

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 8 9 7 7 2 3 6

Company name in full Future Life Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) David Matthew

Surname Hammond

3 Liquidator's address

Building name/number One

Street Chamberlain Square

Post town Birmingham

County/Region

Postcode B 3 3 A X

Country United Kingdom

4 Liquidator's name ①

Full forename(s) Edward

Surname Williams

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number One

Street Chamberlain Square

Post town Birmingham

County/Region

Postcode B 3 3 A X

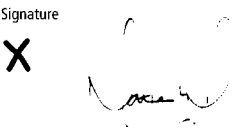
Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report																
From date	d	0	d	1	m	0	m	2	y	2	y	0	y	2	y	1	
To date	d	3	d	1	m	0	m	1	y	2	y	0	y	2	y	2	
7	Progress report																
☒ The progress report is attached																	
8	Sign and date																
Liquidator's signature	Signature 																
Signature date	d	2	d	8	m	0	m	3	y	2	y	0	y	2	y	2	

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Sara Myers**

Company name **PricewaterhouseCoopers LLP**

Address **8th Floor Central Square**

29 Wellington Street

Post town **Leeds**

County/Region

Postcode

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Country **United Kingdom**

DX

Telephone **0113 289 4566**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

Joint liquidators' progress report from 1 February 2021 to 31 January 2022

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

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Abbreviations and definitions

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

Abbreviation or definition	Meaning
FL All	Future Life All Limited
FLS (A)	Future Lifestyles (A) Limited
FLSL	Future Life Support Limited
FLL	Future Life Limited
FLGL	Future Life Group Limited
FLSGL	Future Lifestyles Group Limited
Companies	FL All, FLS(A), FLSL, FLL, FLGL and FLSGL
Liquidators, we, our	David Matthew Hammond and Edward Williams, both of PwC (from 4 January 2021) Michael Thomas Denny and David Matthew Hammond, both of PwC (to 4 January 2021)
GRWP	GRWP Gofal Cymru Care Homes South Limited -in Members' Voluntary Liquidation
FLC5	Future Life Care Five Limited - in Members' Voluntary Liquidation
Firm	PricewaterhouseCoopers LLP
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
CVL	Creditors' voluntary liquidation
HMRC	HM Revenue and Customs
SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply.
SIP 2	Statement of Insolvency Practice 2: Investigations by office holders in administration and insolvent liquidations
SIP 9	Statement of Insolvency Practice 9: Remuneration of insolvency office holders
SIP 13	Statement of Insolvency Practice 13: Disposal of assets to connected parties in an insolvency process
Solicitors	Pinsent Masons LLP
SoA	Statement of Affairs
Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
Preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Unsecured creditors	Creditors who are neither secured nor preferential

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

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

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

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

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

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

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

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

Key messages

Why we've sent you this report

I'm writing to update you on the progress of the liquidations of the Companies in the last 12 months since our last report dated 31 March 2021.

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

How much creditors have received

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

Class of creditor	Secured creditors (p in £)	Preferential creditors (p in £)	Unsecured creditors (p in £)
FL All			
Current estimate	N/A	N/A	Up to 19p
Previous estimate	N/A	N/A	Up to 19p
Dividend paid to date	N/A	N/A	11.7p
FLS(A)			
Current estimate	N/A	N/A	Nil
Previous estimate	N/A	N/A	Nil
FLSL			
Current estimate	N/A	N/A	Nil
Previous estimate	N/A	N/A	Nil
FLL			
Current estimate	N/A	N/A	Up to 16p
Previous estimate	N/A	N/A	Up to 16p
Dividend paid to date			10p
FLGL			
Current estimate	N/A	N/A	Nil
Previous estimate	N/A	N/A	Nil
FLSGL			
Current estimate	N/A	N/A	Nil
Previous estimate	N/A	N/A	Nil

What you need to do

FL All and FLL

We previously asked for outstanding claims from unsecured creditors so that we could agree them for dividend purposes.

FL All - To date, a dividend distribution of 11.7p in the £ totalling c.£2.8m, has been paid to all unsecured creditors in FL All, whose claims have been admitted for dividend purposes.

