



04/19 Version 1.0

# AM23 (Scot)

Notice of move from administration to dissolution


<b>5</b>	<b>Administrator's name *</b>	
Full forename(s)	THOMAS CAMPBELL	
Surname	MACLENNAN	

**\* Other administrator**  
Use this section to tell us about another administrator

<b>6</b>	<b>Administrator's address *</b>	
Building name/number	APEX 3	
Street	95 HAYMARKET TERRACE	
Post town	EDINBURGH	
County/Region		
Postcode	E 11 1 2 5 11 10	
Country		

**\* Other administrator**  
Use this section to tell us about another administrator

<b>7</b>	<b>Final progress report</b>
<input checked="" type="checkbox"/> I have attached a copy of the final progress report.	

<b>8</b>	<b>Sign and date</b>	
Administrator's signature		
Signature date	<div> <div>21</div> <div>25</div> <div>10</div> <div>07</div> <div>20</div> <div>10</div> <div>20</div> <div>10</div> </div>	

Care Asset Management Limited (IN ADMINISTRATION)

The Administrator's Final Report for the period 24 January 2020 – 15 July 2020

15 July 2020

Section	Content	The following abbreviations may be used in this report:	
1.	An overview of the Administration	FRP	FRP Advisory Trading Limited
2.	Progress of the Administration in the period	The Company	Care Asset Management Limited (In Administration)
3.	Outcome for creditors	The Administrators	Anthony Collier and Thomas Campbell MacLennan of FRP Advisory Trading Limited
4.	Administrators' Remuneration, Disbursements and Expenses	The Period	The reporting period 24 January 2020 – 15 July 2020
Appendix	Content	CVL	Creditors' Voluntary Liquidation
A.	Statutory information regarding the Company and the appointment of the Administrators	SIP	Statement of Insolvency Practice
B.	Form AM23 (Scot) - Notice of move from administration to dissolution	QFCH	Qualifying floating charge holder
C.	Schedule of work	HMRC	HM Revenue & Customs
D.	Details of the Administrators' time costs and disbursements for the Period and cumulatively	The Proposals	The Administrators' proposals for achieving the purpose of the administration dated 16 March 2018
E.	Receipts and payments account for the period and cumulatively	The Rules	The Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

## 1. An overview of the Administration

### Note

This progress report has been prepared from information available at the time of its preparation. Due to the global outbreak of Covid 19 and the UK's response to this, requiring working from home and necessarily a lack of access to physical files or other information, we should advise that we may not have all the information required to ensure this report is both complete and accurate. Where there are errors and/or omissions we will endeavour to correct these by further communication if necessary.

### The Proposals

The Administrators identified the objective of the administration, as set out in the Proposals approved on 4 April 2018, to achieve a better result for the Company's creditors as a whole than would be likely if the Company had been wound up (without first being in administration).

The objective was to be achieved by a sale of the company's client contracts, intellectual property and servicing rights.

It was anticipated that the Company would exit from administration by moving to dissolution.

### Implementation of the Proposals

As detailed in the previous reports, the Company's principal asset was the revenue derived from its c. 280 clients "Client Book". The Administrators immediately sought to market the Client Book for sale with a view to transferring all customers to a purchaser in order to mitigate consumer detriment and generate value for the administration estate.

The Administrators completed a sale of the Company's client contracts, intellectual property and servicing rights to LLAM and IAM on 8 March 2018.

IAM purchased all Scottish client contracts/intellectual property and servicing rights and LLAM purchased all other non-Scottish contracts/intellectual property and servicing rights.

LLAM and IAM are connected parties by virtue of their common directorships with the Company. The sole director/shareholders of LLAM are Bill Calderbank and Stuart Cartwright and the sole director/shareholder of IAM is Callum Reid.

LLAM and IAM were both required to contribute 15% (inclusive of VAT) of future gross recurring fee income derived from the client book for a period of two years commencing on 8 June 2018.

A final settlement has been received from LLAM and IAM which has resulted in revenue share contributions of £8,038 plus VAT during the current period. Revenue share contributions from commencement of the agreement to date have totalled £71,605 plus VAT.

There are no further monies due under the agreement and all asset realisations have now been concluded.

### Extension of period of administration

To avoid the automatic termination of the administration on the first anniversary, the period of administration was extended by Order of the Court for a period to 23 July 2020.

## 2. Progress of the Administration in the Period

Work undertaken during the administration

I attach at **Appendix C**, a schedule of work undertaken during the period covered by this final report.

Attached at **Appendix E** is a receipts and payments account detailing both transactions for the Period and also cumulatively for the whole period of the administration.

