Rule 2.25

Form 2.16B(Scot)

The Insolvency Act 1986

Statement of administrator's proposals

Pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.25 of the Insolvency (Scotland) Rules 1986

Name of Company	Company number
Moray Timber Limited	SC161601

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

We (a) Geoffrey Isaac jacobs
KPMG LLP
191 West George Street
Glasgow
G2 2LJ

Blair Carnegie Nimmo
KPMG LLP
191 West George Street
Glasgow
G2 2LJ

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 10 November 2014

Signed ______________
Joint Administrator

Dated 10 November 2014

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

Geoffrey Isaac Jacobs
KPMG LLP
191 West George Street
Glasgow
G2 2LJ

DX Number DX 551820 Glasgow 20	Tel +44 (0) 141 226 5511 DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at:-
Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
DXED235 Edinburgh 1 / LP- 4 Edinburgh 2

KPMG

Moray Timber Limited
- in Administration

Statement of Proposals

Pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 & Rule 2.25 of the Insolvency (Scotland) Rules 1986 (both as amended)

10 November 2014

KPMG LLP
10 November 2014

Mms/cs/982/MTL

Notice: About these Proposals

- These Proposals have been prepared by Geoffrey Isaac Jacobs and Blair Carnegie Nimmo, the Joint Administrators of Moray Timber Limited solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the Administration order, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

- These Proposals have not been prepared in contemplation of them being used, and are not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Moray Timber Limited.

- Any estimated outcomes for creditors included in these Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

- Any person who chooses to rely on these Proposals for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of these Proposals.

- Geoffrey Isaac Jacobs is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

- Blair Carnegie Nimmo is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

- The Joint Administrators act as agents for Moray Timber Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of these Proposals or the conduct of the Administration.

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1 Glossary

Act	The Insolvency Act 1986 (as amended)
Administrators	Geoffrey Isaac Jacobs and Blair Carnegie Nimmo of KPMG LLP
Bank	The Royal Bank of Scotland plc
Company	Moray Timber Limited
Court	Court of Session
Directors	Charles Ronald Cameron, James Wilson Anderson and Elizabeth Johnston
Rules	The Insolvency (Scotland) Rules 1986 (as amended)

The references in these Proposals to Sections, Paragraphs or Rules are to the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (Scotland) Rules 1986 (as amended) respectively.

This document in its entirety constitutes the Joint Administrators' Statement of Proposals. A summary list of the proposals is shown in section 14.

2 Introduction

We, Geoffrey Isaac Jacobs and Blair Carnegie Nimmo of KPMG LLP, were appointed Joint Administrators of Moray Timber Limited on 16 September 2014.

We were appointed by the Directors of the Company.

In accordance with Paragraph 100 (2) of Schedule B1 of the Act, the functions of the Joint Administrators may be exercised by either of or both of the Joint Administrators.

In accordance with Paragraph 49 of Schedule B1 of the Act we set out below our report to the creditors of the Company together with our proposals for achieving the purpose of the Administration and for the conduct of the Administration.

The report also includes certain information which is required to be provided to creditors in accordance with Rule 2.25 (1) of the Rules.

As there are unlikely to be sufficient funds available for distribution to the unsecured creditors, other than the prescribed part by virtue of Section 176A of the Act, the Joint Administrators are not required to convene a creditors' meeting unless requested to do so by 10% in value of the creditors, as explained in section 12.

3 Statement of prior professional relationship

The Joint Administrators have not had a prior relationship with the Company.

4 Statutory and other information

A summary of the statutory and other relevant information relating to the Company is set out in Appendix 1.

5 Receipts and payments

A copy of our receipts and payments account from the date of appointment to 31 October 2014 is enclosed at Appendix 2. This indicates that funds on hand currently amount to £9,496.

These funds are subject to the costs of asset realisation and the Administration process.

6 Background and events leading up to the appointment

6.1 Background

The Company was incorporated on 15 November 1995, following a management buyout from Elgin City Sawmills Limited. As part of the transaction, the Company acquired the long-term lease for the sawmill and timber yard at Waterford Circle, Forres, IV36 3EE ("Forres"). The Company subsequently developed warehouse facilities to support the sawmill operation at Forres.