FLL - A dividend distribution of 10p in the £ totalling c.£2.6m, has been paid to all unsecured creditors in FLL whose claims have been admitted for dividend purposes.

If you haven't already done so, please send your claim to us so that we can agree it. A claim form can be downloaded from our website at www.pwc.co.uk/futurelife or you can get one by contacting Sara Myers at sara.myers@pwc.com. All creditors wishing to receive the anticipated dividend payment must submit a proof of debt.

FLSGL

Based on the information currently available we're now able to confirm that funds will become available to enable a dividend to be paid to unsecured creditors of FLSGL. However, we are not aware of any unsecured creditors in this company and as such funds will be paid to FLSGL's shareholder FL All.

This report is for your information and you don't need to do anything.

FLS(A), FLSL and FLGL

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

Outcome for creditors

Secured creditors

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

Preferential creditors

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

Unsecured creditors

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

FL All

Based on the information currently available we think dividends of up to 19p in the £ will be paid to the unsecured creditors of FL All. To date, a dividend of 11.7p in the £ was declared to the unsecured creditors on 20 May 2020 and paid shortly thereafter. The timing of the remaining dividend(s) is dependent on receiving funds from FLSGL and the deferred consideration, see below for more information.

FLL

Based on the information currently available we think dividends of up to 16p in the £ for unsecured creditors of FLL. To date, a dividend of 10p in the £ was declared to the unsecured creditors on 20 May 2020 and paid shortly thereafter. Funds needed to pay a second and final distribution of 5p in the £ will come from the money FLL is expected to receive by way of a second and final dividend due from FL All as detailed above.

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

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

FLSGL

Based on the information currently available FLSGL, will receive a distribution from FLC5 of approximately £577k. As FLSGL has no creditors, it will become solvent and a payment will be made to its shareholder FL ALL. This dividend will be made within the next few weeks.

FLS(A), FLSL and FLSGL

No dividends are expected to be paid in relation to these three companies. Once the tax position is finalised across the whole group, these companies will be moved to closure. We expect this to be within the next few months.

Progress since we last reported

Realisations since our previous progress report update

When we last reported, the main outstanding matters in the liquidations were as follows:

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

An update on these matters is set out below, together with details of additional work done in the period of this report. Creditors should refer to our previous reports should they require any further details on the work done in previous periods.

FL ALL

Deferred consideration

As previously reported, funds of £3m continue to remain in an escrow account in FL All, pending resolution of certain indemnity claims, or the expiry of a longstop date being five years from the date of completion. We continue to be aware of one such outstanding claim, the hearing for which has been delayed a number of times due to the pandemic and isn't due to be heard until later in the Spring.

It's our expectation that the escrow funds will not be released until the expiry of the long stop date which we estimate being the Summer of 2022, if not later given the uncertainty regarding the timing of the hearing. Once this position of the claim has been resolved the funds will be released to FL All.

Bank Interest

During the period FL All received bank interest of £812.

Cash at Bank

In our previous report we confirmed that we have been notified by the liquidator of FLC5, an associated group company which is in a solvent liquidation, that FL All may be holding funds on their behalf. After investigation, it was established that funds of £620,163 have been received and held by FL All.

In the event of the funds being paid back to FLC5, given the inter group position, the vast majority of the funds would ultimately return to the creditors of FL All by way of capital distribution and ultimate dividend distributions from the CVLs.

Based on the above, we have sought legal advice to consider if it was appropriate to return these funds to FLC5. We are comfortable that we can evidence the payment does not adversely impact the creditors of FL All, indeed if we did not return the funds, additional costs (such as tax) would be incurred by FL All resulting in a worse outcome to FL All creditors. We are therefore looking to make the payment to FLC5 shortly.

FL All has an unsecured claim in FLC5 of £3,973. We have agreed a mutual set off, taking into account statutory interest of £1,303 totalling £5,276, the transfer to FLC5 will be in the region of £614,800 and will be made shortly.

Third-party funds

As previously advised, we're holding the sum c.£107k of third-party funds in FL All. During the period of this report, we've continued to make efforts along with a specialist tracing agent to assist us in returning these funds to the relevant individuals concerned.

