment was made to Stamford Enterprises Limited, HMRC were owed £47,222 90. This increased to £107,567 26 by 11 August 2014. It is considered that there is therefore a preference to pay an associated company rather than a non-associated creditor of Abbey House UK Limited.

A Statutory Demand has been issued and a response received from Mr Singh. I am currently considering the matter which will include legal advice on how best to progress the claim against Stamford Enterprises Limited.

The CVA also provided details of an indebtedness to Abbey House UK Limited from Stamford Infotech Limited of £84,806. Stamford Infotech Limited was dissolved on 14 July 2015 following strike off. There is no ability to recover funds from Stamford Infotech Limited.

LIABILITIES

Secured Liabilities

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charges. The Company gave a fixed and floating charge to Santander plc on 28th January 2010 which was registered on 14th February 2010. Since this charge was given after 15 September 2003 the prescribed part provisions can apply if sufficient funds become available.

Prescribed Part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

Due to costs involved in administering the insolvency it is unlikely that funds will become available for the prescribed part. The last statement received from Santander showed an indebtedness of £19,917.

Preferential Creditors

The main known potential preferential creditors are former employees of the Company for unpaid wages and holiday pay. Employees claim their unpaid employee costs against the insolvency service. Insolvency service have yet to provide a claim. There are 9 potential employees with claims estimated at £3,956.59.

Crown Creditors

The Director has not provided a Statement of Affairs so estimates have been used from the records of the company. HMRC PAYE/NIC debt was estimated at £120,255. A provisional claim for HMRC PAYE/NIC of £122,092 has been received. The company was not VAT registered so there will be no HMRC VAT claim.

Non-preferential Unsecured Creditors

It was estimated that there were 42 unsecured creditors with an estimated total liability of £234,430. This figure includes the HMRC claim. I have received claims from 28 creditors at a total of £186,639. I have not received claims from 20 creditors with original estimated claims of £93,610.

DIVIDENDS

There are insufficient funds to allow a dividend to be declared to non-preferential unsecured creditors. It is unlikely that there will be a dividend declared to any form of creditor due to the amount of funds held and potential funds remaining to recover and the level of costs and expenses incurred in the Administration.

ADMINISTRATOR'S INVESTIGATIONS

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

In particular, I reviewed the Company's accounting records, obtained and reviewed copy bank statements for the 24 months prior to the Company ceasing to trade from the Company's bankers, and compared the information in the Company's last set of accounts and the proposed CVA and made enquiries about amounts considered due to the company

EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company I also consider that they are "main" proceedings since the Company's registered office and its trading address is in the United Kingdom

PRE-ADMINISTRATION COSTS

The Honourable Mrs Justice Proudman Ordered that the costs for the application be an expense of the application therefore pre-appointment application fees of £4,587 50 will be drawn once sufficient funds become available I confirm the Barrister's application costs of £2,085 have been paid

Prior to the hearing of the Application Ashton Bond Gigg Solicitors were instructed by the director Mr Singh on behalf of Abbey House UK Limited in relation to postponing the Winding Up Petition against Abbey House UK Limited and also the Administration Application Whilst some of that work was paid for in advance, either by the Company or on behalf of the Company, there were certain sums outstanding as at the date of the hearing on 13th February 2015 Because that work all related to the Administration Application it should be paid as an expense of the Administration The outstanding expenses of £4,000 were paid in the period 16 January 2016 to 15 July 2016

ADMINISTRATOR'S REMUNERATION

The basis of fees and disbursements were agreed on a time cost basis by the secured and preferential creditors by correspondence

My remuneration was previously authorised by the preferential and secured creditors on 11 January 2016

My remuneration was authorised on a time cost basis My time costs to 15 July 2016 amount to £45,109 98, representing 267 82 of hours work at an average charge out rate of £168 44 per hour, of which £3,330 was charged in the period 16 January 2016 to 15 July 2016, representing 20 of hours work at an average charge out rate of £166 50 per hour

A schedule of my time costs incurred to date is attached At this time there have been no Administration time costs drawn

During the initial period of the Administration it was necessary for the residents to be rehomed This required organisation to ensure the move took place immediately and with as little disruption as possible This involved cooperation and support from the Council, The Care Quality Commission, residents and staff There has also been a significant amount of time involved with investigating transactions and pursuing the director for the overdrawn loan account It was necessary to instruct solicitors and for Court attendance to resolve this matter

A copy of 'A Creditors Guide to Administrators' Fees' are available at the link -

<https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice/e-and-w/sip-9-list>

