Rule 2.38

Form 2.20B(Scot)

The Insolvency Act 1986

# Administrator's progress report

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

| Name of Company | Company number |
|---|---|
| Stewarts of Edinburgh Limited | SC262691 |

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

~~I~~ / We (a) Graham Douglas Frost and John Bruce Cartwright of PricewaterhouseCoopers LLP, Erskine House, 68-73 Queen Street, Edinburgh, EH2 4NH

administrators of the above company attach a progress report for the period

(b) Insert dates

| from | to |
|---|---|
| (b) 6 June 2013 | (b) 5 December 2013 |

Signed ____________________

Joint Administrator

Dated 20 December 2013

**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

| | |
|---|---|
| Margaret Wilson | |
| PricewaterhouseCoopers LLP, Erskine House, 68-73 Queen Street, Edinburgh, EH2 4NH | |
| | Tel 0131 260 4075 |
| DX Number | DX Exchange |

SATURDAY

*S2NOYT83*

SCT 21/12/2013 #1415

COMPANIES HOUSE

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**
**DX 235 Edinburgh / LP 4 Edinburgh-2**

pwc

# Stewarts of Edinburgh Limited (in Administration)
## Court of Session
## Case No. P1356 of 2011

# Joint Administrators' progress report for the six months ended 5 December 2013

## 20 December 2013

**Contact details for queries**

| Contact | Address | Direct line | E-mail | Fax |
|---|---|---|---|---|
| Margaret Wilson | PricewaterhouseCoopers LLP. Erskine House, 68-73 Queen Street, Edinburgh, EH2 4NH | 0131 260 4075 | margaret.g.wilson@uk.pwc.com | 0131 260 4008 |

# Contents

# 1. Joint Administrators' progress report for the six months ended 5 December 2013

### Introduction

In accordance with Rule 2.38 of the Insolvency (Scotland) Rules 1986 ("ISR86"), the Joint Administrators ("the Administrators") write to provide creditors with details of the progress of the Administration of Stewarts of Edinburgh Limited ("the Company") since their last report dated 4 July 2013.

### Background information and initial actions taken by the Administrators

Details of the background to, and actions taken since the appointment are contained in the Administrators' proposals dated 30 January 2012 and the progress reports dated 13 July 2013, 17 December 2012 and 4 July 2013.

### Realisation of assets

The Administrators engaged agents to market and sell the heritable property in Livingston. An offer has been received and is subject to a structural survey and environmental survey. It is hoped that a deal will be concluded by the end of March 2014.

### Extension of Administration

On 1 November 2013, the Court of Session extended the Administration to 5 December 2014.

### Receipts and payments account

An account of the receipts and payments in the Administration for the six months to 5 December 2013 is set out in section 3 to this report.
Receipts in the period comprise:

- interest earned of £154 on funds invested.

Payments comprise:

- trading and occupation costs of £7,259; and
- legal fees and disbursements of £1,779.

### Outcome for creditors

### Preferential Creditors

The preferential creditors totalling £84k and representing employees' accrued holiday pay and unpaid wages are likely to be paid in full.

### Secured Creditor

The Bank holds a standard security over the Company's heritable propoerty and a floating charge over the Company's assets. It is estimating that the amount due to the Bank at the date of the Administrators' appointment was approximately £1,130,000. The Bank may recover its debt in full, but this will depend on the sum realised from the sale of the heritable property.

### Ordinary Creditors

At this time the Administrators are unable to provide a reliable estimate of the likely dividend to creditors as it will be driven by the sale of the property.

### Administrators' remuneration

The Adminstrators' remuneration is approved by the creditors. To 6 June 2012 the Administrators have had approval for and have drawn remuneration of £200,000 representing 986.35 hours at an average hourly rate of £223.49, in accordance with the resolutions passed by the meeting by correspondence.

**Next report**

The Adminstrators' next report to creditors will be at the earlier of the conclusion of the Administration or in approximately six months.

