

AM23

Notice of move from administration to dissolution

THURSDAY



A36 *A7L6QK3C* 20/12/2018 #384
COMPANIES HOUSE

1 Company details

Company number O C 3 4 9 7 4 1

Company name in full Silver Leaf Estates LLP

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

2 Court details

Court name The High Court of Justice Chancery Division Birmingham

Court number 8 0 2 5 o f 2 0 1 6

3 Administrator's name

Full forename(s) Catherine Mary

Surname Williamson

4 Administrator's address

Building name/number The Zenith Building

Street 26 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 A B

Country

AM23

Notice of move from administration to dissolution

5		Administrator's name ①	
Full forename(s)	Mark Nicholas		① Other administrator Use this section to tell us about another administrator
Surname	Cropper		
6		Administrator's address ②	
Building name/number			② Other administrator Use this section to tell us about another administrator.
Street	6 New Street Square		
Post town	London		
County/Region			
Postcode	E C 4 A 3 B F		
Country			
7		Final progress report	
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8		Sign and date	
Administrator's signature	Signature 		
Signature date	d 1 d 9 m 1 m 2 y 2 y 0 y 1 y 8		

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Notice of move from administration to dissolution



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
Melissa Fielding

Company name
AlixPartners UK LLP

Address
The Zenith Building

26 Spring Gardens

Post town
Manchester

County/Region

Postcode
M 2 1 A B

Country

DX

Telephone
0161 838 4529



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Administrators' Final Progress Report for the period 3 August 2018 to 16 December 2018

Claremont Care Limited
Silver Leaf Estates LLP
Both in Administration

20 December 2018

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1. Why this report has been prepared

- 1.1 As you will be aware Ryan Grant and Catherine Williamson (the **Administrators**) were appointed over the Entities on 3 February 2016.
- 1.2 Ryan Grant resigned as joint appointee on 22 March 2018 following his departure from AlixPartners and Mark Nicholas Cropper was appointed as joint appointee by block transfer on the same date. The change in appointees has not impacted the Administrations.
- 1.3 In accordance with UK insolvency legislation, an administrator is required to provide a progress report covering the period of six months commencing on the date on which a company entered into administration and every subsequent period of six months or earlier if the administration has been finalised. This progress report covers the period 3 August 2018 to 16 December 2018 (the **Period**) and should be read in conjunction with all previous reports.
- 1.4 This report has been prepared in accordance with rule 18.2 of the Insolvency (England and Wales) Rules 2016.
- 1.5 All matters in these Administrations have now been finalised and the purpose of this report is to provide a final update on the progress of the Administrations, including details of assets realised during the Period, any assets that were not realisable, details regarding the Administrators' fees and the outcome for each class of creditor. For details of the exit route please see section 8.
- 1.6 Details of the Administrators' fees and disbursements incurred are detailed at Appendices D to F.
- 1.7 More information relating to the Administration processes, Administrators' fees and creditors' rights can be found on AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>). Log-in details to access this information can be found within the covering letter you have received.
- 1.8 If you require a hard copy of this report or have any queries in relation to its contents or the Administrations generally, please contact Melissa Fielding on 0161 838 4529, by email at creditorreports@alixpartners.com, or write to AlixPartners' office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.

2. Summary of information for creditors

Dividend distributions

Description	Estimated debt £	Level of return £
Secured creditors:		
Claremont and Silver Leaf		
Lloyds Bank Plc	5,951,511	3 million
Black Country Reinvestment Society Limited	42,898	Nil
Claremont		
Funding Knight Services Limited	195,507	Nil
Preferential creditors:		
Claremont	2,937	Nil
Silver Leaf	Nil	Nil
Unsecured creditors:		
Claremont	262,079	Nil
Silver Leaf	14,713	Nil

Notes:

Secured creditors

Lloyds Bank Plc

Lloyds Bank Plc (the **Bank**) was granted security dated 8 March 2012 in respect of the Entities. Cross-guarantees under an omnibus guarantee and set off agreement dated 8 March 2012 were also agreed between the Entities and the Bank. The total indebtedness of £5.95 million comprises £5.84 million term loans provided to Silver Leaf, together with an unauthorised overdraft facility of £105,000 provided to Claremont.

The estimated total indebtedness to the Bank excludes any estimate of ongoing accrued interest and charges.

Black Country Reinvestment Society Limited

Black Country Reinvestment Society Limited (**BCRS**) was granted security dated 18 December 2015 by the Entities. BCRS confirmed that the outstanding balance on the account was £42,898 at 20 February 2017 (interest and charges continue to accrue on the loan).