Investigations

Part of my duties included carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they had concerning the way in which the Company's business had been conducted.

I can confirm that no further investigations or actions were required.

Exiting the administration

In accordance with the Proposals the administration will be exited by way of the Administrators ceasing to act and the Company moving to dissolution three months after the date on which the requisite notice is filed with the Registrar of Companies.

### 3. Outcome for creditors

Initial estimated outcome for creditors

The Proposals anticipated that the outcome to preferential and unsecured creditors was uncertain and was dependent on the quantum of the revenue share. The realisations have been insufficient to make a distribution to any class of creditors.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

The prescribed part was not applicable in this matter because there are no holders of floating charges.

## 4. Administrators' Remuneration, Disbursements and Expenses

### Administrators' remuneration

The Proposals stated that the Administrators' remuneration would be calculated on a time cost basis. Creditors have been notified in previous reports of the amounts of fees fixed on that basis by the resolutions of the creditors.

As shown on the receipts and payments account attached at **Appendix E**, a total of £121,933.01 excluding VAT, has been drawn from the funds available in respect of officeholder fees. This includes £17,308.60 excluding VAT in respect of the work undertaken prior to the Administration appointment.

This is less than the total amount of fees fixed, however the amounts drawn have been restricted due to the lack of funds and the balance of time has been written off.

### Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

### The expenses of the Administration

The total expenses incurred by the Administrators are included in the cumulative figures in the receipts and payments account attached at **Appendix E**.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Administrator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Administrator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Administrator and usually have

knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

# Appendix A

## Statutory Information

### CARE ASSET MANAGEMENT LIMITED (IN ADMINISTRATION)

#### COMPANY INFORMATION:

Other trading names:	N/A
Company number:	SC139965
Registered office:	Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD
Previous registered office:	30 & 34 Reform Street, Dundee, DD1 1RJ
Business address:	Albert Street, Eccles, Manchester, M30 0LJ

#### ADMINISTRATION DETAILS:

Administrator(s):	Anthony Collier & Thomas Campbell MacLennan
Address of Administrator(s):	FRP Advisory Trading Limited Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD
Date of appointment of Administrator(s):	24 January 2018
Registered office:	Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD
Court in which administration proceedings were brought:	Court of Session
Court reference number:	P65 of 2018
Appointor details:	Directors' Appointment
Previous office holders, if any:	None
Extensions to the initial period of appointment:	18 Month extension to 23 July 2020

## Appendix B

Form AM 23

**FRP**

Appendix C

Schedule of work

## Care Asset Management Limited (IN ADMINISTRATION)

### Schedule of Work

The table below sets out a detailed summary of the work undertaken by the office holder(s) during the reporting period.

Note	Category		
1	<b>ADMINISTRATION AND PLANNING</b> <b>Work undertaken during the reporting period</b>		<b>ADMINISTRATION AND PLANNING</b> <b>Future work to be undertaken</b>
	<b>General Matters</b>		
	All administrative matters to maintain case records.		No further action.
	<b>Regulatory Requirements</b>		
	Complete and maintain regulatory records.		No further action.
	<b>Case Management Requirements</b>		
	Ongoing review and case management.		No further action.
2	<b>ASSET REALISATION</b> <b>Work undertaken during the reporting period</b>		<b>ASSET REALISATION</b> <b>Future work to be undertaken</b>
	The Administrators have continued to monitor the revenue share contributions from LLAM and IAM and have issued monthly invoices to both where/when required.		No further action.
	The Administrators have agreed and received a final settlement from LLAM and IAM during the period.		

## Care Asset Management Limited (IN ADMINISTRATION)

## Schedule of Work

	Revenue contributions received during the period have totalled £8,038 plus VAT with contributions totalling £71,605 plus VAT received since commencement of the Administration.	
3	<b>CREDITORS</b> <b>Work undertaken during the reporting period</b>	<b>CREDITORS</b> <b>Future work to be undertaken</b>
	Dealing with ad hoc creditor queries.	No further action.
4	<b>INVESTIGATIONS</b> <b>Work undertaken during the reporting period</b>	<b>INVESTIGATIONS</b> <b>Future work to be undertaken</b>
	None.	No further action.
5	<b>STATUTORY COMPLIANCE AND REPORTING</b> <b>Work undertaken during the reporting period</b>	<b>STATUTORY COMPLIANCE AND REPORTING</b> <b>Future work to be undertaken</b>
	Work undertaken during the reporting period includes the preparation and circulation of the Administrators progress reports to creditors and filing with the Registrar of Companies.  It also includes the preparation and submission of VAT returns and reviewing/submitting the Administrators' Corporation Tax Returns to HMRC.	No further action.