The Forres sawmill was principally engaged in the manufacture, fabrication and treatment of timber products, including roof trusses that were manufactured to customer specification.

The Company also operated from a leasehold warehouse and office facility at 11 Perimeter Road, Elgin, Morayshire, IV30 6AF ("Elgin"). The Elgin business traded as a timber merchant and trade counter, supplying a wide range of timber products to businesses primarily in the North of Scotland.

Prior to 2009, the Company would typically generate annual turnover between £3million and £4 million, generating annual profits after tax of over £50,000.

6.2 Events leading up to Insolvency

The well documented financial downturn significantly impacted the construction sector limiting the number of new housing projects. As a consequence, the demand for timber products reduced significantly.

The Company's financial performance began to deteriorate from 2009, due to the general downturn coupled with increased competition from the Eastern European and Scandinavian markets. The Company had to drop prices in order to compete. These factors had a negative impact on cash flow and profitability.

During 2011, the Company generated annual turnover of c£2.1million and reported a modest profit after tax of £3,000 as at 31 December 2011. Thereafter, annual turnover reduced each year to levels of c.£1.9million and c.£1.7million during 2012 and 2013, respectively. During the same period the Company reported net losses after tax of £27,000 and £86,000, respectively.

The Directors attempted to reduce the Company's cost base, however, many of the Company's employees had built up a substantial number of years of service, making it costly to reduce headcount.

The Forres site is substantial, with 4 acres of ground and 3,950 square metres of accommodation. The drop in trade meant that the large site was becoming more underutilised. The Forres operation became a major drain on the Company's cash flow due to the high base costs of rent, rates and utilities.

The Directors investigated the possibility of closing the site or subletting the underutilised space. However, the Company was tied into the long term lease that expired in 2100 and was required to continue to meet the ongoing costs. To attract potential tenants, the Company required to invest in significant building improvements and would require to obtain the landlord's consent to sublet and potentially change its use. The Directors made enquiries with potential funders, but were ultimately unable to source the level of capital required to implement changes.

Management accounts prepared as at 31 July 2014 indicate that losses were continuing and after an especially quiet summer period, the Directors found it increasingly difficult to meet supplier obligations. Stock levels reduced and eventually the Company held insufficient levels of stock to meet the demands of its higher value customers. The lack of stock led to many customers sourcing materials elsewhere, leading to a further drop in revenue.

With no additional investment forthcoming, the Directors sought professional advice from their accountants. Shortly thereafter, the Directors took steps to place the Company into administration.

6.3 Reasons for insolvency

The Directors have attributed the following reasons to the Company's insolvency:-

- Increased local competition as well as the availability of cheaper overseas imports of timber products;

- High cost base of the Forres operation and the inability to remove the leasehold obligations;

- Inability to raise working capital to make the necessary improvements to the Forres site to allow for subtenant(s);

- Insufficient cash flow available to meet supplier credit terms; and

- An inability to attract new customer orders with limited stock.

7 Purpose of the administration and proposal for achieving this objective

In accordance with Paragraph 3(1) of Schedule B1 of the Act the Joint Administrators have the following hierarchy of objectives. In order these are:-

a. rescuing the Company as a going concern; or

b. achieving a better result for the Company's creditors as a whole than would be likely if the Company was wound up (without first being in Administration); or

c. realising property in order to make a distribution to one or more secured or preferential creditors.

It was not possible to save the Company as a going concern for a number of reasons, *including inter alia*, the following:-

- a distinct lack of ongoing work and pipeline orders;

- the level of ongoing commitments and liabilities across the Company; and

- the level of losses that the Company was continuing to incur.

Given the nature of the Company's business and assets, it was considered that the protection of the Administration process would best facilitate a sale of the Company's assets, achieving a better outcome for the Company's creditors than from an alternative insolvency process.

The primary objective of the Administration is therefore option (b).

8 Events following the appointment and expected future actions

8.1 Initial review and closure of the business

At the date of appointment, we met with the Directors to establish the financial position of the Company. It soon became apparent that there was very little work in progress and no orders of any value were in the pipeline.