Funding Knight Services Limited

Funding Knight Services Limited (**Funding Knight**) was granted security by Claremont on 11 August 2015. Funding Knight confirmed that the outstanding balance on the account was £195,507 at 8 February 2017 (interest and charges continue to accrue on the loan).

Priority of secured creditors and outcome

Deeds of priority have been agreed between the Bank and both BCRS and Funding Knight, which stipulate the Bank as first ranking charge holder.

There will be a shortfall under the Bank's lending and no funds will be available from the Administrations to either BCRS or Funding Knight under their respective securities.

Preferential creditors

Claremont

As previously reported, five Claremont employees working from the Entities' head office function were made redundant on 8 February 2016.

All five redundant employees have submitted claims with the Redundancy Payments Service (**RPS**). The RPS has submitted details of its claim in the Administration which indicates preferential claims of £2,937.

No further preferential claims have been received since the Administrators' previous report. There are insufficient funds available to enable a distribution to this class of creditor.

Silver Leaf

Silver Leaf did not employ any staff and therefore, no preferential claims were received.

Unsecured creditors

Claremont and Silver Leaf

Unsecured claims received in Claremont total £262,079.

The estimated debt due to unsecured creditors of Silver Leaf is £14,713 which was taken from the members' Statement of Affairs for Silver Leaf. No claims have been received to date.

There are insufficient funds available to enable a distribution to the Entities' respective unsecured creditors.

For further information please refer to section 7 of this report.

3. Administrators' proposals

- 3.1 As a reminder, the administrator of a company must perform their functions with a view to achieving one of the following objectives:

Objective 1: rescuing the company as a going concern;

Objective 2: achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or

Objective 3: realising property in order to make a distribution to one or more secured or preferential creditors.

- 3.2 In these cases the Administrators have pursued and achieved the second and third objective, respectively. The strategy for achieving the objective in Claremont was to continue ongoing trading operations in order to secure a sale of the respective businesses. This strategy secured employment for the workforce which in turn mitigated claims and allowed for business value to be maximised.
- 3.3 In Silver Leaf, the objective has been achieved following completion of the sale of the freehold properties and subsequent distributions to the Bank.

4. Progress of the Administrations

- 4.1 The Administrators have continued to manage the affairs of the Entities in order to achieve the objectives of the Administrations. For further information regarding names and addresses of the six homes please refer to Appendix A (collectively referred to as the **Homes**).
- 4.2 The freehold title to five of the Homes was held by Silver Leaf, and Claremont held the leasehold interest in Beaumaris. The freehold title to Beaumaris was held by Beaumaris Care Limited (**BCL**), an entity operated and controlled by Jabber Mir, a director and shareholder of Claremont and Silver Leaf. All trading operations were conducted by Claremont.
- 4.3 In addition to their statutory objective, the Administrators have duties imposed by insolvency and other legislation and their regulating professional bodies. The Administrators have set out information in respect of the progress of these duties in addition to that of the realisation of assets and distribution of available funds. The detail provided is intended to provide users of this report with information to allow them to understand how the Administrators' fees and expenses as set out in Appendices D and E have been incurred.

Trading and day to day operational matters

- 4.4 Since the date of the last report, the Administrators have taken steps to finalise the trading accounts for the Homes. The Trading Account at Appendix C shows a total trading loss of £747,658 across the Homes. Please note that since the last report the Administrators have completed a full reconciliation of the position which has included a number of cost re-allocations.
- 4.5 The Bank agreed to provide certain funding for the Administration of Claremont on the basis that ongoing trading continued to maintain the value in the business, for which the Bank would be the ultimate beneficiary. Following completion of the respective sales, these proceeds have been used to repay the overdraft which was provided by the Bank immediately after the appointments in order to facilitate ongoing trading.
- 4.6 The statement of affairs provided by the director of Claremont provided values in respect of leasehold property, goodwill and intellectual property. As the Administration progressed the Administrators assessed the potential realisable value in these assets, mainly relating to the Beaumaris Care Home. Following a review of this home's financial position it was subsequently closed. Therefore, the Administrators were only able to secure minimal value for these assets as part of the sales of remaining care homes.

Asset disposals

- 4.7 Sales of the Homes have been completed and details of each sale have been provided in previous reports. Details of the funds received can be seen in the Receipts and Payments Accounts at Appendix B.