For and on behalf of
Stewarts of Edinburgh Limited

Graham D Frost
Joint Administrator

*G D Frost and J B Cartwright have been appointed as Joint Administrators of Stewarts of Edinburgh Limited to manage its affairs, business and property as its agents. As such, they contract without personal liability. G D Frost and J B Cartwright are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland.*

*The Joint Administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the Administration.*

## 2. Statutory and other information

| | |
|---|---|
| **Court details for the Administration:** | Court of Session, P1356 of 2011 |
| **Full name:** | Stewarts of Edinburgh Limited |
| **Trading name:** | Stewarts of Edinburgh Limited |
| **Registered number:** | SC262691 |
| **Registered address:** | Erskine House, 68-73 Queen Street, Edinburgh, EH2 4N, formerly 1 Lister Road, Kirkton Campus, Livingston, West Lothian, EH54 7BL |
| **Company directors:** | Terence O'Hare, John Mahoney, Marion Reid, Kenneth Murray |
| **Company secretary:** | John Mahoney |
| **Shareholdings held by the directors and secretary:** | Terence O'Hare – 42,260 ordinary shares, Marion Reid – 18,000 ordinary shares, Kenneth Murray – 18,000 ordinary shares |
| **Date of the Administration appointment:** | 6 December 2011 |
| **Administrators' names and addresses:** | Graham D Frost and J Bruce Cartwright both of PricewaterhouseCoopers LLP, Erskine House, 68-73 Queen Street, Edinburgh, EH2 4NH |
| **Changes in office holder:** | None |
| **Appointor's / applicant's name and address:** | The directors of the Company, 1 Lister Road, Kirkton Campus, Livingston, West Lothian, EH54 7BL |
| **Objective being pursued by the Administrators:** | (b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), failing which, objective (c) realising property in order to make a distribution to one or more secured or preferential creditors |

## 2. Statutory and other information

| | |
|---|---|
| **Division of the Administrators' responsibilities:** | Whereas John Bruce Cartwright and Graham Douglas Frost both licensed insolvency practioners of PricewaterhouseCoopers LLP, Erskine House, 68-73 Queen Street, Edinburgh are to be appointed as joint administrators of Stewarts of Edinburgh Limited ("Joint Administrators"). We, the directors being the appointor of the Joint Administrators, hereby declare pursuant to paragraph 100(2) Sch.B1 to the Insolvency Act 1986 that all and/or any powers which are conferred on the Joint Administrators by the Insolvency Act 1986 may be done by either or both of the Joint Administrators acting jointly or alone. |
| **Details of any extensions to the initial period of appointment:** | Extension to 5 December 2013 granted by the Court of Session on 15 November 2012 and a further extension to 5 December 2014 granted by the Court of Session on 1 November 2013 |
| **Proposed end of the Administration:** | Dissolution |
| **Estimated dividend for unsecured creditors:** | Unknown – the sale value of the property and quantum of creditors' claims is unclear |
| **Estimated values of the prescribed part and the Company's net property:** | Unknown - the sale value of the property and quantum of creditors' claims is unclear |
| **Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:** | The Administrators may make an application to Court under Section 176A(5) of IA86 to disapply the prescribed Part if the economic benefits to the body of the creditors are outweighed by the costs of adjudication. At this time, the Administrators do not intend to make such an application |
| **The European Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000):** | The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings |

# 3. Receipts and payments for the period 6 June 2013 to 5 December 2013

Administration
of Stewarts of Edinburgh Limited

**REALISATION ACCOUNT**

| Statement of Affairs | | Period From: 06/06/2013 To: 05/12/2013 | Cumulative From: 06/12/2011 To: 05/12/2013 |
|---|---|---|---|
| £ | | £ | £ |
| | **RELATING TO SECURED ASSETS** | | |
| | **Realisations** | | |
| 700,000.00 | Heritable property | 0.00 | 0.00 |
| 594,953.03 | Book debts subject to factoring | 0.00 | 0.00 |
| | | 0.00 | 0.00 |
| | **Costs of realisation** | | |
| nil | Agents' Fees | (1,512.94) | (9,533.93) |
| nil | Surveyors' Fees | 0.00 | (600.00) |
| nil | Insurance | 0.00 | (31,320.12) |
| nil | Legal Fees | 0.00 | (192.00) |
| nil | Security | (2,262.83) | (4,043.33) |
| nil | Clearing and site clearance costs | 0.00 | (340.00) |
| | | (3,775.77) | (45,831.43) |
| | **Administration and appointment-related costs** | | |
| nil | Utilities | (3,257.28) | (11,741.23) |
| nil | Heat, Light & Power | 0.00 | (2,137.65) |
| nil | Telephone & fax | (147.00) | (538.43) |
| nil | Water Rates | 0.00 | (1,019.17) |
| | | (3,404.28) | (15,536.45) |
| | **RELATING TO FLOATING CHARGE/UNSECURED ASSETS** | | |
| | **Realisations** | | |
| | Surplus/Deficit from Trading | 0.00 | (22,003.32) |
| 258,000.00 | Plant & Machinery | 0.00 | 321,440.00 |
| 2,000.00 | Fixtures & Fittings | 0.00 | 0.00 |
| 30,000.00 | Motor Vehicles | 0.00 | 0.00 |
| 41,475.00 | Investments - Marketable securities | 0.00 | 0.00 |
| nil | Shares in subsidiaries - Marketable securities | 0.00 | 33,150.00 |
| nil | Insurance claims and refunds | 0.00 | 1,058.92 |
| 52,493.36 | Stock | 0.00 | 76,129.32 |
| 85,517.25 | Work in Progress | 0.00 | 0.00 |
| nil | Balance at Bank | 0.00 | 2,094.51 |
| 24.69 | Cash in hand | 0.00 | 22.50 |
| nil | Refunds | 0.00 | 40.66 |
| nil | Interest received gross | 154.05 | 1,045.81 |
| | | 154.05 | 413,077.00 |
| | **Costs of realisation** | | |
| nil | Agents' Fees | 0.00 | (13,829.60) |
| nil | Agents' disbursements | 0.00 | (11.43) |
| nil | Debt collection fees | 0.00 | (2,911.65) |
| nil | Legal Fees | (1,520.00) | (9,373.50) |
| nil | Legal Disbursements | (279.40) | (553.42) |

Administration
of Stewarts of Edinburgh Limited

**REALISATION ACCOUNT**

| Statement of Affairs | | Period From: 06/06/2013 To: 05/12/2013 | Cumulative From: 06/12/2011 To: 05/12/2013 |
|---|---|---|---|
| £ | | £ | £ |
| | **Costs of realisation** | | |
| nil | Security | (79.00) | (1,024.00) |
| nil | Clearing and site clearance costs | 0.00 | (11,593.46) |
| | | (1,858.40) | (39,602.05) |
| | **Administration and appointment-related costs** | | |
| nil | Employer's Pension Costs | 0.00 | (602.16) |
| nil | Employee-related Costs | 0.00 | (124.19) |
| nil | Utilities | 0.00 | (5,709.53) |
| nil | Heat, Light & Power | 0.00 | (769.02) |
| nil | Telephone & fax | 0.00 | (164.62) |
| nil | Water Rates | 0.00 | (605.19) |
| nil | Repairs & maintenance | 0.00 | (353.05) |
| nil | IT costs | 0.00 | (100.00) |
| nil | Postage & Stationery & Printing | 0.00 | (61.72) |
| nil | Registrars' Fees | 0.00 | (15.00) |
| nil | Office holder's fees | 0.00 | (200,000.00) |
| nil | Office holder's category 1 disbursements | 0.00 | (2,749.85) |
| nil | Statutory advertising | 0.00 | (125.90) |
| nil | Statement of affairs costs | 0.00 | (8.73) |
| nil | Interest on overdraft | 0.00 | (15.60) |
| nil | Bank charges | 0.00 | (403.10) |
| | | 0.00 | (211,831.72) |
| | **Distributions** | | |
| nil | Preferential Creditors - Employees | 0.00 | (3,618.43) |
| | | 0.00 | (3,618.43) |
| | **Balance** | (5,834.36) | 96,656.85 |

**REPRESENTED BY:**

| | |
|---|---|
| Refundable Security Deposit | 3,375.00 |
| General trading - current IB bank account | 116,757.67 |
| Input VAT - Fixed Charge | 296.77 |
| Input VAT - General | 371.68 |
| Third Party Funds | (24,144.27) |
| | 96,656.85 |

Graham Frost
Administrator