As these funds are not an asset of the liquidation, we're unable to close FL All until this issue is resolved. Should these funds not be returned we will require legal advice with regards to the next steps for this cash.

Intercompany dividend

In the period, FL All has received a dividend from a connected group company, GRWP, in connection with the unsecured claim that FL All lodged in the liquidation. Funds of £235,234 were received into the liquidation, which included statutory interest.

During the reporting period, FL All has also submitted an unsecured claim in the estate of FLC5 for £5,276 (this being the original claim of £3,973 plus statutory interest of £1,303). As noted above we have agreed a mutual set off, taking into account statutory A dividend is expected to be received from FLC5 shortly.

Creditors - unclaimed dividends

During the period of this report, we've assisted some creditors regarding their unclaimed unsecured dividends and reissued payments where possible. We will arrange to pay any unclaimed dividends over to the unclaimed dividend account, prior to closure and will provide more details in due course within the contents of our final reports.

Intercompany dividend

During the reporting period, FL All has submitted an unsecured claim in the estate of FLC5 for £5,276 (this being the original claim of £3,973 plus statutory interest of £1,303). As noted above we have agreed a mutual set off

All companies

Tax

You'll be aware following our appointment as Joint Liquidators', we undertook an assessment of the value of the Companies asset realisations and our specialist tax team were instructed to review the tax position of each Company, in order to mitigate any potential tax liabilities which would impact the eventual funds available to creditors.

During the reporting period, our tax team has continued to prepare and submit tax computations in line with our statutory duties.

Stakeholders

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

FLS(A), FLSL, FLGL and FLSGL

The Companies are part of a wider group which includes several entities in solvent and insolvent liquidations. We remain in office due to the inter-company positions between them and the wider group liquidations. We continue to monitor the progress of the other insolvencies to ensure that the CVLs can be closed as and when appropriate.

Connected party transactions

In accordance with SIP 13, we are required to disclose any known connected party transactions that occurred in the period following our appointment, or any proposed connected party transactions.

In the period, FL All has received a payment from a connected group company, GRWP in respect of the unsecured claim that FL All lodged in the liquidation. As this was received from a solvent liquidation, statutory interest was included.

We understand that upon receipt of the above funds, FLC5 will then proceed to make a shareholder distribution to FLSGL details of which are discussed elsewhere in this report.

Statutory and compliance

During the period of this report, we completed the following statutory and compliance matters:

- Undertaken period case reviews to ensure compliance with out statutory requirements;

- Liaised with lawyers with regards proposed distribution by FL All and treatment of intercompany claim in FLC5;
- Prepared and distributed our third progress report for the period 1 February 2020 to 31 January 2021;
- Liaised with our specialist tax team to ensure the tax position is in order; and
- Dealing with unclaimed dividends and reissuing payment to creditors where possible.

Investigations and actions

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

Our receipts and payments account

We set out in Appendix A accounts of our receipts and payments in the liquidations from 1 February 2021 to 31 January 2022.

Our expenses

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

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

Our fees

We set out in Appendix C updates on our fees, expenses and other related matters.

Creditors' rights

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

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/liquidations-creditor-fee-guide-1-april-2021.ashx?la=en>

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

What we still need to do

We remain in office to conclude the following:

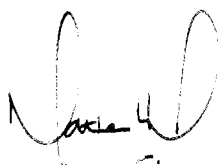
- Recover the deferred consideration due to FL All;
- Draft & issue a further remuneration report;
- Deal with the third party funds held;
- FL All is to receive a first and final dividend from FLC5 and in turn FL All will return the balance of net third-party funds held on behalf of FLC5;
- FLC5 will need to make a shareholder distribution to FLSGL, which will result in FLSGL becoming solvent;
- Pay the second and final dividend to the unsecured creditors of FL All and FLL;
- Dealing with unclaimed dividends and paying them into the Insolvency Service unclaimed dividend account;
- Preparing and submitting tax computations and subsequent clearance requests from HMRC;
- FL All is to receive a first and final dividend from FLC5 and in turn FL All will return the balance of net funds held on behalf of FLC5 to FLC5;
- Preparing the Liquidators' final accounts; and
- Preparing closure of the bank accounts.

