

The Insolvency Act 1986

R2.25**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

The Natural House Company Scotland Limited

Company number

SC266880

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

We (a)
Keith Veitch Anderson
Baker Tilly Restructuring and Recovery LLP
First Floor, Quay 2
139 Fountainbridge
EDINBURGH
EH3 9QG

David Malcolm Menzies
Baker Tilly

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) 4 December 2008

Signed


Joint / Administrator(s)

Dated

04.12.08

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

Keith Veitch Anderson
Baker Tilly Restructuring and Recovery LLP
First Floor, Quay 2
139 Fountainbridge
EDINBURGH
EH3 9QG

DX Number

0131 659 8300
DX Exchange

The contact information that you give
of the



SCT *SQNHA5FG* 210
06/12/2008
COMPANIES HOUSE

code

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 / LP4 Edinburgh 2

THE NATURAL HOUSE COMPANY SCOTLAND LIMITED

**JOINT ADMINISTRATORS' PROPOSALS AND REPORT
PURSUANT TO PARAGRAPH 49 OF THE INSOLVENCY ACT
1986 (AS AMENDED) AND RULE 2.25 OF THE INSOLVENCY
(SCOTLAND) RULES 1986 (AS AMENDED)**

**KEITH V ANDERSON AND DAVID M MENZIES
JOINT ADMINISTRATORS OF
THE NATURAL HOUSE COMPANY SCOTLAND LIMITED**

Appointed 13 October 2008

**Baker Tilly Restructuring and Recovery LLP
First Floor, Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG**

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1. ADMINISTRATORS' APPOINTMENT

Keith V Anderson and David M Menzies of Baker Tilly Restructuring and Recovery LLP, First Floor, Quay 2, 139 Fountainbridge, Edinburgh, EH3 9QG were appointed Joint Administrators of the Company on 13 October 2008 by the directors of The Natural House Company Scotland Limited

The notice of appointment was filed at the Court of Session

The Joint Administrators' appointment specified that they would have power to act jointly and severally. The Joint Administrators have exercised and will continue to exercise all of their functions jointly and severally as stated in the notice of appointment

On 13 October 2008, Keith V Anderson and David M Menzies were also appointed as Joint Administrators of an associated company, The Natural House Company Limited

2. STATUTORY INFORMATION

We attach at Appendix A an extract of statutory information from the company's file held at Companies' House

The Registered Office of the Company was changed to c/o Baker Tilly Restructuring and Recovery LLP, First Floor, Quay 2, 139 Fountainbridge, Edinburgh on 17 October 2008

3. EVENTS LEADING UP TO THE ADMINISTRATION

Brief background

The Natural House Company Scotland Limited, ("the company") was incorporated under the Companies Act 1985 on 23 April 2004 as Newco(786) Limited. It changed its name on 11 May 2004 to M D L (Borders) Limited. On 25 October 2007, it changed its name to The Natural House Company Limited. The registered office was at Craik Farm Steading, Craik, Hawick, Borders, TD9 7PS

The principal activity of The Natural House Company Scotland Limited was property development and building contracting

The Natural House Company Scotland Limited and The Natural House Company Limited were managed as a unit. Processes and systems of both companies were identical and staff operated across sites owned by both companies

The Natural House Company Scotland Limited owned and developed rural sites in the Scottish Borders region. At the date of Administration, the Company had sites at

- Craik Farm Steadings, Craik, Robertson, Nr Hawick, TD9 7PS,
- Ryehaugh Bank, Galashiels, TD1 2EZ,

- Huntshaw, Earlston, TD4 6AT

The development at Huntshaw, Earlston, TD4 6AT has been substantially completed and of the original development of 10 plots, 3 remain unsold. One of these remaining plots has been partially developed and contains a wind and watertight building. The Royal Bank of Scotland hold a standard security over the site, granted on 23 January 2007.

No building work had commenced on the sites at Ryehaugh Bank and Craik Steadings.

The land at Ryehaugh Bank, Galashiels, TD1 2EZ currently is allocated for a notional 10 units with a notional 20 units allocated to the adjoining site, which is owned by a third party, as per the Adopted Local plan. The Ryehaugh site was valued in March 2008 at £1.45m, based upon detailed planning permission being granted for 46 units on the joint site. At the date of administration, a planning application had not been submitted to the Scottish Borders Council. Prior to the appointment of the Joint Administrators, Graham & Sibbald valued the joint development site, with detailed planning permission, at £470,000 with the value of which the company's share of the joint site being £353,275. Graham & Sibbald valued the joint site, without planning permission at £300,000, with the value of which the company's share of the joint site being £150,000. The Royal Bank of Scotland hold a standard security over the site granted on 24 September 2004.