Insufficient levels of ongoing profitable work, and the relatively high level of costs required to sustain the business, meant that continuing to trade was not a viable option. Accordingly, the Company ceased trading upon appointment and all 13 employees were made redundant on 16 September 2014.

Despite the closure, there was a brief opportunity for a sale of the business and assets as the general infrastructure remained in place. An intensive marketing campaign was instigated with the Joint Administrators seeking notes of interest within days from appointment. Unfortunately, no interest was received.

With no sale of the business possible, the Joint Administrators' focus turned to asset realisation and the leasehold premises at Elgin were returned to the landlords shortly after appointment.

8.2 Realisation of other assets

The Company's principal assets at the date of appointment comprised the leasehold interest at Forres, trade debtors, plant and machinery, vehicles, equipment and stock.

Leasehold interest at Forres

The Company owns a leasehold interest in the property in Forres that is subject to a standard security with The Royal Bank of Scotland PLC ("the Bank"). The landlord of the property is The Moray Council ("TMC"). The lease expires in 2100.

To assist with valuing the leasehold interest and to determine the ongoing strategy for disposal, we instructed specialist property agents. Our legal advisors also conducted a lease review.

There are various complications in disposing of the leasehold interest and at time of writing we are in discussions with all parties over how matters are to progress. At this stage it is unlikely there will be any recoveries for the Administration from the leasehold property.

Trade debtors

The Company's debtor book was previously subject to a confidential invoice discounting agreement with The Royal Bank of Scotland Commercial Services Limited ("RBSCS").

At the date of appointment, the Company's records indicated outstanding balances of c.£213,000 due to the Company. RBSCS liability under the terms of the agreement at that time was c.£106,000.

Immediately following our appointment, RBSCS appointed debt recovery solicitors to undertake the debt recovery exercise. To assist with the debt collection process, we secured, collated and forwarded all available debtor information and documentation located at Elgin and Forres to the recovery agent.

RBSCS indebtedness has now been recovered in full. We are currently liaising with RBSCS to co-ordinate the assignation of the remaining debtor balances and surplus funds to the Company.

The agents are continuing to collect out the remaining outstanding balances on the Company's behalf. A number of disputes and counter claims have been intimated by customers and it is likely that the remaining outstanding balances will be more challenging to recover.

Working closely with our agents, we will continue to pursue all outstanding debtor balances whilst it remains cost effective to do so. Given the uncertainties surrounding the collection of the outstanding balances it is not possible to provide a prediction of future recoveries at present.

Plant and machinery, equipment, vehicles and stock ("the physical assets")

Following our appointment, we instructed specialist asset agents to provide an inventory and valuation of the physical assets.

Owned assets

The Company's principal owned assets comprise forklift trucks, saws and general cutting equipment, truss making plant, vehicles and stock. The initial valuation of owned assets on a break up basis was c.£28,000.

The agents considered the value, condition and expected levels of interest in the assets and determined that the most suitable method for sale was by private tender. After an assessment of site security and considering the potential costs of securing and insuring the assets, the agents advised that the optimum course of action was to remove most of the forklifts and vehicles from site and to relocate them to a secured storage facility.

Stock was comprised of a wide range of products with only a small stockholding of each type available.

A portion of the timber stock identified at Elgin and Forres was subject to Retention of Title ("RoT") claims by suppliers. Nine RoT claims were received following our appointment and stock was returned to supplier where appropriate. All RoT claims have now concluded.

The tender sale completed in late October 2014 and disposal of the owned assets generated realisations of c.£34,000 before costs. This represents a 20% increase on the valuation provided.

Assets subject to hire purchase

3 vehicles subject to third party hire purchase agreements were also identified. The initial valuation of c.£21,000 compared to outstanding finance costs of c.£13,000. The agents were successful in arranging for the disposal of the vehicles in line with valuation and after settling the outstanding finance, a surplus of c.£8,000 (before costs) has been recovered for these vehicles.

Overall recoveries from physical assets

Overall recoveries of c.£42,000 have been generated.

The costs of the disposal process are still being finalised, however, the agents have advised that the estimated costs including; valuation charges, commission, preparation and supervision of the sales process and all third party costs for transportation and recovery of the assets, will likely be in the region of c.£21,000.

