

# 2.24B

The Insolvency Act 1986

## Administrator's progress report

Name of Company
Kingdom Healthcare Limited T/A Longridge Care Home

Company number
05637438

In The High Court of Justice Chancery Division Birmingham District Registry
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Court case number
8070 of 2009

(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)  
M T Coyne  
Popleton & Appleby,  
35 Ludgate Hill,  
Birmingham,  
B3 1EH

M D Hardy  
Popleton & Appleby,  
35 Ludgate Hill,  
Birmingham,  
B3 1EH

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From
(b) 27 January 2009

To
(b) 5 August 2009

Signed \_\_\_\_\_  
Joint / Administrator(s) *M. D. Hardy*

Dated \_\_\_\_\_  
5 August 2009

### 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 public record

M D Hardy Popleton & Appleby, 35 Ludgate Hill, Birmingham, B3 1EH	
DX Number	DX Exchange

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**



TO ALL KNOWN CREDITORS



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\*AGY15C7U\*  
07/08/2009  
COMPANIES HOUSE

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Our Ref: GJB/K2A/4

5 August 2009

Dear Sir

**Kingdom Healthcare Limited T/A Longridge Care Home  
In Administration**

Pursuant to Rule 2.47(4) of the Insolvency Rules 1986, I attach Form 2.24B to this the Joint Administrators' closing report on the progress of the Administration for the previous six months.

Having achieved the purpose of the Administration Order and in accordance with Paragraph 83 of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(1) of the Insolvency Rules 1986, I now provide notice of my intention to move the Company from Administration to Creditors Voluntary Liquidation and attach Form 2.34B in this regard.

As required under Rule 2.47(1) of the Insolvency Rules 1986, I attach at Appendix 1 statutory and other information about the Company. In accordance with Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, I am required to confirm that the Joint Administrators' act on a joint and several basis, although the day to day conduct of the Administration rests with M D Hardy.

Appendix 2 contains the Joint Administrators' Receipts and Payments Account, which shows a balance of cash at Bank of £22,613.

**Asset Realisations**

**Sale of Business**

As previously reported, on the 27<sup>th</sup> January 2009 the business and assets of the Company were sold to Longridge Care Home Limited, an unconnected third party.

**Motor Vehicle**

The Company was in possession of a Jaguar X type subject to a hire purchase agreement with the Bank of Scotland Plc. The vehicle was repossessed and sold in February 2009 by the Bank of Scotland Plc. The sale proceeds were insufficient to cover the outstanding finance on the vehicle and therefore the Bank of Scotland Plc have a claim against the Company for the shortfall of £5,176.

**Book Debts**

Realisations in respect of the remaining balance due to the Company are expected to be nil with the exception of one debt in the amount £3,981. The debtor is deceased and solicitors acting for the deceased estate have lodged an application for a Grant of Probate at the Probate Court. When the Grant is awarded the debt should be paid in full.

## Outcome for Creditors

### **Secured Creditor**

Allied Irish Bank (GB) holds two debentures secured by fixed and floating charges over all of the Company's property, assets and undertakings. According to the Company's records, at the date of the Joint Administrators' appointment the indebtedness of the Company totalled £1,263,466. The Bank has been paid £1,050,000 from the proceeds of sale of the business under its fixed charge, reducing the liability to the Bank to £226,083 once interest and charges had been applied. The Bank will not make a full recovery of its lending.

Any further receipts from the recovery of assets will be payable to the Bank under its security, subject to the application of the Prescribed Part Rules where applicable (see below).

### **Preferential Creditors**

The sales contract for the business included a clause that the purchaser would also take over the contracts of employment of the employees and all associated liabilities. Therefore the Company does not have any preferential creditors.

### **Unsecured Creditors**

The estimated statement of affairs indicates unsecured claims totalling £167,682. The Joint Administrators' must make a prescribed part of the Company's assets subject to a floating charge "net property" available for distribution to unsecured creditors in priority to the charge holder.

