

The Insolvency Act 1986

**Notice of move from
administration to
dissolution****R2.48(1)**Pursuant to paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 and
Rule 2.48(1) of the Insolvency (Scotland) Rules 1986

Name of Company

Greengates Property Development Limited

Company number

SC330 324

(a) Insert full

I (a)

John Hansen

KPMG

Stokes House

(b) Insert name and
address of registered
office of company

17-25 College Square East

Belfast

BT1 6DH

(c) Insert date of
appointmenthaving been appointed administrator of (b) Greengates Property Limited, c/o KPMG, Stokes House, Belfast,
BT1 6DH(d) Insert name of
applicant/appointor

on (c) 13 February 2013 by (d) the Directors of the Company

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply.

We attach a copy of the final progress report.

Signed

Administrator

Dated

11 August 2014

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

Cathy McLean
KPMG
Stokes Houe
Belfast
BT1 6DH

Tel +44 (0) 2890243377
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

TUESDAY



SCT

S3E5F7D4
12/08/2014
COMPANIES HOUSE

#298



**Greengates Property Development
Limited (In Administration)**

Administrator's Final Report from
13 February 2014 to 8 August
2014

Pursuant to Rule 2.38 and 2.42 of
the Insolvency (Scotland) Rules
1986 (as amended)

Restructuring August 2014

Final Report



Notice: About this Report

This report has been prepared by John Hansen, the Administrator of Greengates Property Development Limited, solely to comply with his statutory duty under Rule 2.38 and 2.42 of the Insolvency (Scotland) Rules 1986 (as amended) to provide creditors with a final report on the closure of the administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Greengates Property Development Limited.

Any person that chooses to rely on this Report for any purpose or in any context other than under Rule 2.38 and 2.42 of the Insolvency (Scotland) Rules 1986 (as amended) does so at their own risk. To the fullest extent permitted by law, the Administrator does not assume any responsibility and will not accept any liability in respect of this Report to any such person.

John Hansen is authorised to act as an insolvency practitioner by Chartered Accountants Ireland.

The Administrator acts as an agent for Greengates Property Development Limited and contracts without personal liability. The appointment of the Administrator is personal to him and, to the fullest extent permitted by law, KPMG does not assume any responsibility and will not accept any liability to any person in respect of these Proposals or the conduct of the administration.

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Glossary

Administrator	John Hansen of KPMG
Bank/Secured creditor / Chargeholder	Bank of Ireland (UK) Limited
Company	Greengates Property Development Limited
Act	Insolvency Act 1986
Rules	Insolvency (Scotland) Rules 1986
Directors	Michael Mole Philip Johnston
Property	Berrywell House, Duns, Scotland, TD11 3HR
QFCH	Qualifying Floating Charge Holder



1 Introduction

Greengates Property Development Ltd was incorporated on 4 September 2007 and is a property holding company for a 6 bed dilapidated house, with a gate lodge, outbuildings and 2.5 acres of land located at Berrywell House, Duns, Scotland, TD11 3HR. Greengates Property Development Ltd is owned by Michael Mole (50%) and Philip Johnston (50%)

John Hansen was appointed Administrator of Greengates Property Development Limited on 13 February 2013 by the directors of the Company.

In accordance with Rule 2.38 and Rule 2.42 of the Insolvency (Scotland) Rules 1986 the final progress report is set out below.

Due to the fact that a dividend was not expected to be payable to unsecured creditors (no unsecured creditors are currently known) the Administrator decided not to convene a creditors meeting and one was not subsequently requisitioned. As a result the Statement of Proposals, as circulated, was approved. (These are attached for your information at Appendix 2 together with the Statutory Information of the company at Appendix 1).



2 Background and events leading to the Administration Order

The Company owned a dilapidated residential property located at Berrywell House, Duns, Scotland, TD11 3HR

The Property is subject to a fixed charge held by the Chargeholder. The Company failed to meet the requirements of the Chargeholder in relation to the repayment of monies advanced to fund the Company. The directors concluded that it was appropriate to appoint an Administrator to the Company. John Hansen of KPMG was appointed as Administrator on 13 February 2013.



