

The Insolvency Act 1986

Administrator's progress report**R2.38**

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

Name of Company
Morrison & Mutch Property Investments (No. 2) Ltd

Company number
SC307831

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

I/We (a)
Thomas Campbell MacLennan
FRP Advisory LLP
Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD

Alexander Iain Fraser
FRP Advisory LLP
Suite 2B, Johnstone House 52-54 Rose Street Aberdeen AB10 1UD

administrator(s) of the above company attach a progress report for the period

from

to

(b) Insert date(s)

(b) 15 December 2013

(b) 14 June 2014

Signed

Joint / Administrator(s)

Dated

16/6/14

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

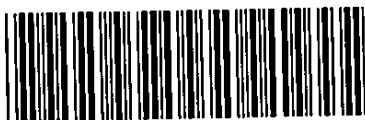
Thomas Campbell MacLennan
FRP Advisory LLP
Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD

DX Number

+44 (0)330 055 5455
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

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**Joint Administrators' Progress Report
for the period from 15 December 2013 to 14 June 2014
relating to**

**Morrison & Mutch Property Investments (No. 2) Ltd ("the
Company") – In Administration**

Issued on: 16 June 2014

Thomas Campbell MacLennan and Alexander Iain Fraser of FRP Advisory LLP are the Joint Administrators of the Company and this is their final report on the progress of the Administration of the Company for the period from 15 December 2013 to 14 June 2014.

The Administration came to an automatic end on 14 June 2014.

1. Statutory Information

Statutory information relating to the Company is attached at **Appendix I**.

2. Action taken by the Joint Administrators since their appointment

The company owned the following licensed premises :-

- The Anchor Bar, Arbroath
- Songbird, Denny
- Burns Bar, Forfar
- The Royal Arch Bar, Montrose
- The Thistle Bar, Forfar
- The Windsor Bar, Dundee

An action regarding a gratuitous alienation regarding the alteration of terms concerning the leases of the properties to a connected party Forthflat Ltd was undertaken and a settlement was reached whereby the properties were sold to various corporate entities for a total of £550k.

3. Joint Administrators' receipts and payment account

I attach a summary of my receipts and payments relating to the Company for the period from 15 December 2013 to 14 June 2014 at Appendix II.

The company is not registered for VAT, therefore all amounts included in the receipts and payments are shown as Gross.

4. Joint Administrators' Remuneration and Expenses

The secured creditors approved my fees on the basis of the time properly spent by me and my staff in dealing with matters relating to the Administration of the Company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.

To the date this report is prepared, my time costs amount to £60,836.27, representing 244.11 hours work at an average charge out rate of £249.22, and I have drawn remuneration of £60,000.00 plus VAT. Appendix III contains more information about my remuneration and expenses, including an analysis of the hours worked.

Please go to <http://creditors.frpadvisory.com/feesguide.htm> if you require further information relating to Administrator's Remuneration. Alternatively a copy is available free of charge upon request.

5. End of Administration

The exit from Administration is by dissolution.

The Joint Administrators will seek the agreement of the Secured creditor that upon the Company proceeding into dissolution, the Joint Administrators discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following the Company filing the notice of moving from Administration to dissolution.



Thomas Campbell MacLennan
Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland
The affairs, business and property of the Company are being managed by the Administrators*

Enclosures:

Appendix I

Statutory Information

Appendix I

Company Information

Company Name: Morrison & Mutch Property Investments (No. 2) Ltd

Company Number: SC307831

Date of Incorporation: 31 August 2006

Trading Addresses: 56 Torridon Road, Broughty Ferry, Dundee, DD5 3JH

Anchor Inn, 209 Stirling Street, Dunipace, Denny, FK6 6JR

Anchor Bar, 16 & 18-20 Bank Street, West Port, Arbroath, DD11 1RH

Burns Bar, 95 East High Street, Forfar, DD8 2EQ

Royal Arch Bar, 32 High Street, Montrose, DD10 8JL

Thistle Bar, 199 East High Street, Forfar, DD8 2HL

Windsor Bar, 28 Albert Street, Dundee, DD4 6QG

Current Registered Office: c/o FRP Advisory LLP, 95 Haymarket Terrace, Edinburgh, EH12 5HD

Former Registered Offices: Inchcape House, Alexander Street, Airdrie, Lanarkshire, ML6 0BD

Sangobeg House, 4 Francis Street, Dundee, DD3 8HH

Principal Trading Activity: Property company owning licenced premises

Appointment details

Date of Appointment: 15 June 2012

Appointment made by: Holder of a Qualifying Floating Charge (Bank of Scotland plc)

Court Name and Reference: Court of Session

Administrators Appointed: Thomas Campbell MacLennan IP Number: 8209
Alexander Iain Fraser IP Number: 9218

Officers of the company

	Name	Shareholding
Directors	James Ross Morrison	50%
	William Mutch	Nil
Company Secretary	James Ross Morrison	As above