The Company's net property is £61,260 giving rise to a prescribed part totalling £15,252, subject to costs. In order to pay a dividend to unsecured creditors the Company must first exit from the Administration and be placed into Creditors Voluntary Liquidation.

## Conclusion of the Administration

In accordance with the Proposals contained in my report dated 23<sup>rd</sup> March 2009 the exit route will be a Creditors Voluntary Liquidation. Creditors should note that the Proposals also included a resolution to appoint me, Matthew Douglas Hardy, as sole Liquidator to the Company should it proceed into Creditors Voluntary Liquidation. No nominations were received from Creditors for any alternative Liquidator and the Proposal was passed at the meeting of Creditors subsequently held by correspondence on 7<sup>th</sup> April 2009.

It is proposed that the Creditors Voluntary Liquidation will commence from the date of acknowledgement by the Registrar of Companies that the relevant notice has been filed at Companies House. This procedure, which is permitted by the Act circumvents the need for an additional creditors meeting and keeps costs to a minimum.

## Joint Administrators' Remuneration

At the Creditors meeting held by correspondence on 7<sup>th</sup> April 2009 creditors resolved that the Joint Administrators' remuneration be based upon time costs and, together with expenses incurred by them in the Administration, should be paid out of the assets of the Company.

The costs of the Administration paid to date are detailed in the attached Receipts and Payments Account. The Account shows that I have drawn fees of £9,875 against my firms total time costs £19,377. The time costs incurred in this matter equate to 119 hours at an average hourly charge of £161 per hour.

In accordance with Statement of Insolvency Practice 9, I attach to this report at Appendix 3, an analysis of time spent on the Administration since my appointment on 27<sup>th</sup> January 2009. Included in the analysis are details of the average rates charged by the various categories of staff members who have worked on this case from time to time, together with a summary of Category 2 Disbursements paid to my firm during the Administration.

With effect from 5 January 2009, the basis on which certain shared or allocated disbursement costs are calculated was revised. This is not retrospective but has resulted in a small adjustment to charge out rates which are not considered material. I would however be pleased to provide any further information to Creditors as they may require concerning the overall costs incurred in this matter.

I attach at Appendix 4 details of this firm's fee and disbursement recovery policy, which includes details of our current charge out rates.

If you require any additional information concerning this report or the Administration, please contact me, or my Senior Case Manager, Garry Baxendale.

Yours faithfully  
For and on behalf of  
Kingdom Healthcare Limited

*M. D. Hardy*

M D Hardy  
Joint Administrator

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Please note that the Joint Administrators are agents of the Company and act without personal liability.

**Appendix 1 - Statutory Information**

**KINGDOM HEALTHCARE LIMITED**

**Statutory Information**

Company Number	5637438
Date of Incorporation	28 November 2005
Principle Activity	Nursing Home
Trading Address	Levedale Road, Dunston Heath, Penkridge, Stafford, ST18 9AL
Share Capital	£10,000,000 divided into 10,000,000 Ordinary shares of £1 each, of which 1 share has been issued and is held as follows:
Shareholders	Paul Cope Group of Companies Limited, shares held 1
Company Directors'	Paul A Cope appointed on 28.11.2005
Company Secretary	Nicola Cope appointed on 28.11.2005
Registered Office	At the date of the Administration, the Company's registered office was situated at Kingdom Court, 34 Wolverhampton Road, Stafford, Staffordshire, ST17 4BY. For the purposes of the Administration, this was changed to the Administrators office at 35 Ludgate Hill, Birmingham, B3 1EH
Company's Bankers	Allied Irish Bank (GB)
Registered Charges	AIB Group (UK) Plc holds a legal mortgage consisting of a fixed charge over the property situated at Levedale Road and goodwill together with a floating charge over all moveable asset created on 1 March 2006 and registered on 3 March 2006 AIB Group (UK) Plc comprising of fixed and floating charges over all the assets of the Company created on 1 March 2006 and registered on 3 March 2006
Funding Security	Allied Irish Bank (GB) holds a personal guarantee dated 1 March 2006 from the Director, Paul Cope, for the liabilities of the Company in the sum of £100,000.
Company's Accountants	Plant & Co, 17 Lichfield Street, Stone, Staffordshire, ST15 8NA
Joint Administrators	Matthew Douglas Hardy and Martin Thomas Coyne, Licensed Insolvency Practitioners
Administrators' Office	Poppleton & Appleby, 35 Ludgate Hill, Birmingham. B3 1EH
Functions	The Administrators act on a joint and several basis, although the day to day conduct of the Administration rests with Andrew Turpin
Date of Appointment	27 January 2009
Court	High Court of Justice, Birmingham District Registry
Court Number	8070 of 2009
Appointor	AIB Group (UK) Plc, the holder of a qualifying floating charge
First Report and Proposals dated	23 March 2009
Six Monthly Progress Report	05 August 2009

