

The Insolvency Act 1986

Administrator's progress report

Pursuant to Rule 2 38 of the Insolvency (Scotland) Rules 1986

Name of Company

NO CATCH HATCHERIES LIMITED

Company number

SC220468

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

We, DANIEL ROBERT WHITELY SMITH of Grant Thornton UK LLP, Grant Thornton House, Melton Street London WC2 1EP and ROBERT CAVEN of Grant Thornton UK LLP, 95 Bothwell Street, Glasgow G2 7JZ, administrators of the above company attach a progress report for the period

from

(b) 19 FEBRUARY 2008

to

(b) 18 AUGUST 2008

(b) Insert dates

Signed

Joint Administrators

Dated

2/8/08

t 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.

GRANT THORTON UK LLP

95 BOTHWELL STREET

GLASGOW G2 7JZ

Tel 0141 223 0707

DX Number GW 232

DX Exchange GLASGOW

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

Companies House, 37 Castle Terrace, Edinburgh EH1 2EB
5 Edinburgh / LP 4 Edinburgh 2

WEDNESDAY



SUMVC2M3

27/08/2008

1432

SCT

COMPANIES HOUSE

No Catch Hatcheries Limited
(In Administration)

Joint Administrators' Abstract Of Receipts And Payments
To 18 August 2008

RECEIPTS		Total (£)
Sales		100 00
Miscellaneous Income		8,000 00
Telephone		28 88
Fixtures & Fittings		2,222 13
Plant & Machinery		123,174 72
Furniture & Equipment		2,618 13
Cash at Bank		2,981 34
Villa contribution to costs		60,239 45
loan from No Catch Ltd		169,252 42
Bank/ISA InterestGross		90 91
Bank Interest Net of Tax		256 18
Fixed Ch Vat Payable		388 88
Vat Control Account		6,553 34
		<hr/> 375,906 38 <hr/>
PAYMENTS		
Purchases (1)		12,194 80
Consumable Stores		15 00
Rents		21,000 00
Rates		1,318 73
Heat & Light		22,503 00
Insurance		2,163 63
Professional Fees		831 30
Employee Loans		650 00
Hire of Equipment		4,354 13
PAYE/NI		32,662 48
Net Wages		72,869 75
Other Payroll Deductions		6,842 33
Sundry Trading Expenses		900 88
ROT		49,017 57
Capital Gains Tax		39,761 10
Loan to No Catch Processing		7,480 08
Specific Bond		79 00
Misc Float Payments		15 00
Bank Charges		164 00
Pension Scheme		1,611 73
Vat Receivable		14,906 64
Vat Payable		1,016 48
		<hr/> 292,357 63 <hr/>
Balances in Hand		83,548 75
		<hr/> 375,906 38 <hr/>

Our Ref RC/00847/7/ZK/KJM/RXC

Recovery and Reorganisation

Grant Thornton UK LLP
95 Bothwell Street
Glasgow G2 7JZ

T +44 (0)141 223 0000
F +44 (0)141 223 0001
DX GW232 Glasgow
www.grantthornton.co.uk

20 August 2008

Dear

No Catch Hatcheries Limited In Administration ("the Company")

1 INTRODUCTION

- 1.1 Following the appointment of myself and my partner Daniel Smith as joint administrators of the above company by a qualifying floating charge holder on 19 February 2008 I now report on the progress of the administration to date
- 1.2 I enclose Form 2.20B(Scot) together with an account of my receipts and payments for the six months ended 18 August 2008 in accordance with Rule 2.38 of the Insolvency (Scotland) Rules 1986
- 1.3 In accordance with paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986 the functions of the administrators are to be exercised by any or all of them

2 STATUTORY INFORMATION

- 2.1 The Company's statutory details are as follows

registered number	SC214867
date of incorporation	17 January 2001
registered office	95 Bothwell Street Glasgow G2 7JZ
authorised and issued share capital	2 ordinary shares of £1 each

Directors	shareholding
Karol Rzepkowski	nil
John H Foulkes	nil
Clive W Robinson	nil
Michael A Lloyd	nil
Heather M Wright *	nil
* also company secretary	

- 2.2 The administration constitutes "main proceedings" under the EC Regulation on

Chartered Accountants

Member firm of Grant Thornton International Ltd

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales No OC307742 Registered office Grant Thornton House Melton Street, Euston Square London NW1 2EP
A list of members is available from our registered office

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business

A list of companies permitted by Grant Thornton to act as joint administrators as an authorised member of their respective regulatory bodies may be inspected at the above address

3 PROGRESS OF THE ADMINISTRATION

Trading and financing of the administration

- 3.1 As previously reported, the Company is a wholly owned subsidiary of No Catch Group Limited. No Catch Group Limited owns the following subsidiary companies,
- i No Catch Limited
 - ii No Catch Processing Limited in Administration
 - iii No Catch Hatcheries Limited in Administration
 - iv No Catch Shellfish Limited in Administration
 - v No Catch Site Management Limited
 - vi Grading Systems (UK) Limited in Administration
- 3.2 The business of the Company is integrated with that of its fellow subsidiary companies. As a result, where necessary, I have been required to deal with the assets of the above group of companies as one business.
- 3.3 It was established that the strategy to maximise realisations would be to continue to trade the business of the Group to seek a sale of the whole or part of the Group's business as a going concern.
- 3.4 Upon my appointment I discussed the trading and financing of the administration with the Company's finance director and obtained the backing of the Bank to provide the necessary funds in order to continue to trade.