There are different versions depending on the date of the insolvency

- December 2015 - Payments to Insolvency Office Holders and their Associates
- November 2011 - Payments to Office Holders and their Associates
- April 2010 to October 2011 - Remuneration of Insolvency Office Holders
- July 2004 to April 2010 - Remuneration of Insolvency Holders

Please note that there are different versions and in this case you should refer to the November 2011 version
A hard copy can be obtained on request from the Liquidator's office

ADMINISTRATOR'S EXPENSES

Total expenses to 15 July 2016 total £27,044 This includes trading expenses of £14,621 and other expenses of £12,423

No expenses were charged during the period 16 January 2016 to 15 July 2016 During the period 16 January 2016 to 15 July 2016 I have drawn expenses totalling £4,150

I have incurred the following expenses which have yet to be drawn

Type of expense	Amount incurred/ accrued
Postage	£52 54
Company Search	£8 00
Advertising	£76 72
Bond	£528 00

I have incurred the following category 2 disbursements in the period since my appointment as Administrator

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period
Photocopying	£65 20

I have used the following agents or professional advisors in the reporting period

Professional Advisor	Nature of Work	Basis of Fees
Rathby Investigators	Investigator	Fixed Fee
CJM Asset Management	Valuer/Auctioneer	Percentage of sale
BG Solicitors	Solicitors	Time cost
SHK Solicitors	Solicitors	Fixed Fee
Ashton Bond Gigg Solicitors	Solicitors	Fixed Fee

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

SUMMARY

The Administration has been extended to 12 February 2017. The Administration will remain open until the following matters have been finalised specifically funds due to the company.

Should you have any queries regarding this matter please contact Charles Ranby-Gorwood on 01472 250001.



Charles Ranby-Gorwood
Administrator of Abbey House UK Limited

The Administrator is an agent of the Company and acts without personal liability.

Abbey House UK Limited
(In Administration)

Administrator's Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 13/02/2015 To 15/01/2016 (£)	From 16/01/2016 To 15/07/2016 (£)	Total (£)
Residents Fees		18,729 82	0 00	18,729 82
JLA Single Feed Otex Resign	1,375 00	0 00	0 00	0 00
Leasehold Improvements	Uncertain	0 00	0 00	0 00
Furniture & Equipment	Uncertain	1,705 00	0 00	1,705 00
Book Debts	Uncertain	0 00	0 00	0 00
Directors Loan Account	23,951 00	23,950 99	0 00	23,950 99
Prepayments	NIL	0 00	0 00	0 00
Deposit for legal fees	2,000 00	2,000 00	0 00	2,000 00
Bank Interest Gross		0 00	4 06	4 06
Bank Interest Net of Tax		2 00	0 00	2 00
Refund of Council Tax		18 56	0 00	18 56
Bankruptcy Petition Fee		0 00	750 00	750 00
		46,406 37	754 06	47,160 43
PAYMENTS				
Rents		326 00	0 00	326 00
Water Rates		21 37	0 00	21 37
Food & Household Expenses		1,341 96	0 00	1,341 96
Salaries		9,339 77	0 00	9,339 77
Property Repairs		134 87	0 00	134 87
Refund of Overpaid Residents Fees		2,478 73	0 00	2,478 73
Removal of Waste		102 20	0 00	102 20
Tax & NIC		2,807 57	0 00	2,807 57
Santander Bank plc	(20,073 00)	0 00	0 00	0 00
JLA Hire Agreement	(1,375 00)	0 00	0 00	0 00
Plant & Machinery		0 00	0 00	0 00
Counsel Fees		2,085 00	0 00	2,085 00
Agents Fees		150 00	0 00	150 00
Valuers Fees		170 50	0 00	170 50
Legal Fees		3,772 60	4,000 00	7,772 60
VAT		1,549 26	830 00	2,379 26
Bankruptcy Petition Fee		1,030 00	0 00	1,030 00
PAT Tests		64 00	0 00	64 00
Removal Costs		770 00	150 00	920 00
Insurance of Assets		265 00	0 00	265 00
DE Arrears & Holiday Pay	(2,823 06)	0 00	0 00	0 00
Trade & Expense Creditors	(61,120 00)	0 00	0 00	0 00
Connected creditors	(53,038 00)	0 00	0 00	0 00
Connected contingent creditors	(13,001 00)	0 00	0 00	0 00
HM Revenue & Customs	(120,255 00)	0 00	0 00	0 00
Ordinary Shareholders	(100 00)	0 00	0 00	0 00
		26,408 83	4,980 00	31,388 83
Net Receipts/(Payments)		19,997 54	(4,225 94)	15,771 60

