

The Insolvency Act 1986

Administrator's progress report**R2.38**

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

Kilwuddie Construction Limited

Company number

SC149844

(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Bryan A Jackson
PKF (UK) LLP
78 Carlton Place
Glasgow
G5 9TH

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

from

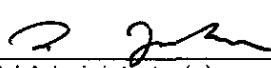
to

(b) Insert date(s)


(b) 19 January 2010

(b) 18 July 2010

Signed


Joint / Administrator(s)

Dated


1/10/10**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

Bryan A Jackson
PKF (UK) LLP
78 Carlton Place
Glasgow
G5 9TH

DX Number DX-GW249 Glasgow

0141 429 5900
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at:-

Companies House, 37 Castle Terrace, Edinburgh EH1 2EB
DX 235 Edinburgh / LP 4 Edinburgh-2

SATURDAY



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02/10/2010
COMPANIES HOUSE

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**Kilwuddie Construction Limited ["the Company"]
In Administration**

1. Statutory Information

Company Number SC149844

Registered Office 78 Carlton Place, Glasgow, G5 9TH

Appointed Bryan A Jackson of PKF (UK) LLP, 78 Carlton Place, Glasgow,
G5 9TH

Date of Appointment 19 January 2010

Appointers The Directors of the Company

Court Hamilton Sheriff Court

Court ref B37/10

Regulations EC Regulations on Insolvency Proceedings 2000 apply to the
Company and the main proceedings are in the United Kingdom

Kilwuddie Construction Limited ["the Company"] In Administration

2. Summary of Progress and Estimated Financial Position as at 18 July 2010

This Report should be read in conjunction with the Proposals. This Report relates to transactions in the period since 19 January 2010 (date of Administration).

1. ASSET REALISATIONS

Plant and Machinery and Motor Vehicles

- 1.1. The sum of £1,099,395 mentioned in the Proposals included the assets sold on behalf of Northridge Finance Limited. The actual sum realised on behalf of the Company, after settlement of finance agreements, was £939,437.22.

Furniture and Equipment

- 1.2. The furniture and equipment was disposed of and the sum of £3,000 was realised.

Stock

- 1.3. Only one item of stock was sold and the sum of £700 was realised. Unfortunately, no other offers were received and it was not cost effective to remove the remaining stock from site.

Debtors and Retentions

- 1.4. To date, the sum of £41,614 has been received. Continued efforts are being made by GA Johnston Associates to collect outstanding monies however, this is proving difficult.

Refunds

- 1.5 The sum of £16,609.73 shown on the Statement of Affairs was the annual premium paid to Standard Life in respect of a Healthcare policy. The policy was cancelled following the Administration and a refund of £6,306.16 was received in respect of the premiums paid for the period remaining.
- 1.6 You will note from the attached Receipts and Payments account that various other refunds have been received totalling £3,738.50.

Interest

- 1.7 Interest of £639.58 has been received in this period.

2. DISTRIBUTION TO CREDITORS

Preferential Creditors

- 2.1. The preferential creditors will be paid in full and formal adjudication on claims will be carried out in the near future. The funds are currently held on a fixed term deposit account and I am unable to distribute the funds until the account matures in November 2010.

**Kilwuddie Construction Limited ["the Company"]
In Administration**

2. Summary of Progress and Estimated Financial Position as at 18 July 2010

Unsecured Creditors

- 2.2. Sufficient funds will be available to enable payment of a dividend to unsecured creditors and, per the Proposals, once all matters have been concluded steps will be taken to place the Company into Liquidation with myself being appointed as Liquidator .

3. OTHER MATTERS

- 3.1. My investigations into the company's affairs are complete and a Report has been sent to the Insolvency Service.

4. ADMINISTRATOR'S REMUNERATION AND DISBURSEMENTS

- 4.1. As previously advised, the Creditors' Committee approved my first fee of £45,714.75 plus VAT and outlays of £238.71 plus VAT for the period to 9 March 2010. It is now my intention to ask the Creditors' Committee to agree a fee of £28,439.58. This fee covers my time costs for the period 10 March 2010 to 18 July 2010 and is based on 224.43 hours at an average hourly rate of £127.00, a detailed analysis of this time is attached.

- 4.2. Disbursements incurred from 10 March 2010 to 18 July 2010 are detailed below.

	Category 1	Category 2
	£	£
Staff Travel and subsistence costs	162.35	-
Insolvency Practitioners' Bonds	350.00	-
	<u>512.35</u>	<u> </u>

- 4.3. My firm's disbursements are charged on the basis of costs incurred as costs generally charged to clients for such services (which are appropriate to cost and do not include any overhead recovery).