Care Asset Management Limited (IN ADMINISTRATION)

Schedule of Work

6	TRADING (where applicable) Work undertaken during the reporting period		TRADING (where applicable) Future work to be undertaken
	N/A		N/A
7	LEGAL AND LITIGATION Work undertaken during the reporting period		LEGAL AND LITIGATION Future work to be undertaken
	N/A		N/A

Appendix D

Details of the Administrators' time costs and disbursements for the Period and cumulatively

**FRP**

FRP

Care Asset management Limited (In Administration)  
Time charged for the period 24 January 2020 to 15 July 2020

	Appointment Takers /			Junior Professional & Support	Total Hours	Total Cost	
	Partners /	Managers / Directors	Other Professional			£	Average Hly Rate £
Administration and Planning	4.00	18.65	0.50	1.15	25.20	9,134.75	362.49
Asset Realisation		8.75			8.75	3,038.75	347.28
Investigation		4.00			4.00	1,360.00	340.00
Statutory Compliance		26.80		1.00	27.80	10,112.00	363.74
Total Hours	4.00	59.10	0.50	2.15	65.75	23,645.50	359.63

FRP Charge out rates	From
Grade	31st May 2017
Appointment taker / Partner	450-545
Managers / Directors	340-465
Other Professional	200-295
Junior Professional & Support	125-175

Disbursements for the period  
24 January 2020 to 15 July 2020

Category 1	Value £
Postage	20.48
Grand Total	20.48

Mileage is charged at the HMRC rate  
prevailing at the time the cost was incurred

# FRP

## Care Asset Management Limited (In Administration)

Time charged for the period 24 January 2020 to 15 July 2020

WIPDate (All)

Time and Disbursements Timesheet entries

IncludeInPeriodPivot TRUE

	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	25.20	9,134.75	362.49
Asset Realisation	8.75	3,038.75	347.29
Investigation	4.00	1,360.00	340.00
Statutory Compliance	27.80	10,112.00	363.74
Grand Total	65.75	23,645.50	359.63

Time charged from the start of the case to 15 July 2020

WIPDate (All)

Time and Disbursements Timesheet entries

IncludeInWholeJobCost TRUE

	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	137.25	47,041.50	342.74
Asset Realisation	158.65	58,875.75	371.10
Creditors	16.90	6,030.50	356.83
Investigation	18.50	6,576.00	355.46
Statutory Compliance	120.35	46,187.75	383.78
Grand Total	451.65	164,711.50	364.69

FRP Charge out rates

From

## Appendix E

Receipts and payments account for the period and cumulatively

**FRP**

**Care Asset Management Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 24/01/2020 To 15/07/2020 £	From 24/01/2018 To 15/07/2020 £
	ASSET REALISATIONS		
Uncertain	Furniture & Equipment	NIL	100.00
NIL	Investments	NIL	NIL
38,965.32	Book Debts	NIL	38,830.58
59,782.47	Cash at Bank	NIL	59,782.47
70.79	Cash in Hand	NIL	71.28
Uncertain	Contracts and Intellectual Property	NIL	NIL
	Revenue Share	8,037.82	71,604.73
	Bank Interest Gross	6.67	38.21
	Miscellaneous Receipts	NIL	5,353.17
		8,044.49	175,780.44
	COST OF REALISATIONS		
	Office Holders Fees	22,038.16	121,933.01
	Office Holders Expenses	1,551.06	2,642.57
	Agents' Fees	NIL	1,470.00
	Legal Fees	NIL	39,866.95
	Professional fees	2,250.00	8,242.63
	Corporation Tax	100.00	100.00
	Photocopier Costs	NIL	436.28
	Registers of Scotland	NIL	15.00
	Storage Costs	358.40	854.11
	Statutory Advertising	NIL	139.86
	Other Property Expenses	NIL	52.13
	Bank Charges - Floating	NIL	27.90
		(26,297.62)	(175,780.44)
	PREFERENTIAL CREDITORS		
(856.00)	Employee - Wage Arrears/Holiday Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(78,364.00)	Trade & Expense Creditors	NIL	NIL
(38,117.00)	Employees - Redundancy and PILN	NIL	NIL
(51,648.00)	Robert Elliott	NIL	NIL
(1,159.00)	HMRC - (Loan Tax)	NIL	NIL
(1,755.00)	HMRC - PAYE	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(73,180.42)		(18,253.13)	0.00
	REPRESENTED BY		
	Vat Recoverable - Floating		16,425.81
	Office		(7,115.81)
	Vat Payable - Floating		(9,310.00)
			NIL

Anthony Collier  
Joint Administrator