3 Purpose, Initial Strategy and Progress of the Administration

3.1 Purpose of the administration

As stated in the Administrator's Proposals the object of the Administration is set out in Schedule B1 of the Insolvency Act 1986:

- (b) achieving a better result for the Company's creditors as a whole than would be likely if the company was 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 purpose of the Administration has been achieved in respect of the objective set out in Paragraph (b) of Schedule B1 of the Act and it is now in order to move the Company from administration to dissolution.

3.2 Initial Strategy

On appointment, the initial strategy was to ascertain as much background information on the Company and its assets from the directors. The Company's directors confirmed the Company's assets comprised of the Property.

The Administrator promptly assumed control of all the Property.

The company had no employees.

3.3 Progress of the Administration

Over the course of administration the Administrator completed the following matters in respect of the Company:

3.3.1 Correspondence with Property Agent

Upon appointment the Administrator contacted the agent who was marketing the property for sale. The agent confirmed that the property was currently being marketed for sale with a guide price of £450,000. The agent advised that there was no interest in the property and that there was an issue with dry rot in the house. The condition of the house continued to deteriorate and it was advised that a price of £130,000 to £150,000 would be more appropriate.

3.3.2 Sale of Property

The Administrator sold the property, which is subject to a fixed charge, for £145,000 and there was no surplus arising from this sale.



4 Realisations

To date the Administrator has realised the sole asset referred to in section 3.3.2.

4.1 Investigations

The Administrator has a duty to investigate whether potential causes of action exist against third parties which would increase recoveries for creditors. The Administrator invited creditors to bring any matters that they believed to be relevant to the attention of the Administrator. No matters were brought to the attention of the Administrator.



5 Cost of Realisations

A summary of the Administrator's receipts and payments to 8 August 2014 is included at Appendix 3.

5.1 Administrators Remuneration

The statutory provisions relating to remuneration are set out in Rule 2.39 of the Insolvency (Scotland) Rules 1986 (as amended) and a creditors guide to Administrators' fees, which provides further information and guidance can be found at the following link;

<http://icas.org.uk/WorkArea/DownloadAsset.aspx?id=4294968700>

In this case and in accordance with Rule 2.39, since the Administrator has made a statement under Paragraph 52(1)(b), that on the basis that there will be no funds available to unsecured creditors other than by virtue of section 176A(2)(a) there will be no meeting of creditors convened (see Section 8 below), and there are no preferential creditors, it is for the Secured creditor to fix the basis of the Administrators' remuneration.

The Administrator intends to propose to the bank that their remuneration be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the administration at their normal hourly rate of charging.

The Administrator incurred time costs of £19,838 representing 153.35 hours at an average rate of £129.36 per hour. In addition, expenses of £549.39 have been directly incurred by KPMG in the course of the Administration.

The Administrator has drawn full and final fees in the amount of £9,000 (plus VAT) and expenses of £594.45 (plus VAT) with the agreement of the Chargeholder.

5.2 Legal costs

The Administrator engaged Tughans Solicitors as his legal advisers. Legal fees of £4,201 have been paid.

The Administrator engaged Harper Macleod Solicitors as his legal advisers in the sale of the property. Legal fees of £3,127 have been paid.

5.3 Professional Fees

Some £450 has been paid for professional fees in relation to a Planning Review Report.

5.4 Repairs and Maintenance

The Administrator has paid costs amounting to £610 for repairs and maintenance of the property.

5.5 Agent Costs

Some £2,200 has been paid in relation to Agent's marketing costs.

5.6 Bank Interest & Charges

Bank interest of £29 and bank charges of £29 has been incurred in relation to the Administrator's current account.