- 4.4. Category 1 disbursements are those which generally comprise external suppliers of incidental services specifically identifiable to the client. Category 2 disbursements are generally services supplied internally and require the approval of creditors.

5. COMPLETION OF THE ADMINISTRATION

- 5.1. As advised above there will be sufficient funds to enable payment of a dividend to unsecured creditors and, per the Proposals, once all matters have been concluded steps will be taken to place the Company into Liquidation with myself being appointed as Liquidator.

**Kilwuddie Construction Limited
(In Administration)**

**Income and Expenditure Account
19 January 2010 to 18 July 2010**

INCOME	Total (£)
P&M and MVs	1,075,473.44
Furniture & Equipment	3,000.00
Stock	700.00
Debts/Retentions	41,614.00
Refund	6,306.16
Mobile Phone Refund	30.00
Bank Interest Gross	639.58
Petty Cash	11.14
B&CE Benefit Schemes/Company Refund	3,519.50
Refund of Operator Licensing Fees	189.00
	<hr/>
	1,131,482.82

EXPENDITURE	
Direct Labour	6,577.55
Employee Expenses	191.49
Telephone	159.42
Postages	26.00
Water Rates	462.56
Waste Disposal	1,514.04
Rent	11,076.00
Agents/Valuers Expenses	5,365.00
Security Costs	7,369.15
Debt collection costs	6,242.10
Settlement of Finance Agreements	136,036.22
Transport/Plant hire	6,447.50
Collection costs	7,382.50
Public Notices	674.10
Registers of Scotland	15.00
Bank Charges	30.00
Notary Public Fees	40.00
Legal Fees	1,115.65
Professional fees	3,949.00
Administrators Fees	45,714.75
Administrators Outlays	238.71
	<hr/>
	240,626.74
	<hr/>
Balance	890,856.08

MADE UP AS FOLLOWS

VAT Receivable	57.58
Fixed Term Deposit.	875,000.00
Allied Irish Bank	6,515.68
VAT Payable	(770.00)
Vat Control Account	10,052.82
	<hr/>
	890,856.08

SIP9 Analysis of OfficeHolders Timecosts from 10/3/10 to 18/7/10

Client: 4016539 Kilwuddie Construction Limited

Tasks	Grade:		Partner / Director		Manager		Supervisor / Senior Administrator		Administrator / Assistant		Total	
	Amount (£)	Hours	Amount (£)	Hours	Amount (£)	Hours	Amount (£)	Hours	Amount (£)	Hours	Amount (£)	Hours
Average Cost per hour:												
Partner/Senior Manager Review	220.25	0.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	220.25	0.75
Cashiering Function Generally	0.00	0.00	18.10	0.10	49.95	0.45	271.50	4.15	339.55	4.70	339.55	4.70
Office Holders Tax Liabilities	0.00	0.00	63.35	0.35	39.90	0.35	169.75	1.75	273.00	2.45	273.00	2.45
Creditors/Liquidation Committee	0.00	0.00	379.15	2.15	0.00	0.00	0.00	0.00	379.15	2.15	379.15	2.15
CDDA 1986 Work	0.00	0.00	1,882.40	10.40	0.00	0.00	0.00	0.00	1,882.40	10.40	1,882.40	10.40
Partly Secured Creditors (including of lease and HP)	0.00	0.00	0.00	0.00	133.20	1.20	0.00	0.00	133.20	1.20	133.20	1.20
Preferential Creditors	0.00	0.00	0.00	0.00	0.00	0.00	12.72	0.12	12.72	0.12	12.72	0.12
Non Preferential Creditors	175.00	0.60	737.60	4.10	497.85	4.40	330.00	11.00	1,740.45	20.10	1,740.45	20.10
Employee Claims	72.75	0.25	0.00	0.00	3,236.70	28.60	399.95	5.80	3,709.40	34.65	3,709.40	34.65
Book Debt Realisations	0.00	0.00	1,166.20	6.45	0.00	0.00	0.00	0.00	1,166.20	6.45	1,166.20	6.45
Other Asset Realisations	0.00	0.00	303.95	1.70	0.00	0.00	0.00	0.00	303.95	1.70	303.95	1.70
Post Appointment Trading	0.00	0.00	0.00	0.00	0.00	0.00	1,175.00	12.50	1,175.00	12.50	1,175.00	12.50
Insurance & Bonding	0.00	0.00	250.90	1.40	0.00	0.00	48.50	0.50	299.40	1.90	299.40	1.90
General Administration	3,665.50	12.50	8,398.65	46.90	356.10	3.15	4,044.06	57.21	16,464.31	119.76	16,464.31	119.76
Secretarial	0.00	0.00	0.00	0.00	0.00	0.00	340.60	5.60	340.60	5.60	340.60	5.60
	4,133.50	14.10	13,200.30	73.55	4,313.70	38.15	6,792.08	98.63	28,439.58	224.43	28,439.58	224.43