Other Assets

Bank interest

- 4.8 Bank interest of £897 has been received by the Entities in the Period.

Administration (including statutory reporting)

- 4.9 In addition to their duties relating to realising and distributing the assets of the Entities, the Administrators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986. These include, notifying the stakeholders of the appointment, preparing bi-annual reports to creditors advising of the progress of the Administrations, communicating with the secured lenders in respect of the strategy for the sales processes and liaising with Claremont's employees. The Administrators are responsible for liaising with HM Revenue and Customs to determine the final position in respect of corporation tax, PAYE and other taxes that may be owed by or to Claremont, and for filing tax returns for the duration of the Administration.
- 4.10 In order to ensure the matters of the Administrations are being progressed sufficiently, the Administrators have a duty to conduct periodic case reviews and complete case checklists. In addition, the Administrators' treasury function will also comply with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.
- 4.11 The time taken for statutory tasks is largely fixed, insofar as the cost of preparing a report to creditors or filing an annual return is similar for most cases, except where cases are very large or complex. Where the costs of statutory compliance and reporting to creditors exceeds the initial estimate, it will generally be because the duration of the case has been longer than expected, due to for example protracted realisation of assets, and therefore additional periodic reports have had to be prepared and distributed to stakeholders.

Creditors (claims and distribution)

- 4.12 Details of the estimated outcome for creditors can be found in section 7.

5. Unrealised assets

- 5.1 All assets have now been realised and the Receipts and Payments Accounts at Appendix B reflects the final position on both realisations achieved and payments discharged during the course of the Administrations.

6. Investigations

- 6.1 *The Administrators conducted investigations into the conduct of the director and transactions entered into prior to the Entities' insolvencies, as required by the Company Directors Disqualification Act 1986, and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administrations and Insolvent Liquidations. Based upon the outcome of the investigations, there were a number of matters identified which required follow up.*
- 6.2 The Administrators sought legal advice and made further enquiries of the director in respect of a number of transactions entered into prior to the Entities' insolvencies. The nature of these transactions remain confidential however, on further review the Administrators concluded that it would not be cost-effective to pursue the director in respect of these transactions identified and therefore are now in a position to conclude the Administrations.

7. Outcome for creditors

Secured creditor – Lloyds Bank Plc

- 7.1 The Bank was granted security dated 8 March 2012 in respect of the Entities. The total indebtedness on appointment was £5.95 million (excluding accrued interest and charges) and is subject to cross-guarantees between the Entities and the Bank.
- 7.2 The Bank has received distributions totalling £3.0 million from the Administration of Silver Leaf and has therefore suffered a shortfall on its lending across the Entities.

Secured creditor – Black Country Reinvestment Society Limited

- 7.3 BCRS was granted security dated 18 December 2015 by the Entities. BCRS confirmed that its indebtedness at 20 February 2017 was £42,898. There will be no funds available to BCRS from either Administration.

Secured creditor – Funding Knight Services Limited

- 7.4 Funding Knight was granted security by Claremont on 11 August 2015 in relation to funds advanced, of which approximately £195,507 remained outstanding upon appointment. There will be no funds available to Funding Knight from Claremont.

Preferential creditors

- 7.5 Claremont's preferential creditors are £2,937. There are insufficient funds to pay a dividend to the preferential creditors.
- 7.6 Silver Leaf did not employ any staff, therefore there are no preferential claims.

Unsecured Creditors' Funds

- 7.7 Where there is a floating charge which was created on or after 15 September 2003, the Administrators are required to create a fund from the company's net property available for the benefit of unsecured creditors (**Unsecured Creditors' Fund**), commonly known as the 'Prescribed Part'.
- 7.8 The net floating charge property of the Entities is nil therefore the value of the Unsecured Creditors' Funds are also nil. Therefore, there has been no prospect of a dividend to unsecured creditors.

8. What happens next

Exit route

Dissolution of the Entities

- 8.1 The Entities have no property to permit a distribution to their unsecured creditors. The Administrators will therefore file notices, together with this final progress report, at court and with the Registrar of Companies for dissolution of the Entities. The Administrators will send copies of these documents to the Entities and their creditors. The appointments will end following the registration of the notices by the Registrar of Companies.

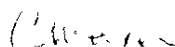
Discharge from liability

- 8.2 The Administrators will be discharged from liability under paragraph 98 of schedule B1 to the Insolvency Act 1986 directly after their appointments as Administrators cease to have effect. Approval to this was provided by the secured creditors on 31 August 2017.