Consequently, a net recovery of c.£21,000 is anticipated to be generated from the disposal of all of the physical assets.

Marketable securities

The Company owns a small number of shareholdings that hold an estimated book value of c.£1,000. We will seek to dispose of these shareholdings for the optimum value possible, however, once the costs of disposal are considered, we would expect recoveries to be minimal.

Cash at Bank

The Company's account held a small positive balance at appointment. The Bank has retained these funds and applied them in reduction of the sums due to them.

8.3 Connected party transactions

The Joint Administrators are not aware of any connected party transactions which have been carried out in the period of 2 years prior to, or since the date of the Administration order. Should creditors have information regarding any such transactions they should forward details in writing to the Joint Administrators.

8.4 Ending of the administration

Once the objective of the Administration has been achieved, if there is insufficient property to facilitate an ordinary distribution to the unsecured creditors, it would be the Joint Administrators' intention to file a notice with the Registrar of Companies under

Paragraph 84(1) of Schedule B1 to the Act. Following registration of which, the Company will be dissolved three months later.

Should the Company have sufficient property to enable a distribution (other than the prescribed part) to the unsecured creditors, the Joint Administrators envisage that the most cost effective way of paying a dividend to the unsecured creditors will be for the Company to be placed into Creditors Voluntary Liquidation, following which the Company will be dissolved.

9 Amounts payable to secured creditors, preferential creditors and the floating charge holders

9.1 Secured lenders

The table below illustrates the assets over which the Company has granted security:-

Figure 1: Security

Company	Charge	Date of charge	Date charge registered
The Royal Bank of Scotland plc	Bond & floating charge	28 October 2003	4 November 2003
The Royal Bank of Scotland plc	Standard security	19 November 2003	27 November 2003
The Royal Bank of Scotland Commercial Services Ltd	Floating charge	24 November 2003	3 December 2003

Source: Companies House

The Bank's claim under the standard security at the date of the appointment has been confirmed at c.£232,000. Interest will continue to accrue on this balance until repaid in full and the Bank will be entitled to claim for any shortfall against its bond and floating charge.

As noted previously, the Company had an invoice financing agreement with RBSCS who hold a fixed charge over the Company's book debts through an invoice discounting facility. RBSCS's principal indebtedness has been repaid in full and as such there will be no further amounts due to RBSCS under their floating charge.

9.2 Preferential creditors

The Company's preferential creditors have been estimated as follows:-

Figure 2: Preferential creditors

	£
Employees – arrears of salary/wages	7,377
Employees – accrued holiday pay	7,849
	15,226

Source: Company records and Administrators' estimates

9.3 Floating charge

The Bank also holds a bond and floating charge over all the business and assets of the Company.

10 Summary of and commentary upon the Directors' Estimated Statement of Affairs

The Directors have provided us with an Estimated Statement of Affairs, which is summarised at Appendix 3 together with our comments thereon.

In summary, the director's statement of affairs assumes a total of £487,000 will be realised from the Company's assets, allowing for the preferential creditors to be paid in full, the Bank and RBSCS to be repaid their indebtedness in full and sufficient surplus funds being available to enable an estimated ordinary distribution of c.32p in the £1 to the unsecured creditors.

This outcome will not be achieved, indeed, we would comment on the Director's Estimated Statement of Affairs as follows:-

- Potential recoveries from asset realisations are considerably lower than the Directors' estimates;
- There is unlikely to be any recovery from the leasehold interest in the Forres property;
- The Directors have assumed a full recovery of £213,000 from the debtors ledger, this would appear to be optimistic given the comments already received from the debt recovery agents;
- The estimated to realise value of £25,000 attributed to stock is very high. Potential purchasers considered the costs of arranging for collection and transport prohibitive in relation to value; and

- The statement of affairs does not include any provision for the costs of asset realisations, property holding costs or the costs of the Administration process. These costs will also have a significant impact on dividend prospects for creditors.

After giving due consideration to the highly uncertain outcome relating to the leasehold interest, it is unlikely there will be any dividend available for the unsecured and preferential creditors.