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

Next report

We expect to send our next report to creditors at the end of the liquidations or in about 12 months, whichever is the sooner. If you've got any questions, please get in touch with Sara Myers at sara.myers@pwc.com

Yours faithfully

A handwritten signature in black ink, appearing to read 'David Hammond', with a stylized flourish at the end.

David Matthew Hammond
Joint liquidator

Appendices

Appendix A: Receipts and payments

FL All				
Statement of Affairs (£)	Notes	Total for the period 1 February 2018 to 31 January 2021 (£)	Total for the period 1 February 2021 to 31 January 2022 (£)	Total for the period 1 February 2018 to 31 January 2022 (£)
Receipts				
5,039,809.00	1	5,355,144.85	-	5,355,144.85
	2	213,151.41	-	213,151.41
		49,565.73	-	49,565.73
		7,484.55	-	7,484.55
		-	235,234.42	235,234.42
		54,782.95	812.12	55,595.07
3,000,000		-	-	-
8,039,809		5,680,129.49	236,046.54	5,916,176.03
Payments				
		(82,913.00)	(98,000.00)	(180,913.00)
		(10,000.00)	-	(10,000.00)
	2	(104,221.55)	-	(104,221.55)
		(12,311.50)	(4,254.00)	(16,565.50)
		(166.00)		(166.00)
		(6,625.13)	-	(6,625.13)
		(21.50)	(78.00)	(99.50)
		(18,000.00)	-	(18,000.00)
	3	(22,403.13)	(20,450.80)	(42,853.93)
		(256,661.81)	(122,782.80)	(379,444.61)
Distributions				
	4	(2,874,715.00)	-	(2,874,715.00)
	5	2,548,752.68	113,263.74	2,662,016.42

Notes

1. Funds of c.£620k continue to be held on behalf of FLC5, an associated group company which is in solvent liquidation.
2. We are holding c.£108k of third-party funds in FL All.
3. All funds are stated net of VAT and VAT has been treated as irrecoverable.
4. 11.7p in the £ was declared to the unsecured creditors on 20 May 2020 and paid shortly thereafter.
5. The total cash at bank balance held as at 31 January 2022 is being held in an interest bearing bank account.
6. The receipts and payments account shows the amounts paid in the period and the total to date. There have been no payments made to us, our firm, or our associates other than from the insolvent estate as shown in the receipts and payments account provided above.

FLS(A)				
Statement of Affairs (£)		Total for the period 1 February 2018 to 31 January 2021 (£)	Total for the period 1 February 2021 to 31 January 2022 (£)	Total for the period 1 February 2018 to 31 January 2022 (£)
Receipts				
Contribution to costs		3,600.00	-	3,600.00
Total receipts		3,600.00	-	3,600.00
Payments				
Liquidators' fixed fee for preparation of SofA		(3,000.00)	-	(3,000.00)
Irrecoverable VAT		(600.00)	-	(600.00)
Total payments		(3,600.00)	-	(3,600.00)
Balance		<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

FLSL				
Statement of Affairs (£)		Total for the period 1 February 2018 to 31 January 2021 (£)	Total for the period 1 February 2021 to 31 January 2022 (£)	Total for the period 1 February 2018 to 31 January 2022 (£)
Receipts				
Contribution to costs		3,600.00	-	3,600.00
Total receipts		3,600.00	-	3,600.00
Payments				
Liquidators' fixed fee for preparation of SofA		(3,000.00)	-	(3,000.00)
Irrecoverable VAT		(600.00)	-	(600.00)
Total payments		(3,600.00)	-	(3,600.00)
Balance		<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