5.7 Administrators Fees & Expenses

As detailed in section 5.1 the Administrator has been paid £9,000 in relation to time spent on the case and £594 in relation to expenses incurred throughout the administration.

5.8 Light & Heat

The Administrator paid an expense of £54 in relation to light & heat at the property.

5.9 Insurance

The Administrator has paid insurance expenses of £1,717 in relation to insurance of the company's property.

5.10 VAT

The Administrators has paid VAT on expenses in the amount of £3,929 which is not recoverable from HM Revenue and Customs as the Company was not registered for VAT.



6 Estimated outcome for creditors

6.1 Secured Creditor

The Bank holds a Mortgage Debenture creating a fixed charge over the Properties of the Company. As at the date of the Administrators' appointment, the Bank was owed £915,381.06.

The Administrator's legal advisors have carried out a security review which indicates that the security referred to above is valid. A distribution of £119,059.80 has been made to the Chargeholder.

6.2 Preferential creditors

Based on information to date, the Administrator was not aware of any preferential creditors of the Company.

6.3 Unsecured Creditors

It is not known if there are any unsecured creditors as a sworn Statement of Affairs was not received.

The availability of a dividend to non-preferential, unsecured creditors via a Prescribed Part distribution is dependent on the availability of floating charge realisations in respect of security created after 15 September 2003. The banks security post dates September 2003.

Due to the property being sold for less than the amount owed to the fixed chargeholder, there was no dividend available to unsecured creditors.



7

Statement concerning the EC Regulations

The EC Council Regulations on Insolvency Proceedings apply to this Administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

A handwritten signature in black ink, appearing to read 'John Hansen', with a horizontal line underneath.

John Hansen
Administrator



Appendix 1 – Statutory Information

Company Name	Greengates Property Development Limited
Date of Incorporation	4 September 2007
Company number	SC330324
Previous registered office	C/O Semple Fraser LLP, 123 St. Vincent Street, Glasgow, G2 5EA
Present registered office	KPMG Stokes House 17-25 College Square East Belfast BT1 6DH
Former Trading address	C/O Semple Fraser LLP, 123 St. Vincent Street, Glasgow, G2 5EA
Authorised share capital	2 Ordinary Shares of £1 each
Called up share capital	2 Ordinary Shares of £1 each
Shareholders	Michael Mole (50%) Philip Johnston (50%)
Directors	Michael Mole Philip Johnston
Company secretary	Diane Angus
Employees	None
Previous names	N/A
Relevant Court	Notice of the appointment by directors was lodged at Glasgow Sheriff Court on 13 February 2013.
Court Reference	L14/13



Appendix 3 – Summary of Receipts and Payments from 13 February 2014 to 8 August 2014

	As at 13 February 2014 £	Movement £	As at 8 August 2014 £
Receipts			
Berrywell sale proceeds	0.00	145,000.00	145,000.00
	<u>0.00</u>	<u>145,000.00</u>	<u>145,000.00</u>
Payments			
Legal Costs	4,200.70	3,126.68	7,327.38
Professional Fees	450.00	0.00	450.00
Repairs & Maintenance	585.00	25.00	610.00
Agents Costs	750.00	1,450.00	2,200.00
Bank Charges	29.10	0.00	29.10
Bank Interest	36.69	(7.26)	29.43
Administrator's Fees	0.00	9,000.00	9,000.00
Administrator's Expenses	0.00	594.39	594.39
Light & Heat	0.00	54.10	54.10
Insurance	0.00	1,717.20	1,717.20
Distribution	0.00	119,059.80	119,059.80
VAT	1,157.00	2,711.59	3,928.59
	<u>7,208.49</u>	<u>137,791.50</u>	<u>145,000.00</u>
	<u>(7,208.49)</u>	<u>7,208.49</u>	<u>0.00</u>
Current Account – Facility from Chargeholder	(7,208.49)	7,208.49	0.00
	<u>(7,208.49)</u>	<u>7,208.49</u>	<u>0.00</u>