Prior to the appointment of the Joint Administrators, the whole of the site at Craik Farm Steadings, Craik, Robertson, Nr Hawick, TD9 7PS consisting of 8 steading conversion units and 1 new build plot was marketed at offers over £495,000. The Allied Irish Bank hold a standard security over the site, granted on 24 August 2007.

The Royal Bank of Scotland have a bond and floating charge granted on 15 July 2004.

The Allied Irish Bank have a floating charge granted on 25 June 2007.

During September 2008, the Royal Bank of Scotland advised the group (consisting of The Natural House Company Limited and The Natural House Company Scotland Limited) that it had breached its banking covenants. The group was unable to draw down further on the facility it had arranged with the bank, resulting in cash flow difficulties. The directors of the companies subsequently sought professional advice.

At a meeting of directors, held on 25 September 2008, it was resolved to appoint Joint Administrators. The Royal Bank of Scotland and Allied Irish Bank consented to the appointment of Joint Administrators on 1 October 2008 and 10 October 2008 respectively.

Company's trading history

To date, the directors have not provided the Joint Administrators with information in respect of the company's trading history.

The company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985 for the period ended 23 April 2004 to 30 April 2005 and the years ended 31 October 2006. Draft accounts only have been produced for the year ended 31 October 2007. The undernoted information has been extracted from the financial accounts of the company.

	Period Ended 30 April 2005	Period Ended 31 October 2006	Year ended 31 October 2007
	£	£	£
Turnover	0	3,690	751,443
Gross Profit/(Loss)	(88,601)	3,690	101,726
Profit/(Loss) before tax	(88,585)	(190,824)	(27,904)
Net assets/(liabilities)	(88,841)	(234,288)	(252,183)

4. STATEMENT OF AFFAIRS

The director's estimated Statement of Affairs as at 13 October 2008 is shown at Appendix B

Valuations have been obtained from Graham & Sibbald in respect of the company's land/property assets at Craik Farm Steadings, Craik, Robertson, Nr Hawick, TD9 7PS, Ryehaugh Bank, Galashiels, TD1 2EZ, Huntshaw, Earlston, TD4 6AT. Valuations have been obtained from Ryden in respect of the company's plant & machinery/vehicle assets

An Order limiting the disclosure of the Statement of Affairs has not been sought

The value at which creditors' claims are stated in the Statement of Affairs/Estimated Financial Position are those which are reflected in the books and records of the Company and may not be wholly correct. In addition, certain claims may be subject to reduction in respect of mitigation, set off or retention of title

The agreement of creditors' claims for voting or dividend purposes is a separate matter and will be dealt with as appropriate in due course

5. CONDUCT OF THE ADMINISTRATION

In accordance with paragraph 3 of Schedule B1 of the Insolvency Act 1986, the administrator must perform his functions with the objective of rescuing the company as a going concern, or 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) or realising property in order to make a distribution to one or more secured creditors

Having considered the financial position of the company the Joint Administrators have concluded that due to the level of debt and the nature of its activities it shall

not be possible to rescue the company as a going concern as distinct from the business and assets. Similarly, the process of administration is unlikely to achieve a better result for the company's creditors as a whole than would be achieved if the company were to be wound up. The anticipated realisation values and costs of realisation under administration and liquidation are considered to be broadly similar.

Furthermore, based on information available it is unlikely that there will be a return to any class of creditor other than the secured creditors. For these reasons the purpose of the administration will be to realise property in order to make a distribution to the secured creditor.

Proposed approach / Funding

Graham & Sibbald had been engaged to assist in the marketing of the three development sites at

- Ryehaugh Bank, Galashiels, TD1 2EZ,
- Huntshaw, Earlston, TD4 6AT.

A note will be lodged in Court for an order under Para 71 for the Administrator to realise the secured properties in order to make the sale disposition process easier.

Royal Bank of Scotland have agreed to fund the costs of realisation in respect of the developments at Huntshaw, Earlston and Ryehaugh Bank, Galashiels. Allied Irish Bank have been approached to fund the costs of realisation in respect of the site at Craik Farm Steadings.

