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Private and Confidential
To all known creditors

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Peter White
Wokingham Borough Council
Ref:
Civic Offices , Shute End
Wokingham
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WOODL/PWE/LL

13 June 2016



Dear Sir

Woodley Age Concern – in Administration ('the Company')

Further to the initial meeting of creditors to consider my proposals that were held on 26 May 2016, I enclose a notice of result of meeting, form 2.23B. You will see from this that the meeting approved my proposals.

Two creditors attended the meeting (including Wokingham Borough Council ('WBC') who are the largest creditor) and asked a number of questions specifically relating to the monies owed to them and KRE's involvement with the Company two years ago.

For the record, I can confirm that KRE acted as advisors to the Board for a period of two weeks in 2014; the situation was resolved with no further action required and KRE was not paid for the advice provided to the Company.

WBC also objected to certain information in the proposals relating to the circumstances leading to the appointment of Administrators and have requested that the following statement is issued to the Company's creditors in response to the proposals: -

Historically Wokingham Borough Council block purchased services for day care. This meant giving its available funds for day care to a small number of providers. From 2011 the self-directed support model was introduced nationally. After an assessment of a customer's needs, the customer had control over their personal budget and this allowed them to choose which service to buy to meet their need and decide on the provider, rather than limit them to services block purchased.

In order to allow choice, the Council needed to free up its block funding to providers. This was done after extensive consultation and block funding was tapered off gradually.

The Council was notified in early 2014 that Woodley Age Concern was experiencing financial difficulties. In April 2014, the Council agreed to provide a loan of up to £150,000, and supported it to develop a business plan in order for it to increase its income and gain financial stability.

Following a financial review in November 2014, it became apparent that Woodley Age Concern needed further funds. An additional loan of £66,000 was provided.

In February 2016, the Council and Woodley Age Concern could not agree terms on further support, and therefore, the Company sought advice on its ongoing solvency. The recommendation was that Woodley Age Concern could not continue to trade. The Council complied with its statutory duty pursuant to Section 48 of the Care Act 2012 and took over the temporary operation of the day care centre on 23 March 2016.

Partners: Robert C Keyes | Gareth W Roberts | Paul W Ellison
KRE Corporate Recovery LLP (No OC378666) registered in England and Wales | Registered Office: Burlington House, 1-13 York Road, Maidenhead, Berks, SL6 1SQ

All insolvency practitioners of the firm are authorised to act in this capacity by the Institute of Chartered Accountants in England and Wales
Partners and staff acting as Administrative Receivers and Administrators act as agents of the company over which they are appointed and contract without personal liability

As a result of the approval of the proposals, my remuneration for acting as Administrator of the company has been approved on the basis of the time properly spent by me and my staff in dealing with matters relating to the Administration of the company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken capped at £25,000.

I will be writing to you within the next 6 months in order to provide you with an update on the progress of the Administration of the company.

Should you have any queries, please contact Lee Lloyd at the above office.

Yours faithfully



Paul Ellison
Joint Administrator

Licensed to act in the United Kingdom as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales

Enclosure:

- Form 2.23B