Creditors' rights

- 8.3 Within 21 days of the receipt of the report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors in the relevant entity), may request in writing that the Administrators provide further information about their fees or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 8.4 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors in the relevant entity), may, within eight weeks of receipt of this progress report, make an application to court on the grounds that the basis fixed for the Administrators' fees is inappropriate, or that the fees or the expenses incurred by the Administrators as set out in this progress report are excessive.

For and on behalf of
The Entities



Catherine Williamson
Administrator

Encs

Claremont Care Limited (**Claremont**)
Silver Leaf Estates LLP (**Silver Leaf**)
Both in Administration (together the **Entities**)

Appendix A. Statutory information

Entities' information

Company name	Claremont Care Limited	Silver Leaf Estates LLP
Registered number	06699637	OC349741
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	
Former registered office	15 Highfield Road, Edgbaston, Birmingham, West Midlands, B15 3DU	
Trading addresses	Beaumaris Court Care Home, Beaumaris Road, Newport, Shropshire, TF10 7BL (Beaumaris) Elm House, Waterloo Road, Stoke-on-Trent, ST6 2HS (Elm House) Elm Hurst Nursing Home, Armoury Lane, Prees, Whitchurch, SY13 2EN (Elm Hurst) The New Barn, Goldstone, Market Drayton, Shropshire, TF9 2NA (The New Barn) The Old Vicarage, Bradmore, Wolverhampton, WV3 7EN (The Old Vicarage) Standford Villa, Sambrook, Newport, Shropshire, TF10 8AX (Standford Villa)	None
Trading names	Various (as above in bold)	N/A
Court details	High Court of Justice, Chancery Division, Birmingham District Registry	
Court reference	8026 of 2016	8025 of 2016

Appointor's information

Name	Address	Position
Lloyds Bank Plc	25 Gresham Street, London, EC2V 7HN	Qualifying floating charge holder

Claremont Care Limited (**Claremont**)
Silver Leaf Estates LLP (**Silver Leaf**)
Both in Administration (together the **Entities**)

Administrators' information

Name	Address	IP number	Name of authorising body
Current Administrators			
Mark Nicholas Cropper	AlixPartners UK LLP, 6 New Street Square, London, EC4A 3BF	9434	Insolvency Practitioners Association
Catherine Mary Williamson	AlixPartners UK LLP, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	15570	Insolvency Practitioners Association
Previous Administrators (ceased to act on 14 July 2016 and 22 March 2018, respectively)			
Lee Andrew Causer	35 Newhall Street, Birmingham, B3 3PU	14112	Insolvency Practitioners Association
Ryan Kevin Grant	35 Newhall Street, Birmingham, B3 3PU	9637	Insolvency Practitioners Association

In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Administrators are to be exercised by any or all of the Administrators. All references to the Administrators should be read as the Joint Administrators.

Extension of Administrations

The Administrations were originally extended for a period of 12 months with consent of the secured creditors to 2 February 2018.

The Administrations were then extended for a further 12 months by the Court and were due to end on or before 2 February 2019.

Appendix B. Receipts and Payments Accounts for the period 3 August 2018 to 16 December 2018 and Cumulative Accounts for the period since appointment

Claremont

Statement of Affairs £	Period £	Cumulative £
Fixed charge assets		
Receipts		
100,000 Leasehold property	-	-
205,000 Goodwill and intellectual property:		
Elm Hurst	-	1
New Barn sale	-	1
Portfolio sale	-	1
	-	3
Distribution		
Fixed chargeholder	3	3
	(3)	(3)
Balance of fixed charge assets	(3)	-
Floating charge assets		
Receipts		
218,966 Plant and machinery	-	-
Elm Hurst sales proceeds:		
Equipment	-	9,997
WIP	-	1
Contracts	-	1
New Barn sales proceeds:		
Contracts	-	2
Furniture and equipment	-	1,500
Portfolio sale proceeds:		
Equipment	-	5,846
Stock	-	1
WIP	-	1
Contracts	-	1
Vehicles	-	2,000
Cash at bank	-	13,251
Rates refund	-	255
Bank interest	8	314
Refund of mail re-direction	-	240
Contribution to funding from Silver Leaf	74,627	1,141,751
Tax refund	-	128
	74,635	1,175,289
Payments		
Trading deficit	-	747,658
Administrators' fees:		
General	36,000	240,000
Trading	-	90,000
Category 1 disbursements:		
Statutory advertising	-	325
Stationery, postage and photocopying	135	2,035
Statutory penalty bond	-	331
Travel and subsistence	-	735
Telephone charges	-	74
Design	-	336
Legal fees	39,980	83,716
Employee agent's fees	-	2,700
Agent's/valuer's fees	-	4,610
Corporation tax	11	25
Bank charges	-	2,745
	(76,126)	(1,175,289)
Balance of floating charge assets	(1,491)	-
Total balance	(76,129)	-

Note: this account is subject to small rounding differences.