Trading Risk

Cash flow projections were reviewed by the Joint Administrators prior to their appointment which highlighted a shortfall in working capital. Continued trading could not be justified due to the risk of worsening creditor's positions.

6. ADMINISTRATORS' STATEMENT

In accordance with Paragraph 52(1) of Schedule B1 to the Insolvency Act 1986 (as amended), the Joint Administrators are not convening a meeting of creditors because in their opinion neither of the statutory purposes of Administration of (1) rescuing the Company as a going concern and (2) 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) can be achieved.

Creditors should be aware that under Paragraph 52(2) of Schedule B1 to the Insolvency Act 1986 (as amended), the Joint Administrators shall convene a meeting of creditors if so requested by creditors of the company whose debts amount to at least 10% of the total debts of the company. Such request must be submitted in writing to the Joint Administrators within 12 days of the date on which these proposals are sent out, and the Joint Administrators may require any such creditor to lodge with him a deposit, at an amount to be determined by the Joint Administrators, as security for expenses of convening a meeting.

7. ADMINISTRATORS' PROPOSALS

Paragraph 3 to Schedule B1 to the Insolvency Act 1986 (as amended) sets out the purposes of an Administration. The Administrator must perform his functions with the objective of.

- (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 were 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

The Joint Administrators' proposals in relation to The Natural House Company Scotland Limited ("the Company") are set out below

1. The Joint Administrators should realise the assets upon the terms they consider to be the most beneficial to creditors of the Company.
2. The Joint Administrators should arrange to distribute available funds from the realised assets to those creditors entitled to them in such manner as they consider will lead to an early distribution of the available assets in an economic manner.
3. The Joint Administrators be authorised to make such application to Court for directions as they consider appropriate with a view to achieving the purposes of the administration or their proposals
4. The Joint Administrators propose that the administration be brought to an end when all the property and assets have been realised and distributed (after costs)
5. The Joint Administrators propose that the company exits the Administration by way of dissolution

In accordance with Rule 2.25(3), the proposals shall be deemed to have been approved by the creditors should the creditors not have requested a meeting be convened in accordance with paragraph 52(1) of Schedule B1 of the Insolvency Act 1986 as referred to in section 1 above

8. PROPOSED EXIT FROM ADMINISTRATION

It is proposed that the company shall exit Administration by dissolution in accordance with paragraph 84 of Schedule B1 of the Insolvency Act 1986

9. DISCHARGE FROM LIABILITY

As there is unlikely to be any return to unsecured creditors we will, in accordance with legislation, be seeking a resolution from the secured creditors for discharge

from liability in respect of any action of ours as Administrators to take effect immediately following our cessation to act as Administrators

10. DIVIDEND PROSPECTS

The Joint Administrators anticipate that a dividend will be payable to the secured and floating charge creditors

The Joint Administrators do not anticipate that there shall be any return to unsecured creditors

11. ADMINISTRATORS' REMUNERATION

As there is unlikely to be any return to unsecured creditors we will, in accordance with legislation, agree our fees and disbursements with the secured creditor

We propose that the Joint Administrators shall be authorised to draw their remuneration based upon time costs together with the expenses incurred by them in the Administration, to be paid out of the assets of the Company in accordance

with Rule 2 39 "by reference to the time properly given by the Administrators and their staff, in attending to matters arising in the administration".

Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) require approval prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements

The following documentation is attached.

- Appendix B Directors' Estimated Statement of Affairs
- Appendix C Joint Administrators' time cost analysis
- Appendix D charge out rate bands of partners and staff working on the administration
- Appendix E summary of payments to office holder and associated parties
- Appendix F. charging and disbursement policy

A Creditors Guide to Administrators' Fees, a guide in relation to the remuneration of Administrators, can be accessed at the website of the Association of Business Recovery Professionals at [www.r3.org.uk/publications/statements of insolvency practice](http://www.r3.org.uk/publications/statements_of_insolvency_practice) (Statement of Insolvency Practice 9 – Remuneration of Insolvency Office Holders Scotland). Alternatively, I can provide you with a copy on written request to my office.