Sale of the Business and Assets

- 3.5 Having marketed the business of the Group for sale over a period of 6 weeks it was concluded that there was no party interested in acquiring the business of the Group as a whole. As a result we have sought to achieve, where possible, a sale of certain subsidiary businesses such as the salmon, trout and mussel operations of the Group and sought a piecemeal sale of the Group's principal operations, its integrated cod farm.
- 3.6 The integrated cod farming operations of the Group comprised a hatchery, a number of operational sea sites, cod stocks at various stages, a processing plant and an organic brand. Having had no interest in the hatchery as a going concern we have sold the equipment therein. We have also sold the operational sea sites.

- 3 7 We reviewed the profile of the cod stocks and having sold some of the younger cod stocks to a third party our strategy in respect of the remaining stocks was to ongrow these cod to an acceptable weight for harvesting, processing and sale
- 3 8 Whilst we continue to trade out the remaining cod stocks we continue to utilise the Group's factory Once we have completed harvesting the cod stocks, the only remaining asset of the Group will be the factory which is currently being marketed for sale pending completion of harvesting

Preferential creditors

- 3 9 Preferential claims against the Company will represent arrears of wages up to statutory limits and accrued holiday pay, in accordance with individual employee contractual entitlements
- 3 10 We have not received any preferential claims

Unsecured creditors

- 3 11 Based on current outcome estimates I do not expect there to be any net property realised under the floating charge which would result in a prescribed part being available for unsecured creditors
- 3 12 As a result there will be no return to the unsecured creditors

Ceasing to act

- 3 13 The Administrators' proposals, as agreed, state that the administration will end by dissolution of the Company
- 3 14 I will apply for dissolution of the Company once we have completed our trading accounts

Time costs

3.14 In accordance with Statement of Insolvency Practice 9 (SIP 9), I attach as Appendix B a summary of my time costs to 10 August 2008 by grade of staff and type of work. This shows time costs of £25,940 representing 130 hours at an average of £199 per hour. Details of any matters which have had a significant impact on the time costs incurred are included in the appendix, together with details of any disbursement charged during the period under review.

Yours faithfully
for and on behalf of No Catch Limited



Robert Caven
Joint Administrator

The affairs, business and property of No Catch Group Limited are being managed by Robert Caven and Daniel Smith, appointed as joint administrators on 19 February 2008.

JOINT ADMINISTRATORS BASIS OF REMUNERATION

Remuneration is charged on the basis of the time costs of the insolvency practitioner and his staff Standard filing and secretarial costs are not charged or recovered from the case

I set out below my firm's current charge out rates for the relevant periods

Staff Category	Average Hourly Rate (£) from 1 July 2007 to 30 June 2008	Average Hourly Rate (£) from 1 July 2008 to 30 June 2009
Partner	355	375
Director	320	345
Manager	225 to 260	250 to 285
Assistant manager/supervisor	125 to 175	150 to 190
Senior	90 to 145	115 to 165
Support staff	75	85

Work is allocated to staff members based upon their experience, grade and the complexity of the task involved

Summary of Time costs incurred

A summary of our time costs are set out below

Work Description	Partner			Director			Manager			Senior			Support			Total	Total
	Hrs	£	Avg	Hrs	£	Avg	Hrs	£	Avg	Hrs	£	Avg	Hrs	£	Avg	Hrs	£
Administration and Planning	11	4,837	432	0	0	0	2	533	260	6	1,048	169	1	68	59	21	6,486
Investigations	0	0	0	0	0	0	0	0	0	0	0	0	1	45	45	1	45
Realisation of Assets	1	178	355	0	0	0	6	1,590	265	48	7,329	154	0	0	0	54	9,097
Trading	3	1,177	357	0	0	0	10	2,716	265	21	3,752	179	9	876	99	43	8,521
Creditors	0	0	0	0	0	0	0	0	0	10	1,716	178	2	78	52	11	1,794
Total Time	15	6,191	413	0	0	0	18	4,839	264	85	13,846	164	12	1,066	86	130	25,942

The time costs are split into 6 standard categories. A guide as to what might be included in each category is as follows

Administration and planning this includes work such as case planning, case reviewing, administrative set-up, appointment notification, maintenance of records, statutory reporting and compliance

Investigations this includes work such as investigating into directors conduct and investigating antecedent transactions

Realisation of assets : this includes work such as identifying, securing and insuring assets, administering retention of title claims, debt collection, property, business and asset sales for property covered by both fixed and floating charges

Trading this includes work such as managing operations, planning strategy, preparing and monitoring trading forecasts, accounting for trading and administering any landlord and employee issues

Creditors this includes work such as communication and meetings with creditors, reviewing and adjudicating on creditors preferential and ordinary unsecured claims, corresponding with secured creditors, reviewing security documentation issues and preparing recording reviewing and adjudicating on employee preferential and unsecured claims

Other work This includes other work such as pension, tax or any other work related to the assignment

CLASSIFICATION OF DISBURSEMENTS

Category 1

Category 1 disbursements amounted to £198

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimburses expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and storage

Where Category 1 disbursements are paid by the insolvency practitioner's firm these are reimbursed as and when funds are available

Category 2

Category 2 disbursements will comprise cost allocations which may arise on some Category 1 disbursements where supplied internally typically, items such as room hire and document storage. Also typically included will be routine or more specialist copying or printing, and allocated communication costs provided by the practitioner or his firm

Category 2 disbursements are paid as and when approval is obtained

CATEGORY 2 DISBURSEMENTS IN THE PERIOD

There were no category 2 disbursements in the period

USE OF AGENTS AND SUBCONTRACTORS

Agents and subcontractors are utilised where there is the need for specialist knowledge. Only agents and subcontractors with the appropriate qualifications are employed. Where possible their fees and expenses are agreed in advance.