11 Prescribed part of the Company's net property pursuant to Section 176A of the Act

Where the Company has granted a floating charge after 15 September 2003, Section 176A of the Act provides that a percentage share of realisations from net floating charge assets is set aside for unsecured creditors, subject to certain exceptions.

In this case, the floating charge held by the Bank was granted after 15 September 2003. Therefore Section 176A of the Act is applicable and there will be a prescribed part of the Company's net property available for unsecured creditors should there be funds available.

12 Dividend prospects for creditors

Dividend prospects for creditors are uncertain at this early stage of the Administration. However, based upon current information it is unlikely that there will be sufficient funds available to facilitate a dividend to the unsecured creditors and preferential creditors.

13 Creditors meetings

Based on the information contained in the Directors' estimated Statement of Affairs and on progress made since the date of Administration, the Joint Administrators estimate that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Section 176A(2)(a) of the Act.

Therefore, in accordance with Paragraph 52(1)(b) of Schedule B1 to the Act the Joint Administrators do not propose to hold an initial creditors' meeting.

In accordance with Paragraph 52(2) of Schedule B1 to the Act, the Joint Administrators are, however, required to summon an initial creditors' meeting if it is requested:

- by creditors of the Company whose debts amount to at least 10% of the total debts of the Company;
- in the prescribed manner (detailed below); and

- in the prescribed period (detailed below).

A request for an initial meeting of creditors must be made in writing to the Joint Administrators within 8 business days of the date these Proposals were sent and include:

- a list of the creditors concurring with the request, showing the amounts of their respective debts in the administration;
- from each creditor concurring, written confirmation of his concurrence; and
- a statement of the purpose of the proposed meeting.

In addition, in accordance with Rule 7.6(4) of the Rules, the expenses of summoning and holding the meeting shall be paid by the creditor making the request, who shall be required to deposit with the Joint Administrators security for payment of these expenses.

In accordance with Rule 2.25(3) of the Rules, if the Joint Administrators are not requested to call a meeting within 8 business days of the date of sending this report, the Proposals will be deemed to have been approved by the creditors.

14 Joint Administrators' Proposals

In addition to the specific itemised proposals below, this document in its entirety constitutes the Joint Administrators' Proposals in accordance with Paragraph 49 of Schedule B1 of the Act.

The Joint Administrators propose the following:

- to continue to do all such things reasonably expedient and generally exercise all powers conferred on them by the Act and the Rules as Joint Administrators, as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to continue to realise the remaining assets;
- to appoint and instruct agents as appropriate to assist in the management, valuation and realisation of the assets;
- to settle the fees of agents appointed without any requirement for their fee notes to be taxed by the Court;
- to investigate and submit a claim for a refund of any VAT or Corporation Tax paid, if appropriate;
- to investigate and, if appropriate, pursue any claims the Company may have while it remains economical to do so;

- to seek an extension of the Administration period if deemed necessary by the Joint Administrators;

- that in the event that no creditors' committee is formed, the secured creditors or the secured creditors and the majority of the preferential creditors who respond (in the event that there is intended to be a distribution to the preferential creditors) be asked to agree the Joint Administrators' remuneration, which will be based upon time costs properly incurred at KPMG LLP hourly charge out rates prevailing at the time the work is performed and outlays both as determined in accordance with Rule 2.39 of the Rules. They be authorised to draw fees and outlays from the assets of the Company;

- that the costs of KPMG LLP in respect of tax, VAT, forensic and pension advice provided to the Joint Administrators be based upon time costs at KPMG LLP hourly charge out rates prevailing at the time the work is performed and shall be paid out of the assets of the Company;

- that the Joint Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in the event that there are sufficient funds for a prescribed part dividend, to the unsecured creditors with permission of the Court; or

- alternatively, in the event that there are sufficient funds to make a distribution (including under the prescribed part) to unsecured creditors (or for any other reason), the Joint Administrators be permitted to move the Company from Administration to Creditors' Voluntary Liquidation, and for the appointment of Geoffrey Isaac Jacobs and Blair Carnegie Nimmo as Joint Liquidators of the Company without further recourse to creditors. In accordance with Paragraph 83 (7) of Schedule B1 to the Act and Rule 2.47 of the Rules, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the Proposals and before the Proposals are approved;

- in the event that the Joint Administrators deem that liquidation is not appropriate because no dividend will become available to the ordinary creditors (other than the prescribed part), and that there are no other outstanding matters that require to be dealt with in a liquidation, then the Joint Administrators shall file the appropriate notices at Companies House and the Company will subsequently be dissolved; and

- that the Joint Administrators be discharged at the end of the Administration from liability in respect of any action of theirs as Joint Administrators pursuant to Paragraph 98(1) of Schedule B1 of the Act immediately following the registration of the appropriate notice.

15 Costs of realisation

15.1 Joint Administrators' remuneration

In accordance with Rule 2.39 of the Rules, the basis for the Joint Administrators' remuneration is fixed as either a commission calculated by reference to the value of the Company's assets which have been realised or by reference to time properly given by the Joint Administrators and their staff. In the Administration of the Company, the basis requested will be in accordance with the time properly given by the Joint Administrators.

Where a creditors committee has been formed it is for the committee to agree the Joint Administrators' remuneration.

Where the Joint Administrators have made a statement under Paragraph 52(1)(b), that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the Prescribed Part, it is for the secured creditors or the secured creditors and the majority of the preferential creditors who respond (in the event that there has been, or it is proposed to make a distribution to the preferential creditors) to agree the remuneration.

Further information is given in "*Payments To Insolvency Office Holders And Their Associates*", a copy of which can be found at the following link:

http://www.r3.org.uk/media/documents/technical_library/SIPS/SIP9-Scot-010512.pdf

If you are unable to access this guide and would like a copy, please contact our colleague, Chris Sim on 0141 300 5818.

16 Directors' conduct

We are required by Rules 3 and 4 of the Insolvent Companies (Reports on Conduct of Directors) (Scotland) Rules 1996 to submit a report or a return to the Insolvency Service on the conduct of any person who has been a director or shadow director of the Company at any time in the three years immediately preceding our appointment.

We would be grateful to receive any comments that unsecured creditors or any other party may wish to make in order to assist in our investigations into the Company's affairs and in our preparation of comments for submission to the Insolvency Service. Such comments, if required, can be treated in the strictest confidence.

Geoffrey Isaac Jacobs & Blair Carnegie Nimmo
KPMG LLP
191 West George Street
Glasgow
G2 2LJ

7 November 2014

Appendix 1

Statutory and other information

EC Regulation

This Administration is a main proceeding under the EC Regulation on Insolvency Proceedings. Article 3 of the EC Regulation defines main proceedings and the Company is registered in Scotland, has its main centre of interest in Scotland and does not fall within one of the excepted categories. Consequently, the Administration is governed by the Act and not any other European Union Member State's insolvency law.

Relevant court

Notice of the appointment by Directors was lodged at the Court of Session on 16 September 2014. The Court reference number is P931/14.

Secured lenders

The table below details the fixed and floating charge securities.

Figure 1: Security details

Charge holder	Fixed/Floating Charge	Charge dated	Charge registered
The Royal Bank of Scotland plc	Bond and floating charge	28 October 2003	4 November 2003
The Royal Bank of Scotland plc	Standard security	19 November 2003	27 November 2003
The Royal Bank of Scotland Commercial Services Limited	Floating charge	24 November 2003	3 December 2003

Source: Companies House

Incorporation

The Company was incorporated on 15 November 1995.

Company number

The Company number is SC161601.

Registered office and trading address

The Company's registered office at the date of administration was situated at:

Commercial House
2 Rubislaw Terrace
Aberdeen
AB10 1XE

As part of the administration process, the registered office has been changed to:

c/o KPMG LLP
191 West George Street
Glasgow
G2 2LJ

The Company traded from leased premises at:

11 Perimeter Road
Elgin
Morayshire
IV30 6AF

Waterford Circle
Forres
IV36 3EE

Directors

The directors at the date of our appointment were:

Charles Ronald Cameron	Appointed	21 February 1996
James Wilson Anderson	Appointed	21 February 1996
Elizabeth Johnston	Appointed	21 February 1996

There were no other directors during the three years prior to the date of our appointment.

Company secretary

The Company secretary at the date of our appointment was CLP Secretaries Limited.

There were no other secretaries during the three years prior to the date of our appointment.

Share capital

The authorised share capital is 56,250 Ordinary Shares of £1 each.

The issued and called up share capital is 56,250 Ordinary Share of £1 each. The principal shareholders are set out in Figure 1.1 below.

Figure 1.1: Principal shareholders

	Number
James Wilson Anderson	18,750
Anne Margaret Cameron	8,750
Charles Ronald Cameron	10,000
Elizabeth Johnston	18,750
	56,250

Source: Companies House

Reporting accountants

The reporting accountants were:

Johnston Carmichael
Clava House
Cradlehall Business Park
Inverness
IV2 5GH

Financial information

Summaries of the Company's most recent available financial information are set out at Figures 1.2 and 1.3 overleaf.

Figure 1.2: Profit and loss accounts

	7 months to 31 Jul 2014 £000 (Management)	Year to 31 Dec 2013 £000 (Draft)	Year to 31 Dec 2012 £000 (Unaudited)	Year to 31 Dec 2011 £000 (Unaudited)
Turnover	875	1,666	1,950	2,140
Cost of sales	(712)	(1,327)	(1,561)	(1,689)
Administration expenses	(208)	(397)	(402)	(428)
Operating Profit / (Loss)	(45)	(58)	(12)	24
Net profit / (loss) after tax	(51)	(86)	(27)	3

Source: Company records / Companies House

N/A – Not available

Figure 1.3: Balance sheets

	7 months to 31 Jul 2014 £ (Management)	As at 31 Dec 2013 £000 (Draft)	As at 31 Dec 2012 £000 (Unaudited)	As at 31 Dec 2011 £000 (Unaudited)
Fixed assets	309	322	331	350
Current assets	298	544	580	672
	607	866	911	1,021
Liabilities	(553)	(777)	(736)	(819)
Shareholders' funds	54	89	175	202

Source: Company records / Companies House

The management accounts for July 2014 report a loss of £51,000 for the period. This loss has been offset against reserves of £49,000. The net position of £2,000 has been deducted from share capital of £56,250 to leave Shareholders' funds of £54,000 as reported above.

Appendix 2

Receipts and payments account from 16 September 2014 to 31 October 2014

Moray Timber Ltd
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 16/09/2014 To 31/10/2014	From 16/09/2014 To 31/10/2014
	ASSET REALISATIONS		
	Plant & machinery	10,000.00	10,000.00
		10,000.00	10,000.00
	COST OF REALISATIONS		
	Re-direction of mail	390.00	390.00
	Payroll Bureau Fee	95.00	95.00
		(485.00)	(485.00)
		9,515.00	**9,515.00**
	REPRESENTED BY		
	Floating ch. VAT rec'able		19.00
	Floating charge current		9,496.00
			9,515.00

Appendix 3

Directors' Estimated Statement of Affairs as at 16 September 2014

	Notes	Book value £000	Estimated to realise £000
Assets specifically secured			
Freehold property		200	200
Less: due to The Royal Bank of Scotland plc		(232)	(232)
(Deficit) to floating charge holder c/f	1	(32)	-
Trade debtors		213	213
Less: due to RBSCS		(106)	(106)
Surplus to floating charge assets c/f	2	107	107
Motor vehicles		21	21
Less: due to Lombard North Central plc		(13)	(13)
Surplus to floating charge assets c/f		8	8
Floating charge assets			
Surplus from debtors b/f		107	107
Surplus motor vehicles b/f		8	8
Plant, machinery and vehicles		28	27
Stock	3	50	25
Marketable securities		1	1
Cash at Bank		2	-
		196	168
Less: preferential creditors			
Employees – holiday pay and wage arrears	4		(12)
Net property		c/f	156

	Notes	Book value £000		Estimated to realise £000
Net property			b/f	156
Estimated prescribed part available to ordinary creditors				(34)
Estimated assets available to floating charge holder				122
Floating charge holder				
The Royal Bank of Scotland PLC				(32)
				90
Estimated prescribed part available to ordinary creditors				34
Funds available to ordinary creditors				124
Ordinary creditors	5			
Trade creditors		177		
Employees – notice pay and redundancy		148		
HM Revenue & Customs		64		
				(389)
(Deficiency) as regards ordinary creditors				(264)
Issued and called up share capital	6			(56)
(Deficiency) as regards members				(320)

Notes to the Directors' Estimated Statement of Affairs

1 Recoveries to the standard security holder are highly uncertain at present.

2 RBSCS's principal indebtedness has now been repaid in full. At this early stage in collection process, the amount which will become available for the Administration from the Company's outstanding debtor balances remains uncertain. Debt recovery agents are collecting the outstanding balances on behalf of the Company and have been notified of various disputes and counter claims.

3 Stock realisations have been impacted by RoT claims and the poor marketability of the range of stock.

4 The level of the preferential creditors' claims is currently estimated at c.£15,000 which is higher than the Directors' estimate.

5 The level of unsecured claims is subject to change.

6 Issued and called up share capital is £56,250.

7 The inclusion of an amount within the statement of affairs does not constitute acceptance of a claim, which will be subject to adjudication in due course should a dividend be payable to creditors.

8 The statement of affairs does not make any provision for the costs of asset realisations or the Administration process.

Appendix 4

Analysis of Administrators' time costs and disbursements from 16 September 2014 to 31 October 2014

Moray Timber Limited - in Administration

Analysis of Administrators' time costs and disbursements in SIP9 format for the period 16/09/2014 to 31/10/2014

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Charge out range (£)	535 - 595	405 - 485	205 - 280	125			
Administration & planning							
Notification of appointment		0.70			0.70	£269.50	£385.00
Cashiering							
General (Cashiering)			0.60		0.60	£165.00	£275.00
General							
Books and records		7.40	11.40		18.80	£5,112.00	£271.91
Fees and WIP			0.20		0.20	£53.00	£265.00
Statutory and compliance							
Advising directors		4.00			4.00	£1,540.00	£385.00
Appointment and related formalities	1.25	2.40	5.80		9.45	£2,663.25	£281.83
Bonding and bordereau		0.30			0.30	£115.50	£385.00
Reports to debenture holders	0.40	4.20			4.60	£1,861.00	£404.57
Strategy documents	2.10		1.80		3.90	£1,375.50	£352.69
Creditors							
Creditors and claims							
General correspondence		0.90	4.65	3.60	9.15	£1,699.75	£185.77
Pre-appointment VAT / PAYE / CT			1.00		1.00	£205.00	£205.00
ROT Claims		3.90	21.80		25.70	£5,806.50	£225.93
Statutory reports			5.20	0.60	5.80	£1,141.00	£196.72
Employees							
Correspondence		0.60	18.10		18.70	£5,086.00	£271.98
DTI redundancy payments service			0.40		0.40	£112.00	£280.00
Pension funds			0.60		0.60	£168.00	£280.00
Pensions reviews			4.90		4.90	£1,073.50	£219.08
Investigation							
Directors							
Correspondence with directors	0.50	0.40			0.90	£404.50	£449.44
Statement of affairs		2.30			2.30	£931.50	£405.00
Realisation of assets							
Asset Realisation							
Debtors	0.70	15.40	3.40		19.50	£7,025.50	£360.28
Health & safety			1.05		1.05	£247.00	£235.24
Leasehold property	1.75	36.05	12.90		50.70	£17,851.50	£352.10
Open cover insurance		3.30	4.40		7.70	£2,226.50	£289.16
Other assets			1.40		1.40	£287.00	£205.00
Plant and machinery		7.70	4.00		11.70	£3,860.50	£329.96
Sale of business		2.70			2.70	£1,039.50	£385.00
Stock and WIP		0.80	1.40		2.20	£581.00	£264.09
Vehicles		0.40			0.40	£154.00	£385.00
Total in period	6.70	93.45	105.00	4.20	209.35	£63,055.00	£301.19
Pre-Administration					27.20	£9,294.00	
Brought forward time (appointment date to SIP9 period start date)					0.00	£0.00	
SIP9 period time (SIP9 period start date to SIP9 period end date)					209.35	£63,055.00	
Carry forward time (appointment date to SIP9 period end date)					209.35	£63,055.00	