Administrators' time costs

Appendix C contains a summary of the Administrators' time costs

The following is a summary of the tasks carried out by us

Administration and Planning

This includes day to day administrative duties and dealing with statutory duties and responsibilities, including advertising notice of the Administration, providing notice to creditors, dealing with the submission of the Statement of Affairs and filing necessary documents at Companies' House. Other duties include handling and recording receipts and payments, VAT and Corporation Tax issues such as the monthly VAT returns; pension queries and general correspondence

Investigations

In accordance with our statutory obligations under the Company Directors' Disqualification Act 1986, we shall file the appropriate documentation on the conduct of the directors with the Department of Trade & Industry

Realisation of Assets

Our staff have been assisting with various matters such as handling queries from interested parties and obtaining valuations of assets. A significant amount of time has been spent on this area as it is considered to be a key aspect of the Administration. Additionally, a substantial amount of time has been spent dealing with queries from residents of the Huntshaw site

Creditors

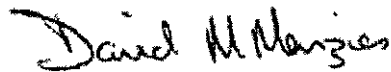
Queries from and correspondence with creditors and employees have been necessary aspects of the Administration process. The preparation of the Administrators' Proposals has been undertaken including the attendant aspects of providing and obtaining the required information, convening the creditors' meeting etc

Administrators' disbursements

To date we have drawn a total of £nil on account of our disbursements incurred

12. EC REGULATIONS

It is considered that the EC Regulations will apply and that these proceedings will be main proceedings as defined in Article 3 of the EC Regulations as the centre of main interest of the Company is in Scotland



Keith V Anderson and David M Menzies
Baker Tilly Restructuring and Recovery LLP
Joint Administrators

Date: 4 December 2008

Keith V Anderson and David M Menzies are both licensed to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland

The affairs, business and property of the company are being managed by the Joint Administrators who act as agent for the company without personal liability

Appendix A

STATUTORY INFORMATION

COMPANY NAME	The Natural House Company Scotland Limited																				
COMPANY NUMBER.	SC266880																				
DATE OF INCORPORATION	23 April 2004																				
TRADING NAME.	The Natural House Company Scotland Limited																				
TRADING ADDRESS	Muirhouse Farm, Stow, Galashiels, TD1 2QL																				
PRINCIPAL ACTIVITY	Property Development																				
REGISTERED OFFICE.	Craik Farm Steading, Craik, Hawick, Borders, TD9 7PS																				
SHARE CAPITAL: NOMINAL & ISSUED SHARE CAPITAL	£113 05 (consisting of 1,413,098 shares at £0 00008 each)																				
SHAREHOLDERS	<table> <tr> <th></th><th><u>Shares</u></th></tr> <tr> <td>Alice C Pringle</td><td>90,909</td></tr> <tr> <td>Anthony J Goddard</td><td>7,995</td></tr> <tr> <td>Emily V Salvesen</td><td>181,818</td></tr> <tr> <td>Ferelith J Ross</td><td>90,909</td></tr> <tr> <td>Iver A Salvesen</td><td>980,751</td></tr> <tr> <td>Lisa Gray</td><td>5,500</td></tr> <tr> <td>Richard Oliphant Of That Ilk</td><td>21,650</td></tr> <tr> <td>Thomas M Pyemont</td><td><u>33,566</u></td></tr> <tr> <td></td><td><u>1,413,098</u></td></tr> </table>		<u>Shares</u>	Alice C Pringle	90,909	Anthony J Goddard	7,995	Emily V Salvesen	181,818	Ferelith J Ross	90,909	Iver A Salvesen	980,751	Lisa Gray	5,500	Richard Oliphant Of That Ilk	21,650	Thomas M Pyemont	<u>33,566</u>		<u>1,413,098</u>
	<u>Shares</u>																				
Alice C Pringle	90,909																				
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Lisa Gray	5,500																				
Richard Oliphant Of That Ilk	21,650																				
Thomas M Pyemont	<u>33,566</u>																				
	<u>1,413,098</u>																				
DIRECTORS:	Iver A Salvesen Aberdalgy Consultants Limited Samantha Larner																				
SECRETARY.	Richard Oliphant Of That Ilk																				
MORTGAGES AND CHARGES	Bond and Floating Charge held by The Royal Bank of Scotland plc created on 15 July 2004 and registered on 22 July 2004.																				