MADE UP AS FOLLOWS

**Abbey House UK Limited
(In Administration)**

Administrator's Summary of Receipts and Payments

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Estate Bank Account - Interest Bearing	19,756 34	(3,984 74)	15,771 60
	19,756 34	(3,984 74)	15,771 60

Note

Time Entry - Detailed SIP9 Time & Cost Summary

ABBEYHOUSE - Abbey House UK Limited
From 16/01/2016 To 15/07/2016
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
200 Cashing	0.00	0.00	0.00	1.20	1.20	120.00	100.00
203 Post Appointment	0.00	1.30	0.00	0.00	1.30	227.50	175.00
204 Tax	0.00	0.00	0.00	2.40	2.40	240.00	100.00
603 Case Review	0.00	0.00	0.30	0.00	0.30	45.00	150.00
FL Filing	0.00	0.00	0.00	0.10	0.10	10.00	100.00
RECORDS Books and records	1.60	0.00	0.00	0.00	1.60	360.00	225.00
Admin & Planning	1.60	1.30	0.30	3.70	6.90	1,002.50	145.29
406 Legal - Correspondence	0.20	1.70	0.00	0.00	1.90	342.50	180.26
Case Specific Matters	0.20	1.70	0.00	0.00	1.90	342.50	180.26
500 Preferential Creditors	0.00	1.10	0.00	0.00	1.10	192.50	175.00
504 Statutory Reporting to Creditors	0.00	7.60	0.00	0.00	7.60	1,330.00	175.00
Creditors	0.00	8.70	0.00	0.00	8.70	1,522.50	175.00
300 Ident / Securing & Insuring	0.00	0.00	1.20	0.00	1.20	180.00	150.00
302 Property	0.00	0.20	0.00	0.00	0.20	35.00	175.00
305 Stock	0.20	0.00	0.00	0.00	0.20	45.00	225.00
306 Other Assets	0.90	0.00	0.00	0.00	0.90	202.50	225.00
Realisation of Assets	1.10	0.20	1.20	0.00	2.50	462.50	185.00
Total Hours	2.90	11.90	1.50	3.70	20.00	3,330.00	166.50
Total Fees Claimed						0.00	

Time Entry - Detailed SIP9 Time & Cost Summary

ABBEYHOUSE - Abbey House UK Limited
To 15/07/2016
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
203 Post Appointment	0 20	26 12	0 50	0 00	26 82	4 690 48	174 91
204 Tax	0 00	0 00	0 00	4 90	4 90	490 00	100 00
200 Cashing	0 00	0 00	0 00	13 90	13 90	1 390 00	100 00
603 Case Review	0 00	0 00	6 00	0 00	6 00	900 00	150 00
701 Strategy (incl Sales)	8 30	0 00	0 00	0 00	8 30	1 867 50	225 00
FI Filing	0 00	1 00	1 00	0 50	2 50	375 00	150 00
RECORDS Books and records	1 60	0 00	0 10	0 00	1 70	375 00	220 59
TP Typing	0 00	0 00	0 70	0 00	0 70	105 00	150 00
Admin & Planning	10 10	27 12	8 30	19 30	64 82	10,192.98	157 26
600 Case Specific	0 00	0 00	16 80	5 10	21 90	3 030 00	138 36
406 Legal - Correspondence	14 80	1 80	6 40	0 10	23 10	4 600 00	199 13
Case Specific Matters	14 80	1 80	23 20	5 20	45 00	7,630 00	169 56
500 Preferential Creditors	0 00	1 10	0 00	0 00	1 10	192 50	175 00
501 Unsecured Creditors	1 70	1 40	3 90	9 80	16 80	2 192 50	130 51
502 Employee Matters	0 00	1 30	15 40	1 90	18 60	2 727 50	148 64
504 Statutory Reporting to Creditors	5 60	28 20	0 20	0 00	34 00	6 225 00	183 09
505 Report / Secured Creditor	0 30	0 10	0 00	0 00	0 40	85 00	212 50
Creditors	7 60	32 10	19 50	11 70	70 90	11,422 50	161 11
407 Liquidators Investigations	1 40	0 00	0 00	2 40	3 80	555 00	146 05
408 Investigations	1 30	0 00	0 00	0 70	2 00	362 50	181 25
201 CDDA Reports	0 20	0 00	7 80	0 00	7 80	1,185 00	151 92
404 Legal - Investigations	10 40	0 00	4 80	4 50	19 70	3,447 00	174 97
Investigations	13 30	0 00	12 40	7 60	33 30	5,549 50	166 65
300 Ident / Securing & Insuring	0 00	0 00	1 20	0 00	1 20	180 00	150 00
302 Property	0 20	1 90	0 00	0 80	2 90	457 50	157 76
303 Book Debits	11 50	0 00	0 00	0 20	11 80	2,630 00	222 88
305 Stock	0 20	0 00	0 00	0 00	0 20	45 00	225 00
306 Other Assets	1 20	2 40	0 20	0 30	4 10	750 00	182 93
Realisation of Assets	13 20	4 30	1 40	1 30	20 20	4,062.50	201 11
SOA Preparing Statement of Affairs	4 00	1 20	0 00	0 00	5 20	1 110 00	213 46
Statement of Affairs	4 00	1 20	0 00	0 00	5 20	1,110 00	213 46
400 Trading	18 30	0 20	0 00	0 00	18 50	4 152 50	224 46
402 Cashing for Trading	0 00	0 00	0 00	9 90	9 90	990 00	100 00