FLL

Statement of Affairs (£)	Notes	Total for the period 1 February 2018 to 31 January 2021 (£)	Total for the period 1 February 2021 to 31 January 2022 (£)	Total for the period 1 February 2018 to 31 January 2022 (£)
Receipts				
Contribution to costs		3,600.00	-	3,600.00
Book debts		2,645,879.66	-	2,645,879.66
Total receipts		2,649,479.66	0.00	2,649,479.66
Payments				
Liquidators' fixed fee for preparation of Sofa		(3,000.00)	-	(3,000.00)
Finance / Bank interest & charges		(45.00)	13.68	(31.32)
Irrecoverable VAT	1	(600.00)	-	(600.00)
Total payments		(3,645.00)	13.68	(3,631.32)
Distributions				
Unsecured Creditors- £10p in the £	2	(2,645,848.34)	-	(2,645,848.34)
Balance held in interest bearing current account	3	<u>(13.68)</u>	<u>13.68</u>	<u>-</u>

Notes

1. All funds are stated net of VAT and VAT has been treated as irrecoverable.
2. 10p in the £ was declared to the unsecured creditors on 20 May 2020 and paid shortly thereafter.
3. The total cash at bank balance held as at 31 January 2022 is being held in an interest bearing bank account.
4. The receipts and payments account shows the amounts paid in the period and the total to date. There have been no payments made to us, our firm, or our associates other than from the insolvent estate as shown in the receipts and payments account provided above.

FLGL

Statement of Affairs (£)	Total for the period 1 February 2018 to 31 January 2021 (£)	Total for the period 1 February 2021 to 31 January 2022 (£)	Total for the period 1 February 2018 to 31 January 2022 (£)
Receipts			
Contribution to costs	3,600.00	-	3,600.00
Total receipts	3,600.00	-	3,600.00
Payments			
Liquidators' fixed fee for preparation of Sofa	(3,000.00)	-	(3,000.00)
Irrecoverable VAT	(600.00)	-	(600.00)
Total payments	(3,600.00)	-	(3,600.00)
Balance	<u>-</u>	<u>-</u>	<u>-</u>

FLSGL

Statement of Affairs (£)	Total for the period 1 February 2018 to 31 January 2021 (£)	Total for the period 1 February 2021 to 31 January 2022 (£)	Total for the period 1 February 2018 to 31 January 2022 (£)
Receipts			
Contribution to costs	3,600.00	-	3,600.00
Total receipts	3,600.00	-	3,600.00
Payments			
Liquidators' fixed fee for preparation of SofA	(3,000.00)	-	(3,000.00)
Irrecoverable VAT	(600.00)	-	(600.00)
Total payments	(3,600.00)	-	(3,600.00)
Balance	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Appendix B: Expenses

Expenses are amounts properly payable by us as liquidators from the estate, but excludes our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the general body of creditors) also has the responsibility for agreeing the policies for payment of Category 2 expenses.

The following table provides a breakdown of the Category 2 expenses have been incurred by us as liquidators or our associates, together with details of the Category 1 expenses that have been incurred by PwC and will be recharged to the case:

FL All

Category	Cost incurred by	Policy:	Costs incurred (£)
1	PwC	Analyse all other disbursements reimbursed at cost:	
		- Bonding	609.73
		- Postage	8.88
Total			618.61

FLS(A)

Category	Cost incurred by	Policy:	Costs incurred (£)
1	PwC	Analyse all other disbursements reimbursed at cost:	
		- Bonding	609.73
Total			609.73

FLSL

Category	Cost incurred by	Policy:	Costs incurred (£)
1	PwC	Analyse all other disbursements reimbursed at cost: - Bonding	609.73
Total			609.73

FLL

Category	Cost incurred by	Policy:	Costs incurred (£)
1	PwC	Analyse all other disbursements reimbursed at cost: - Bonding	609.73
Total			609.73

FLGL

Category	Cost incurred by	Policy:	Costs incurred (£)
1	PwC	Analyse all other disbursements reimbursed at cost: - Bonding - Printing	10.00 0.69
Total			10.69

FLSGL

Category	Cost incurred by	Policy:	Costs incurred (£)
1	PwC	Analyse all other disbursements reimbursed at cost: - Bonding	609.73
Total			609.73

The expense policy set out above has been approved by the general body of creditors.