Silver Leaf

Statement of Affairs £		Period £	Cumulative £
	Fixed charge assets		
	Receipts		
5,795,000	Freehold land and property:		
	New Barn	-	1,398,498
	Elm House	-	497,050
	Standford Villa	-	812,850
	Old Vicarage	-	542,250
	Elmhurst	-	1,090,000
	Bank interest	889	2,110
		889	4,342,758
	Payments		
	Administrators' fees	24,023	66,023
	Category 1 disbursements:		
	Specific penalty bond	-	270
	Travel and subsistence	-	97
	Statutory advertising	-	102
	Stationery, postage and photocopying	113	118
	Legal fees and disbursements	6,250	67,127
	Agent's/valuer's fees	-	83,160
	Bank charges	-	8
		(30,385)	(216,903)
	Distributions		
	Fixed chargeholder	289,252	2,980,814
	Contributions to Claremont funding	77,917	1,145,041
		(367,169)	(4,125,855)
	Balance of fixed charge assets	(396,665)	-

Note: The above is subject to small rounding differences.

Appendix C. Claremont Cumulative Trading Receipts and Payments Account

	Cumulative £
Income	
Residents' fees	3,885,342
Personal allowances	10,433
	3,895,774
Purchases	
Food	60,234
Medical supplies	14,853
Petty cash purchases	86,082
Personal allowances - Expenditure	18,117
Opening stock	11,083
	(190,368)
Other direct costs	
Wages and salaries	2,114,818
Direct expenses	31,854
Sub-contractors	113
PAYE and National insurance	396,418
	(2,543,203)
Trading expenditure	
Water rates	14,122
Rents	102,606
Council tax and trade waste	38,011
Light and heat	129,779
Telephone and internet	6,476
Travel and subsistence	101
Residents' amenities	3,063
Professional fees	31,186
Lease/Hire purchase	3,593
Hire of equipment	403
Repairs and maintenance	148,549
Careport management fees	457,746
Vehicle running costs	3,231
Cleaning & laundry	47,143
Computer and equipment	2,957
Print, postage and stationery	12,766
Pre-appointment wages	2,297
Payroll agent's fees	38
Ransom payments	4,126
Exceptional items	23,314
Insurance	56,309
Agency staff	822,045
	(1,909,860)
Trading deficit	(747,658)

Note: the above account is subject to small rounding differences.

There have been no movements in the Period apart from a number of re-allocations referred to in section 4.4.

Appendix D. Administrators' fees

Fees

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

Approval of the Administrators' fees has been sought in accordance with rule 2.106 of the Insolvency Rules 1986. On 25 August 2016 the Bank, Funding Knight and BCRS, as secured creditors, approved that the basis of the Administrators' fees be fixed by reference to the time properly spent by the Administrators and their staff on matters arising in the Administrations.

Fees totalling £275,000 (Claremont) and £55,020 (Silver Leaf) have been drawn on account. Of this amount, £90,000 has been drawn in respect the supervision of trading in Claremont (VAT is not recoverable by the Entities therefore amounts shown in the Appendix B accounts are inclusive of VAT).

Administrators' fee estimate

Claremont

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Trading	350	301	105,370
Realisation of assets	116	303	35,140
Administration (including statutory reporting)	204	280	57,218
Investigations	71	294	20,840
Total	741	295	218,568

Silver Leaf

Activity category	Hours anticipated	Blended rate per hour £	Anticipated cost £
Realisation of assets	126	300	37,790
Administration (including statutory reporting)	101	285	28,650
Investigations	55	288	15,850
Total	282	291	82,290

The above estimate was based on information available to the Administrators at the time the approval of their fee basis was sought in March 2016.

Administrators' details of time spent to date

Claremont

The Administrators' time costs for the Period are £11,238. This represents 41.9 hours at an average rate of £268 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by area of activity.