Standard Security in favour of The Royal Bank of Scotland plc created on 24 September 2004 and registered on 13 October 2004

Standard Security in favour of The Royal Bank of Scotland plc created on 23 January 2007 and registered on 6 February 2007

Standard Security in favour of AIB Group (UK) plc created on 24 August 2007

Floating Charge held by AIB Group (UK) plc created on 25 June 2007 and registered on 6 July 2007

Insolvency Act 1986

The Natural House Company Scotland Limited
 Estimated Statement Of Affairs as at 13 October 2008

	Book Value £	Estimated to Realise £	£
ASSETS			
Plant & Machinery (Note 2)	67,162 00	33,581 00	
Website (Note 2)	15,000 00	3,000 00	
Motor Vehicles (Note 2)	7,326 00	3,663 00	
Office Equipment (Note 2)	3,415 00	341 00	
		40,585 00	40,585 00
Huntshaw/Ryehaugh Bank (Note 3)		1,010,000 00	
Royal Bank of Scotland		(1,535,003 00)	
Deficiency c/d		(525,003 00)	
Craik Steadings (Note 3)		295,000 00	
Allied Irish Bank		(295,000 00)	
		NIL	NIL
			40,585 00
PREFERENTIAL CREDITORS			
			NIL
			40,585 00
Estimated prescribed part of net property where applicable (to carry forward)			11,117 00
			29,468 00
DEBTS SECURED BY FLOATING CHARGE			
Deficiency b/d		525,003 00	
			525,003 00
			(495,535 00)
Estimated prescribed part of net property where applicable (brought down)			11,117 00
			11,117 00
Unsecured non preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors		177,546 00	
Directors (Note 4)		1,109,483 00	
HM Revenue & Customs (Note 5)		17,000 00	
			1,304,029 00
Estimated deficiency/surplus as regards non preferential creditors (excluding any shortfall to floating charge holders)			(1,292,912 00)
Shortfall to floating charge holders (brought down)			495,535 00
			(1,788,447 00)
Issued and called up capital			
Ordinary Shareholders		113 00	
			113 00
TOTAL SURPLUS/(DEFICIENCY)			(1,788,560 00)

Notes

1 The foregoing estimated statement of affairs is subject to the expenses of realisation and the administration

2 As valued by the directors Ryden have provided the following ex situ valuations

Plant & Machinery	£50,650
Motor Vehicles	£ 2,600
Office Equipment	£ 200

It is not anticipated that the website/domain name will achieve less than the realisation figure stated by the directors

3 Valuations included in the Estimated Statement of Affairs are those provided by the directors

Craik Steadings	£295,000
Huntshaw	£510,000
Ryehaugh Bank	£500,000

Graham & Sibbald value the properties as follows

Craik Steadings	£150,000
Huntshaw	£375,000
Ryehaugh Bank	£150,000

4 The director, Iver Salvesen states that £1,109,483 14 is due to him following the crystallisation of a Joint Venture Agreement between himself and the Company, which was entered into during January 2007

5 The directors dispute a £17,000 liability due to HM Revenue & Customs in respect of unpaid PAYE/NIC. The directors state that HMRC have misallocated payments made by the company following a change in the company name

Appendix C

TIME AND CHARGE OUT SUMMARY – PRE-APPOINTMENT

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Administration and Planning	12.9	27.5	0.3	2.4	43.1	£7,228.50
Case Management	0.0	0.0	0.3	0.0	0.3	£19.50
Background information	0.0	0.5	0.0	0.0	0.5	£65.00
Pre –appointment matters	12.5	26.8	2.4	0.0	41.7	£7,016.00
Statement of Affairs	0.0	0.2	0.0	0.0	0.2	£28.00
Investigations	0.0	0.0	0.0	0.0	0.0	0.0
Realisation of Assets	0.0	0.0	0.0	0.0	0.0	0.0
Trading	0.0	0.0	0.0	0.0	0.0	0.0
Creditors	0.0	0.0	0.0	0.0	0.0	0.0
Case Specific Matters	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL HOURS	12.9	27.5	0.3	2.4	43.1	£7,228.50
TOTAL TIME COST	£3,225.00	£3,828.00	£19.50	£156.00	£7,228.50	£7,228.50

TIME AND CHARGE OUT SUMMARY – POST-APPOINTMENT

As at 20 November 2008

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Administration and Planning	0 8	31 0	5 2	0 0	37 0	£4,844 00
Investigations	0 0	0 0	0 0	0 0	0 0	£0 00
Realisation of Assets	4 0	8 6	0 2	0 0	12 8	£2,217 00
Trading	1 2	0 0	0 0	0 0	1 2	£300 00
Creditors	0 7	8 2	13 3	0 0	22 4	£2,841 50
TOTAL HOURS	6 9	47 8	18 7	0 0	73 4	£10,202 50
TOTAL TIME COST	£1,725 00	£6,761 00	£1,716 50	£0 00	£10,202 50	£10,202 50