The tables below provide details of the expenses incurred in the liquidations and should be read in conjunction with each receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

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

FL All

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Legal fees	12,312	4,254	16,566	70,000	86,566	Uncertain	Uncertain
Pre-appointment fees	10,000	-	10,000	-	10,000	10,000	-
Storage and data retention costs	6,625	-	6,625	123,375	130,000	130,000	-
Liquidators' fees (Note 1)	299,692	80,017	379,709	176,583	556,292	90,444	465,848
Liquidators' disbursements	7,190	619	7,809	200	8,009	275	7,734
Bank Charges	15	78	93	100	193	-	193
Total	335,834	84,968	420,802	370,258	791,059	230,719	Uncertain

Notes

1- Liquidators' fees - Due to the additional costs dealing with various aspects of the liquidation whilst we progressed our strategy for dealing with third party funds and considering options available to us to ensure funds are retained separately and safely from liquidation funds, including the statutory and compliance matters, the unsecured claims agreement work and the continued liaising with key stakeholders in relation to the strategy for the liquidation, our time costs have exceeded our fee estimate.

Details of the Liquidators' anticipated future costs can be found at Appendix C, section " Our Future Work".

FLS (A)

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees	18,000	-	18,000	-	18,000	18,000	-
Liquidators' disbursements	175	610	785	100	885	175	710
Total	21,175	610	21,785	100	21,885	21,175	710

FLSL

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees	18,000	-	18,000	-	18,000	18,000	-
Liquidators' disbursements	175	610	785	100	885	175	710
Total	21,175	610	21,785	100	21,885	21,175	710

FLL

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees *	18,000	-	18,000	-	278,583	18,000	260,583
Liquidators' disbursements	175	610	785	355	1,140	175	965
Total	21,175	610	21,785	260,938	282,723	21,175	261,548

* We intend to prepare a further remuneration report in respect of FLL to request an increase in our fixed fee in due course. Further details will be provided in our report that will be made available via our website: www.pwc.co.uk/futurelife

FLGL

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	-	3,000	-	3,000	3,000	-
Liquidators' fees	12,000	-	12,000	-	12,000	12,000	-
Liquidators' disbursements	267	11	277	100	377	175	202
Total	15,267	11	15,277	100	15,377	15,175	202

FLSGL

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £	Initial estimate £	Variance £
Pre-appointment fees	3,000	0	3,000	-	3,000	3,000	-
Liquidators' fees	20,000	-	20,000	-	20,000	20,000	-
Liquidators' disbursements	175	610	785	325	1,110	175	935
Total	23,175	610	23,785	325	24,110	23,175	935

Appendix C: Remuneration update

FL AII

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

As a result of our time costs exceeding our initial estimate, during the last reporting period a revised fee estimate was issued to unsecured creditors, seeking a decision to increase our fees to £220,784. In line with the approval given, to date we have drawn fees of £180,913 plus VAT on account of our time costs incurred.

Since our appointment we have incurred time costs of £379,709 to 31 January 2022, of which £80,017 was incurred in the twelve months to 31 January 2022. The level of time costs incurred does not necessarily reflect how much we will eventually draw as fees for this period.

Our time costs have exceeded our fees estimate set out in our remuneration report dated 3 February 2020, due to the additional costs dealing with various aspects of the liquidation including options available to us to progress our strategy for dealing with third party funds and considering options available to us to ensure funds are retained separately and safely from liquidation funds; realisation of the these additional costs have included the statutory and compliance matters, the unsecured claims agreement work including the submission of inter-company claims in GRWP and FLC5 and the additional costs incurred liaising with key stakeholders in relation to the strategy for the liquidation. Whilst further costs will continue to be incurred, we will not be seeking further approval from the fee approving body to draw fees above the revised fee estimate of £220,784.

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

Our fees in respect of the above companies were approved on a fixed fee basis as set out in our remuneration report for each company. A summary of the approved fixed fees is shown below.

Company	Fees approved (£)	“Additional fees” for preparing SoA & assisting with procedure to seek decision from creditors on nomination of liquidator (£)
FLS(A)	18,000	3,000
FLSL	18,000	3,000
FLL	18,000	3,000
FLGL	12,000	3,000
FLSGL	20,000	3,000

To date, we've drawn fees of £15,000 (net) in respect of the “additional fees” detailed above.