PKF (UK) LLP

Scottish Region: Glasgow and Edinburgh Offices

Corporate Recovery & Insolvency Department

Charge Out Rates

as at 6 April 2010

Job Title	Hourly Rate
Partner	£295
Director	£228 – £270
Senior Manager	£209
Manager	£181
Assistant Manager	£146
Supervisor	£128
Senior Administrator	£114
Administrator	£97 - £109
Cashier	£50 - £66
Secretarial	£61
Support Staff	£31 - £80

It should be noted that the above rates increase from time to time over the period of the administration of each insolvency case.

A CREDITORS' GUIDE TO ADMINISTRATOR'S FEES (SCOTLAND)

1 Introduction

- 1.1 When a company goes into administration the costs of the proceedings are paid out of the company's assets in priority to creditors' claims. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2 The Nature of Administration

- 2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the Court in order to achieve one or more of the following statutory purposes:
- the survival of the company or its business in whole or in part;
 - the approval of a company voluntary arrangement;
 - the sanctioning of a scheme under Section 425 of the Companies Act 1985;
 - a better realisation of assets than would be possible in a liquidation.

Administration may be followed by a company voluntary arrangement or liquidation.

3 The Creditors' Committee

- 3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is established at the meeting of creditors which the administrator is required to hold within 3 months of the administration order to consider his proposals. The administrator must call the first meeting of the committee within 3 months of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has the power to summon the administrator to attend before it and provide such information as it may require.

4 Fixing the Administrator's Fees

- 4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.16 of the Insolvency (Scotland) Rules 1986 which states that it may be a commission calculated by reference to the value of the company's property with which he has had to deal.

It is for the creditors' committee (if there is one) to fix the remuneration and Rule 2.16 says that in arriving at its decision the committee should take into account:-

- the work which, having regard to the value of the company's property, was reasonably undertaken by the administrator; and
- the extent of his responsibilities in administering the company's assets.

Although not specifically stated in the Rules, the normal basis for determining the remuneration will be that of the time costs properly incurred by the administrator and his staff.

- 4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration will be fixed by the Court on application by the administrator.

A CREDITORS' GUIDE TO ADMINISTRATOR'S FEES (SCOTLAND)

5 What Information should be Provided by the Administrator?

5.1 Claims by the administrator for the outlays reasonably incurred by him and for his remuneration shall be made in accordance with Section 53 of the Bankruptcy (Scotland) Act 1985 as applied by Rule 4.68 which provides that within two weeks after the end of the accounting period, the administrator shall submit to the creditors' committee or, if there is no creditors' committee, to the Court:

- his accounts of intromissions for audit;
- a claim for the outlays reasonably incurred by him and for his remuneration; and

where the documents are submitted to the creditors' committee he shall send a copy of them to the Court.

5.2 The administrator may at any time before the end of an accounting period submit to the creditors' committee (if any) an interim claim for the outlays reasonably incurred by him and for his remuneration.

5.3 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The administrator should always make available an up to date receipts and payments account. The administrator should be prepared to disclose the amount of time spent, together with such additional information as may reasonably be required having regard to the size and complexity of the case. Where the fee is charged as a commission based on the value of the company's property with which the administrator has had to deal, the administrator should provide details of any work which has been or is intended to be contracted out which would normally be undertaken directly by the administrator or his staff.

5.4 Where an administrator makes, or proposes to make, a separate charge by way of expenses and disbursements to recover the costs of facilities provided by his own firm, he should disclose those charges to the committee or the Court when seeking approval of his fees, together with an explanation of how those charges are made up and the basis on which they are arrived at.

6 What if a Creditor is Dissatisfied?

6.1 If a creditor believes that the administrator's remuneration is too high he may appeal against the determination by virtue of Section 53(6) of the Bankruptcy Act, applied by Rule 4.32 of the Insolvency Rules, which is in turn applied by Rule 2.16. Creditors have a right of appeal against the determination of an administrator's remuneration by virtue of the application of Section 53(6) of the Bankruptcy (Scotland) Act.

6.2 The right of appeal is either to the Court (if the determination is by the creditors committee) or to a higher court (if the determination is by a court). Notwithstanding the fact that the statutory time limit for appealing expires eight weeks from the end of the accounting period concerned, it is normal practice to advise the creditors that they may appeal within 14 days of being notified of the determination in cases where this extends beyond the statutory appeal period.

7 What if the Administrator is Dissatisfied?

7.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for an order increasing its amount or rate. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

8 Other Matters Relating to Fees

8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.