Share Capital

Authorised

1,000 ordinary shares £1 each

Allotted, called up and fully paid

2 ordinary shares of £1 each

Charges

Charge

Standard securities
Standard securities
Floating charge
Floating charge
Standard security
Standard securities

Created

7 June 2007
7 June 2007
9 May 2007
9 May 2007
19 February 2010
19 February 2010

In favour of

Bank of Scotland plc
Scottish & Newcastle UK Ltd
Bank of Scotland plc
Scottish & Newcastle UK Ltd
Bank of Scotland plc
Heineken UK Ltd

Appendix II

Joint Administrators' Abstract of Receipts and Payments

Morrison & Mutch Property Investments (No. 2) Ltd
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 15/12/2013 To 14/06/2014	From 15/06/2012 To 14/06/2014
	SECURED ASSETS		
Uncertain	Investment properties - 6 public house	550,000.00	550,000.00
		550,000.00	550,000.00
	COSTS OF REALISATION		
	Joint Administrators Fees	42,000.00	72,000.00
	Joint Administrators Outlays	251.95	251.95
	Legal Fees	7,135.08	7,135.08
	Legal Outlays	590.54	590.54
	Insurance	7,151.08	7,151.08
		(57,128.65)	(87,128.65)
	SECURED CREDITORS		
(743,414.00)	Bank of Scotland plc	449,232.85	449,232.85
		(449,232.85)	(449,232.85)
	ASSET REALISATIONS		
NIL	Furniture & Fixtures	NIL	NIL
	Assignment of Legal Action	2,000.00	2,000.00
	Bank Interest Gross	8.22	29.82
	Bank Interest Net of Tax	NIL	2.51
	Trading Surplus/(Deficit)	9,345.00	100,366.50
		11,353.22	102,398.83
	COST OF REALISATIONS		
	Registration Fee	NIL	15.00
	Agents/Valuers Fees	19,974.30	26,543.34
	Legal Fees	49,530.06	88,599.39
	Legal Outlays	830.40	830.40
	Bank Charges	49.20	49.20
		(70,383.96)	(116,037.33)
	UNSECURED CREDITORS		
(1,675.00)	Trade & Expense Creditors	NIL	NIL
(76,912.00)	Amounts owed to related parties	NIL	NIL
(1,645.00)	HM Revenue & Customs	NIL	NIL
(20,000.00)	Provision for unsecured creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(843,648.00)		(15,392.24)	0.00
	REPRESENTED BY		
			NIL

Note:

Appendix 3

Information relating to Administrator's Remuneration and Expenses

Office Holder Remuneration

Case Name	Morrison & Mutch Property Investments (No 2) Ltd
Court	Court of Session
Office Holders	Thomas Campbell MacLennan / IP Number 8209 Alexander Iain Fraser / IP Number: 9218
Firm	FRP Advisory LLP
Address	Apex 3 95 Haymarket Terrace Edinburgh EH12 5HD
Type of Appointment	Administration (Scotland)
Date of Appointment	15 June 2012

1. Explanation of office-holders charging and disbursement recovery policies

1.1. Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge out rates are noted in the attached SIP9.

1.2. Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by FRP Advisory LLP and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case, (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011). Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 expenses are incurred by FRP Advisory LLP and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the Company, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, all business mileage (for cases commencing on or after 1 November 2011), internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by FRP Advisory LLP are as follows:

	£
Room Hire	Nil
Envelope	Nil

Paper (photocopies per sheet)	0.10
Internal Storage	Nil
Business mileage @ 45p per mile	0.45

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.



Morrison & Mutch Property (In Administration)

Time charged for the period 15 December 2013 to 14 June 2014

	Manager	Other Professional	Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	1.75	0.40	3.15	5.30	1,027.00	193.77
Asset Realisation	34.70			34.70	9,475.50	273.07
Creditors	6.00			6.00	1,950.00	325.00
Statutory Compliance	5.00			5.00	1,625.00	325.00
Legal and Litigation	14.50			14.50	4,712.50	325.00
Total Hours	61.95	0.40	3.15	65.50	18,790.00	286.87
Total Cost £	18,331.75	42.00	416.25			
Average Hrly Rate £	295.91	105.00	132.14			

Disbursements for the period 15 December 2013 to 14 June 2014

Category 1	Value £
Postage	56.94
Taxis	4.00
Storage	1.24
Grand Total	62.18

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates

Grade	At	1 st November 2011	1st July 2012	1st July 2013
Partner	300-500	275-495	275-495	275-495
Manager	150-350	225-455	225-455	225-455
Other Professional	85-250	85-275	85-275	85-275
Support	60-250	70-320	70-320	70-320



Morrison & Mutch Property (In Administration)

Time charged from the start of the case to 14 June 2014

	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	37.16	4,593.52	123.61
Asset Realisation	124.25	35,141.75	282.83
Creditors	30.50	7,312.50	239.75
Investigation	9.50	1,662.50	175.00
Legal and Litigation	23.00	7,475.00	325.00
Statutory Compliance	17.20	4,213.50	244.97
Trading	2.50	437.50	175.00
Grand Total	244.11	60,836.27	249.22