We intend to prepare a further remuneration report in respect of FLL to request an increase in our fixed fee in due course. We anticipate this will be made available to creditors within the next 3 months by uploading to the website: www.pwc.co.uk/futurelife. In the circumstances of this case, it will be for the general body of creditors to agree to the revised basis of our fees and expenses.

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

Our hours and average rates- FL All

Time costs incurred for the period 1 February 2021 to 31 January 2022

Work Type	Partner (Hrs)	Director (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Total for period 1 February 2021 to 31 January 2022 (Hrs)	Cost for period 1 February 2021 to 31 January 2022 £	Average hourly rate £
Administration	-	5.85	1.10	36.76	1.55	11.80	57.06	25.963	455
Assets	-	2.75	-	1.00	0.80	-	4.55	2.875	632
Creditors	-	1.75	-	3.80	0.90	0.90	7.35	3.803	517
Employees and Pensions	-	-	0.25	-	-	-	0.25	233	930
Investigations	-	-	-	-	-	-	-	-	-
Statutory and Compliance	3.00	5.00	0.20	19.55	7.20	7.75	42.70	20.962	491
Tax and VAT	-	1.00	-	17.55	16.85	4.15	39.55	26.183	662
Total for the period	3.00	16.35	1.55	78.66	27.30	24.60	151.46	80,017	528
b/f as at 31 January 2021:							864.61	299.692	
Total to 31 January 2022							1,016.07	379,709	

Comparison of time costs against revised fee estimate issued on 3 February 2020

Work Type	Fees Estimate			Actual to 31 January 2022			Variance	
	Hours	Fees estimate (£)	Average hourly rate (£/hour)	Hours	Time costs incurred (£)	Average hourly rate (£/hour)	Hours	Time costs (£)
Administration	53.70	19,020	354	178.72	79,204	443	(125.02)	(60,184)
Assets	34.12	10,279	301	29.73	10,956	369	4.39	(677)
Creditors	295.90	92,176	312	342.19	106,410	311	(46.29)	(14,234)
Employees and Pensions	8.17	2,250	275	3.00	969	323	5.17	1,281
Investigations	33.45	10,825	324	29.95	9,510	318	3.50	1,315
Statutory and Compliance	187.71	55,090	293	316.15	107,529	340	(128.44)	(52,439)
Tax and VAT	65.78	31,144	473	116.33	65,131	560	(50.55)	(33,987)
Total	678.83	220,784	325	1,016.07	379,709	374	(337.24)	(158,925)

Our time charging policy and hourly rates- FL All

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

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 units). We don't charge general or overhead costs.

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

Grade	Insolvency Staff		Specialist Staff	
	Up to June 2020 £	From 1 July 2021 £	From 1 September 2020 £	From 1 July 2021 £
Partner	850	875	1,600	1,680
Director	720	740	1,465	1,540
Senior Manager	585	625	1,355	1,425
Manager	475	525	815	860
Senior Associate	390	425	605	640
Associate	245	280	325	345
Support Staff	125	130	230	190

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

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

Payments to associates

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

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

Area of work		Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors or whether it was required by statute
All companies	Administration:	- Monitoring and internal reporting of costs - Team strategy and progress meetings - Monitoring progression of the liquidations against key targets for areas of the liquidations, such as finalisation of asset realisations, dealing with key claims, third party funds and statutory requirements. - Six monthly manager and appointee review summaries	- Proper and efficient accounting for liquidation funds - To enable the proper functioning of the Company's liquidation bank account - To establish the level of funds available to creditors - To ensure orderly management and progression of the case in a cost effective manner	- Statutory requirements and ensures good stewardship of estate funds - To efficiently plan for closure of the cases
	- Strategy and planning			
FL All and FLL	- Accounting and treasury	- Dealing with receipts, payments and journals - Payment of the distribution to creditors (FL All and FLL) and dealing with re-issued		