**Appendix 2 - Receipts and Payments Account**

**Kingdom Healthcare Limited T/A Longridge Care Home  
(In Administration)  
Administrators' Abstract of Receipts & Payments  
To 05/08/2009**

S of A £		£	£
	<b>FIXED CHARGE ASSETS</b>		
600,000.00	Freehold Property	600,000.00	
450,000.00	Intellectual Property & Goodwill	<u>450,000.00</u>	1,050,000.00
	<b>FIXED CHARGE COSTS</b>		
(1,276,083.00)	AIB Group (UK) Plc	1,032,535.95	
	Solicitors Fees	12,432.80	
	Pre Administration Fees	<u>5,031.25</u>	(1,050,000.00)
	<b>H.P. ASSETS</b>		
4,086.00	Jaguar	NIL	
(9,276.00)	Settlement	<u>NIL</u>	NIL
	<b>ASSETS NOT PLEDGED</b>		
50,000.00	Fixtures & Fittings	50,000.00	
15,000.00	Book Debts	11,210.39	
	Electricity Refund	<u>49.81</u>	61,260.20
	<b>COST OF REALISATIONS</b>		
	Agents Costs	200.00	
	Solicitors Fees	8,267.20	
	Statutory Advertising	369.89	
	Bank Charges & Interest	34.00	
	Human Resources	115.00	
	Motor Expenses	51.75	
	Irrecoverable VAT	2,321.42	
	Administrators Fees	<u>9,875.00</u>	(21,234.26)
	<b>FLOATING CHARGE CREDITORS</b>		
	Floating Charge 1	<u>17,464.05</u>	(17,464.05)
	<b>UNSECURED CREDITORS</b>		
(52,936.00)	Trade & Expense Creditors	NIL	
(106,959.00)	PAYE Liability	NIL	
(1,230.00)	Dr H. McCollum	NIL	
(1,367.00)	Directors Loan Accounts	<u>NIL</u>	NIL
	<b>DISTRIBUTIONS</b>		
(1.00)	Ordinary Shareholders	<u>NIL</u>	NIL
<u>(328,766.00)</u>			<u>22,561.89</u>



**Appendix 3 - Time & Cost Summary**

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Kingdom Healthcare Limited

Statement of Insolvency Practice 9 - Time & Cost Summary

For the Period - 27/01/09..05/08/09

Classification of work function	Hours					Time Costs	
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Total Cost (£)	Average hourly rate (£)
Administration & planning	14.20	10.70	57.40	4.05	86.35	13,472.50	156.02
Investigations	0.90	0.00	5.20	0.00	6.10	889.50	145.82
Asset realisations	4.90	3.60	5.50	0.00	14.00	2,807.50	200.54
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	3.80	1.00	5.10	3.50	13.40	2,208.00	164.78
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Totals</b>	<b>23.80</b>	<b>15.30</b>	<b>73.20</b>	<b>7.55</b>	<b>119.85</b>	<b>19,377.50</b>	<b>161.68</b>
Total Fees Claimed						9,875.00	

Summary of Category 2 Disbursements

Paid in the Period - 27/01/09..05/08/09

Other amounts paid or payable to the office holder's firm or to party in which the office holder or his firm or any associate has an interest.

	(£)
Motor Expenses	51.75
Total	<u>51.75</u>