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	-	-	-	172,702
Realisation of assets	1.9	247	412	67,729
Administration (including statutory reporting)	38.4	272	10,298	160,059
Investigations	1.6	330	528	32,205
Creditors (claims and distribution)	-	-	-	2,190
Total	41.9	268	11,238	434,884

Silver Leaf

The Administrators' time costs for the Period are £12,325. This represents 44.2 hours at an average rate of £279 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by area of activity.

Activity category	Hours incurred	Average rate per hour £	Time cost for the Period £	Cumulative time cost £
Trading	-	-	-	2,029
Realisation of assets	1.9	289	373	16,118
Administration (including statutory reporting)	42.3	320	11,952	69,371
Investigations	-	-	-	5,938
Creditors (claims and distribution)	-	-	-	68
Total	44.2	279	12,325	93,524

NB Cumulative time is the total from the date of the Administrators' appointment to the end date of the Period.

Claremont Care Limited (**Claremont**)
Silver Leaf Estates LLP (**Silver Leaf**)
Both in Administration (together the **Entities**)

Fee estimate

Claremont

The fee estimate provided at the outset of the Claremont Administration has been exceeded due to the reasons explained in the progress report dated 1 March 2017. In this report, it was advised that additional time costs in the region of £70,000 would be incurred. This brought the revised total fee estimate to approximately £290,000 and was agreed by the secured creditors.

Silver Leaf

The fee estimate of Silver Leaf Administration was sufficient and no revision was needed.

Appendix E. Administrators' expenses and disbursements

Expenses of the Administrations

The estimate of expenses anticipated to be incurred by the Administrators from third parties whilst dealing with the Administrations was provided to creditors in the Administrators' Statement of Proposals; a copy of that estimate is set out below.

	Note	Anticipated cost £
Legal costs		125,000
Agent's fees (initial valuations and agreed percentage of realisations)		170,000
Managing agent's fees	1	498,000
Property holding costs	2	200,000
Total		993,000

Notes:

1. The estimated managing agent's fees are lower than the pre-appointment head office run rate of central costs; and
2. Property holding costs are the costs incurred whilst preserving the Homes. These include insurance, security, utilities, business rates and repairs and maintenance, some of which will be categorised as trading costs.

Position of Administrators' expenses

An analysis of the costs paid to date in both Administrations, together with those incurred over the course of the Administrations.

	Paid in prior period £	Paid in the Period £	Total cost £
Legal costs	104,613	46,230	150,843
Total	104,613	46,230	150,843

Administrators' disbursements

A copy of the analysis of anticipated disbursements previously provided is set out below. The actual expenses may be found in the receipts and payments accounts in Appendix B.

	Claremont	Silver Leaf	Total £
Category 1 disbursements:			
Specific penalty bond	225	225	450
Statutory advertising	170	170	340
Travel and subsistence	900	100	1,000
Storage	400	100	500
Stationery and postage	800	200	1,000

Claremont Care Limited (**Claremont**)
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Telephone charges	40	10	50
Re-direction of mail	120	120	240
Total	2,655	925	3,580

Category 1 disbursements of £3,836 (Claremont) and £587 (Silver Leaf) have been drawn. Approval to draw Category 2 disbursements has been given by the secured creditors. However, none have been drawn.

Appendix F. Additional information in relation to the Administrators' fees

Policy

Detailed below is AlixPartners's policy in relation to:

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

Staff allocation and the use of sub-contractors

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

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

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

The following services were provided to Claremont by external sub-contractors.

Service type	Service provider	Basis of fee arrangement	Total cost paid £
Managing agent	Careport Advisory Services Limited	Agreed monthly fee per site	457,746

Professional advisors

On these assignments the Administrators have used the professional advisors listed below. The Administrators have also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
Squire Patton Boggs (UK) LLP (legal advice)	Hourly rate and disbursements
Willis Towers Watson Limited (insurance)	Risk based premium
Gordon Brothers Europe (valuation and disposal advice)	Hourly rate and disbursements
Christie & Co (valuation and disposal advice)	1.75% of realisations up to base prices, 2% in excess of base prices

The Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignments and the basis of their fee arrangement with them.

Disbursements

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

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

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

Charge-out rates

A schedule of AlixPartners' charge-out rates for these assignments effective from 1 January 2018 is detailed below. Time is charged by managing directors and case staff in units of six minutes.

Description	Rates from
	1 January 2018 £
Managing director	485-535
Director	465
Senior vice president	405
Vice President	285-320
Consultant	210-315
Treasury and support	105-250