		- dividend payments (FL All) - Carrying out bank reconciliations and managing investment of funds		
FL All	Assets	- Discussions regarding third party funds and considering options available to us to ensure funds are retained separately and safely from liquidation funds - Submitting an inter-company unsecured claim in Cymru Care Homes South Limited and Future Life Care Five Limited - Receiving an inter-company dividend from GRWP Gofal Cymru Care Homes South Limited	To maximise recoveries for the liquidations	Maximise realisations for creditors
FL All and FLL	Creditors	- Receiving and following up creditor enquiries via telephone, email and post - Reviewing and preparing correspondence to creditors and their representatives and liaising with solicitors where necessary - Liaise with investors queries and providing ad hoc updates - Inviting unsecured creditors to submit claim in the estates - Updating internal system with gone aways - Reviewing and allocating post - Dealing with unclaimed dividends (FL All)	- To keep creditors informed of the progress of the liquidations - Return of funds to creditors	Statutory requirement
FL All	Employees and Pensions	Reviewing pension files for statutory notifications and placing copies on our files	Ensure our files are up to date	Comply with Statutory requirement
All companies	Statutory and compliance	- Filing statutory documentation regarding change of appointment taker - Preparing and issuing the annual progress report to creditors and the Registrar - Updating checklists and internal diary management system	Comply with Statutory requirement	Required by statute

		• Filing of documents • Maintenance of case records		
FL All FLL FLSGL	Tax and VAT	• Preparation and submission of tax computations and returns for post appointment periods	• To ensure compliance with statutory tax & VAT obligations to HMRC	• Submission of tax returns are statutory duties e
FLGL		• Liaising with HMRC to obtain confirmation of tax clearance for our files		
All companies		• Reviewing VAT position and updating internal systems to show VAT irrecoverable		

Our future work

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

	Area of work	Work undertaken	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
All companies	Administration:	• Monitoring and internal reporting of costs	• £52,035	• Ensures orderly and efficient case management
	- Strategy and planning	• Team strategy and progress meetings • Six monthly manager and appointee review summaries		• Required by statute or regulation
FL All and FLL	- Accounting and treasury	• Process dividend payments • Bank reconciliations • Deal with unbanked dividends • Process ad-hoc receipts and payments	• £24,285	• Comply with statutory obligations • Secure stewardship of funds
FL All and FLL	Assets	• Continue to monitor any potential inter-co recoveries • Negotiation and release of Escrow monies • Finalise return of third party funds	• £36,170	• Maximises returns to creditors
FLSGL		• Receiving a capital distribution from Future Life Care Five Limited.		
FL All and FLL	Creditors	• Deal with creditor enquiries • Continue claims agreement process • Pay final dividends to unsecured creditors	• £53,855	• Update creditors and keep them informed of case progression • Return of funds to creditors
FL All	Employees and Pensions	• Issue ceasing to act notices	• £1,000	• Required by statute

FLL All companies	Statutory and compliance	• Issue Remuneration Report • Finalise and issue fifth annual progress report • Prepare and issue subsequent and final progress reports	• £46,510 •	• Comply with statutory obligations
FL All FLL FLSGL	Tax and VAT	• Preparation and submission of post- appointment returns • Seeking tax clearance from HMRC prior to ceasing to act	• £25,378 •	• Comply with statutory obligations
All companies	Closure	• Prepare and implement closure strategy • Obtaining any final clearances • Preparing closure documents, including the final progress report and filing the notice of move to dissolution with the Registrar • Closing internal systems and databases • Dealing with records in storage • Sending job files to storage	• £21,350 •	• Ensurers orderly closure of the cases • Statutory duties of the liquidators

Our relationships

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

Details of subcontracted work

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

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm/organisation	Reason selected	Basis of fees
Legal services, including: • Advising on unsecured creditor claims and proposed distribution	• Pinsent Masons LLP	• Knowledge of the Companies /Insolvency expertise	• Time costs
Tracing and debt collecting: • Assisting with trying to trace third-parties in order to look to return c£107k funds held in FL All	• UK Search Limited	• Industry knowledge and expertise	• No win No fee basis

Appendix D: Other information

Company's registered name:

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

Trading name:

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

Registered number:

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

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