The Natural House Company Scotland Limited 279550/700 Administration

Administration and Planning

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Case Management	0 1	1 6	1 6	0 0	3 3	£350 00
Statement of Affairs	0 0	0 7	0 0	0 0	0 7	£98 00
Appointment	0 0	13 9	0 0	0 0	13 9	£1,946 00
Post appointment general	0 0	9 0	0 4	0 0	9 4	£1,286 00
1st creditors/shareholders meetings and reports	0 0	1 0	0 0	0 0	1 0	£140 00
Receipts and Payments	0 1	0 0	3 2	0 0	3 3	£233 00
Land and Property	0 0	1 6	0 0	0 0	1 6	£218 00
ROT/ Third Party Assets	0 0	2 9	0 0	0 0	2 9	£381 00
Pension Scheme	0 0	0 3	0 0	0 0	0 3	£42 00
Shareholders/Director/Debtor/ Bkpt	0 6	0 0	0 0	0 0	0 6	£150 00
Totals	0 8	31 0	5 2	0 0	37 0	£4,844 00

The Natural House Company Scotland Limited 279550/700 Administration

Realisation of Assets

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Land and Property	3 3	5 4	0 0	0 0	9 7	£1,721 00
Chattels	0 1	0 5	0 0	0 0	0 6	£95 00
HP/Leasing creditors	0 1	0 4	0 0	0 0	0 5	£81 00
ROT/ Third Party Assets	0 4	0 0	0 0	0 0	0 4	£100 00
Assets general/other	0 1	1 3	0 2	0 0	1 6	£220 00
Totals	4 0	8 6	0 2	0 0	12 8	£2,217 00

The Natural House Company Scotland Limited IN ADMINISTRATION

The Natural House Company Scotland Limited
279550/700 Administration

Trading

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Trading	1 2	0 0	0 0	0 0	1 2	£300 00
Totals	1 2	0 0	0 0	0 0	1 2	£300 00

The Natural House Company Scotland Limited
279550/700 Administration

Creditors

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Employees	0 0	3 9	8 8	0 0	12 7	£1,722 00
Secured Creditors	0 7	1 1	0 0	0 0	1 8	£329 00
Unsecured Creditors	0 2	0 0	4 5	0 0	4 7	£342 50
Other Creditor Meetings and Reports	0 0	3 2	0 0	0 0	3 2	£448 00
Totals	0 9	8 2	13 3	0 0	22 4	£2,841 50

Appendix D

CHARGE OUT RATE BANDS

	Charge out band as at date of appointment	Charge out band as at date of current report
Partners	£225 £300	£225 £300
Managers	£135 £225	£135 £225
Administrators	£75 £135	£75 £135
Assistants & Support Staff	£40 £75	£40 £75

Appendix E

**SUMMARY OF PAYMENTS TO OFFICE HOLDER AND
ASSOCIATED PARTIES**

AMOUNTS PAID OR PAYABLE TO THE OFFICE HOLDER'S FIRM	
TYPE AND PURPOSE	£
	0
Total	0

AMOUNTS PAID OR PAYABLE TO ASSOCIATED PARTIES OF OFFICE HOLDER	
TYPE AND PURPOSE	£
Total	0

AMOUNTS PAID OR PAYABLE TO THE OFFICE HOLDER'S SOLICITOR	
TYPE AND PURPOSE	£
Total	0

AMOUNTS PAID OR PAYABLE TO THE OFFICE HOLDER'S AGENT	
TYPE AND PURPOSE	£
Land/Property Valuations	528 75
Total	528 75

Appendix F

BAKER TILLY RESTRUCTURING AND RECOVERY LLP

CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate, which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6 minute units.
- Time billed is subject to Value Added Tax (VAT) at the applicable rate

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to creditors, but do not require creditors' approval prior to being drawn from the insolvency estate These are known as "Category 1" disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) require the approval of creditors prior to being drawn from the insolvency estate These are known as "Category 2" disbursements.
- General office overheads are not re charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of creditors
- Where applicable, expenses and disbursements re charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate