

Section 67(1)

The Insolvency Act 1986
 Notice of Receiver's Report
 Pursuant to Section 67(1)
 of the Insolvency Act 1986

S67(1)

To: the Registrar of Companies
 the Accountant in Bankruptcy

For Official Use

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Company Number

SC164597

Insert full name of
 company

Name of Company

Jimmy Nick's Properties Limited

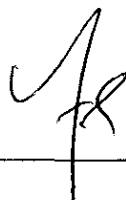
Insert full name and
 address of receiver(s)

We Fraser James Gray
 Afton House, 26 West Nile Street
 Glasgow
 G1 2PF

Graham Hunter Martin
 Afton House, 26 West Nile Street
 Glasgow
 GG1 2PF

receiver(s) of the company attach a copy of our report to creditors and a summary of the statement of affairs of the company.

Signed



Dated

10/5/01

Presenter's name,
 address and reference
 (if any)

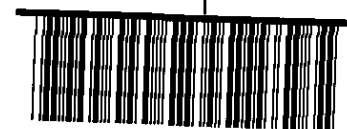
JNP01
 Jimmy Nick's Properties Limited

Fraser James Gray
 Kroll Buchler Phillips Limited
 Afton House, 26 West Nile Street
 Glasgow
 G1 2PF

For Official Use

Receiver's Section

Post Room



SCT
 COMPANIES HOUSE

SKIG100Z

1682
 15/05/01



Kroll Buchler Phillips

TURNAROUND, RECOVERY AND RESTRUCTURING

**JIMMY NICKS PROPERTIES LIMITED
BORDERCROWN LIMITED
BRAIDMOUNT LIMITED
BRAIDRISE LIMITED
BURGHBREAK LIMITED
ACREFORTH LIMITED
(ALL IN RECEIVERSHIP)**

**Report for the Secured Creditors, Registrar of Companies,
and Unsecured Creditors,
in accordance with Section 67(1) of the Insolvency Act 1986**

This report has been prepared for the sole use of the creditors of Jimmy Nicks Properties Limited, Bordercrown Limited, Braidmount Limited, Braidrise Limited, Burghbreak Limited and Acreforth Limited and we cannot accept liability to any third party for matters discussed in it. The information contained in this report relating to the affairs of the companies prior to the date of appointment has been principally obtained from the companies' records and from discussions with the Directors. We have not independently verified this information.

**JIMMY NICKS PROPERTIES LIMITED, BORDERCROWN LIMITED,
BRAIDMOUNT LIMITED, BRAIDRISE LIMITED, BURGHBREAK LIMITED AND
ACREFORTH LIMITED (ALL IN RECEIVERSHIP) ("THE COMPANIES")**

REPORT IN TERMS OF SECTION 67(1) OF THE INSOLVENCY ACT 1986

1. INTRODUCTION :

I, Fraser James Gray, and my Partner, Graham Hunter Martin, were appointed Joint Receivers to the Companies on 1 February 2001, under the powers conferred in a Floating Charge granted to Clydesdale Bank plc. The Floating Charges by which we were appointed are dated 29 March 1999, with the exception of Jimmy Nicks Properties Limited, which is dated 24 March 1998.

As required by Section 67 of the Insolvency Act 1986 I now present a report to creditors covering the following:-

- (i) Events leading up to our appointment.
- (ii) The disposal or proposed disposal of any property of the companies.
- (iii) The amount due to the holder of the floating charge.
- (iv) The amounts likely to be available for other creditors.

A Notice was published on 20 April 2001 giving details of the Section 67 Creditors Meeting to be held on 8 May 2001 at 3.00pm at Afton House, 26 West Nile Street, Glasgow G1 2PF. A circular was sent to all known creditors on 18 April 2001.

2. BACKGROUND AND HISTORY OF THE COMPANIES :

2.1 The companies were incorporated on the following dates:

- | | |
|--|------------------|
| • Jimmy Nicks Properties Limited ("Jimmy Nicks") | 1 April 1996 |
| • Bordercrown Limited ("Bordercrown") | 23 July 1998 |
| • Acreforth Limited ("Acreforth") | 11 November 1998 |
| • Burghbreak Limited ("Burghbreak") | 4 August 1998 |
| • Braidrise Limited ("Braidrise") | 24 July 1998 |
| • Braidmount Limited ("Braidmount") | 24 July 1998 |

cont'd...

The issued share capital for each company is as follows :-

• Jimmy Nicks	Ordinary Shares of £1, which were fully paid	-	100
• Bordercrown	Ordinary Shares of £1, which were fully paid	-	2
• Acreforth	Ordinary Shares of £1, which were fully paid	-	2
• Burghbreak	Ordinary Shares of £1, which were fully paid	-	2
• Braidrise	Ordinary Shares of £1, which were fully paid	-	2
• Braidmount	Ordinary Shares of £1, which were fully paid	-	2

2.2 The Director of the Companies is as follows :

James Paul Milligan

The Company Secretary of the Companies is Richard Cleary.

2.3 The Companies operated various public houses/nightclubs, as detailed below:

- Acreforth previously operated as Café Cini, Renfield Street, Glasgow
- Burghbreak operated as The New Morvern Bar, 361 Edgefauld Road, Springburn, Glasgow
- Braidrise previously operated as Club Cini in Greenock
- Braidmount previously operated as Café Cini in Greenock
- Bordercrown previously operated as Thomsons Bar in Springburn, Glasgow

Only Café Cini in Renfield Street, Glasgow and The New Morvern Bar in Springburn, Glasgow were trading at the time of our appointment.

3. ACTION TAKEN SINCE APPOINTMENT :

- 3.1** We attended Café Cini in Renfield Street and The New Morvern Bar in Springburn and instructed agents to value the premises and the fixtures and fittings.
- 3.2** We understood that Acreforth were tenants of Café Cini, however, on attending the premises to take control, we were advised that Acreforth's lease had been terminated. We are presently in discussion with the Landlord regarding the value of moveable assets at the date of termination.
- 3.3** The New Morvern Bar was traded with the aim of selling the business as a going concern. However, we have now closed the premises due to difficulties experienced whilst trading. The property is available for sale and a verbal offer has been submitted. We are presently awaiting a written offer.

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- 3.4 Jimmy Nicks has an office property in Springburn known as Highbury House. The property is being marketed by Graham & Sibbald and an offer has been received from an interested party and is currently under discussion.
- 3.5 The adjacent leasehold premises in Greenock, Café Cini and Club Cini, were damaged by fire in mid 2000. We are currently reviewing the possibility of an insurance claim in this regard.
- 3.5 Bordercrown previously traded as Thomsons Bar in Springburn. Following the transfer of Thomsons Bar last year, we are not aware of any assets available to the company.

4. AMOUNTS DUE TO FLOATING CHARGE HOLDER AND PREFERENTIAL CREDITORS :

4.1 Floating Charge Claims:

At the date of the receivership the amount due to Clydesdale Bank plc was approximately £600,000.

Interest will continue to be charged until repayment of the outstanding indebtedness.

4.2 Preferential Claims :

Formal preferential claims have yet to be agreed. Preferential claims have been estimated from the company's records as follows:

	<u>£</u>
HM Customs & Excise (VAT)	50,000
Inland Revenue/Contributions Agency (PAYE/NIC)	40,000
Employees (unpaid wages)	5,000
	<u>95,000</u>

5. DIVIDEND PROSPECTS FOR CREDITORS :

- 5.1 A sworn Statement of Affairs has been requested from the Directors, however this has not yet been submitted.
- 5.2 An Estimated Statement of Affairs has been prepared from the information available and is attached for creditors' information.

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- 5.3** At this stage of the Receivership there is no prospect of a dividend for preferential or unsecured creditors in this case. On current estimates it appears that only the secured creditors will receive a dividend.

6. COMPANY DIRECTORS DISQUALIFICATION ACT 1986 :

- 6.1** In accordance with the above Act I am obliged to prepare a report on the conduct of the Directors. If you believe that there are any matters, which should be brought to my attention in this regard, please advise me in writing of the circumstances in order that I may take such matters into consideration.

7. VAT BAD DEBT RELIEF :

- 7.1** For supplies made prior to 1st April 2000 that have been outstanding for twelve months or more, and have been written-off in the accounts, the VAT element may be reclaimed. For supplies made on or after 1st April 2000 the outstanding period is six months.

Relief can be reclaimed via your VAT Return, highlighting the claim in your working papers. It is essential that the original invoices can be produced to support the claim.



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Fraser James Gray
Joint Receiver

24 April 2001

Jimmy Nicks Properties Limited/Bordercrown Limited/Braidmount Limited/Braidrise Limited/Burghbreak Limited and Acreforth Limited (All in Receivership)

Estimated Statement of Affairs as at 24 April 2001

	£'000	£'000
<u>Assets</u>		
Freehold Properties:		
Highbury House	Note 1	
New Morvern Bar	Note 1	
		Note 1
Leasehold Properties:		
Café Cini - Glasgow	Note 1	
Club Cini/Café Cini - Greenock	Note 1	
		Note 1
Less: Secured creditors		(600,000)
Estimated Deficit to Secured Creditor		<u>Note 1</u>
<u>Other Assets</u>		0
Estimated Funds Available to Preferential Creditors		<u>0</u>
<u>Preferential Creditors (Estimated)</u>		
HM Customs & Excise - VAT	(50,000)	
Inland Revenue - PAYE/NIC	(40,000)	
Employee Claims	(5,000)	
Estimated Total Preferential Creditors		<u>(95,000)</u>
Estimated Funds Available to Floating Charge Holder		0
Estimated Funds Available to Unsecured Creditors		0
<u>Unsecured Creditors</u>		
Trade Creditors (Estimated)		(500,000)
Overall Shortfall to Creditors		<u>(500,000)</u>

Note 1: Section 67(6) of the Insolvency Act 1986 states that a Receiver is in a position to withhold information where he deems that disclosure would seriously prejudice the carrying out of his business.