Time Entry - Detailed SIP9 Time & Cost Summary

ABBEYHOUSE - Abbey House UK Limited
 To 15/07/2016
 Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Trading	18 30	0 20	0 00	9 90	28 40	5,142.50	181 07
Total Hours	81 30	68 72	64 80	55 00	267 82	45,109 98	168 44
Total Fees Claimed						0 00	

PRACTICE FEE RECOVERY POLICY FOR CRG INSOLVENCY & FINANCIAL RECOVERY

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice/e-and-w/sip-9-list>.

There are different versions depending on the date of the insolvency:

- December 2015 - Payments to Insolvency Office Holders and their Associates
- November 2011 - Payments to Office Holders and their Associates
- April 2010 to October 2011 - Remuneration of Insolvency Office Holders
- July 2004 to April 2010 - Remuneration of Insolvency Holders

Alternatively a hard copy may be requested from CRG Insolvency & Financial Recovery, Alexandra Dock Business Centre, Fisherman's Wharf, Grimsby, DN31 1UL.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged. Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 1 April 2016 (£/hour)
Partner – appointment taker	225.00
Senior Manager	175.00
Manager	150.00
Senior Administrator	100.00
Case Administrator/Cashier	100.00
Support Staff	75.00

These charge-out rates charged are reviewed on 1 April each year and are adjusted to take account of inflation and the firm's overheads

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories

- Administration and Planning
- Investigations
- Realisation of Assets
- Creditors
- Trading
- Case specific matters

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we now only seek time costs for the following categories

- Investigations
- Distributions
- Trading
- other

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate, any additional work undertaken, or proposed to be undertaken, the hourly rates proposed for each part of the work, and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the *realisation percentage* has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office

holder has carried out their functions, and the value and nature of the property with which the office holder has to deal

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or CRG Insolvency & Financial Recovery, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Room Hire	None
Mileage	45p per mile
Storage	£1 per box per month
Photocopying	10p per sheet

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR CRG INSOLVENCY & FINANCIAL RECOVERY

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

Licensing Body

Charles Howard Ranby-Gorwood is licensed to act as an Insolvency Practitioner in the United Kingdom by the Insolvency Practitioners Association.

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the professional body that licences Charles Howard Ranby-Gorwood can be found at <http://www.insolvency-practitioners.org.uk/>. In addition, IPs are bound by the Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code for the IPA can be found at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

Complaints

At CRG Insolvency & Financial Recovery we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of a particular case then in the first instance you should contact the IP acting as office holder.

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer Sally Cribb at CRG Insolvency & Financial Recovery, Alexandra Dock Business Centre, Fisherman's Wharf, Grimsby, North East Lincolnshire DN31 1UL. This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gsi.gov.uk, or you may phone 0300 678 0015 - calls are charged at up to 12p per minute from a land line, or for mobiles, between 3p and 45p per minute if you're calling from the UK.

The Insolvency Practitioners Association holds a Consumer Credit Licence which covers members. Complaints relating to matters under their Consumer Credit Licence can be referred to The Financial Ombudsman Service, Exchange Tower, London E14 9SR and you may be able to access their Alternative Dispute Resolution (ADR) system. More information can be found at <http://financial-ombudsman.org.uk/consumer/complaints.htm>.

Professional Indemnity Insurance

CRG Insolvency & Financial Recovery's Professional Indemnity Insurance is provided by PI4U, of 18 Henfield Business Park, Henfield, West Sussex. This professional indemnity insurance provides worldwide coverage, excluding professional business carried out from an office in the United States of America or Canada, and any action for a claim brought in any court in the United States of America or Canada.

VAT

CRG Insolvency & Financial Recovery is registered for VAT under registration no. 814 3091 55.