In accordance with Rule 3.93(1) of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018.

AM10 (Scot)

Notice of administrator's progress report

Companies House

FRIDAY

S8AJTXQ2
SCT 26/07/2019 #352
COMPANIES HOUSE

1 Company details

Company number	S C 4 1 6 9 9 3
Company name in full	Granite City Assets Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s)	James
Surname	Stephen

3 Administrator's address

Building name/number	4 Atlantic Quay
Street	70 York Street
Post town	Glasgow
County/Region	
Postcode	G2 8JX
Country	

4 Administrator's name ❶

Full forename(s)	Francis Graham
Surname	Newton

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	Central Square
Street	29 Wellington Street
Post town	Leeds
County/Region	
Postcode	LS1 4DL
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM10 (Scot)
Notice of administrator's progress report

6 Period of progress report

From date	15 12 2018
To date	14 06 2019

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X X
Signature date	24 07 2019

AM10 (Scot)

Notice of administrator's progress report

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name: Connie Ng

Company name: BDO LLP

Address: 4 Atlantic Quay
70 York Street

Post town: Glasgow

County/Region:

Postcode: G 2 8 J X

Country:

DX: connie.ng@bdo.co.uk

Telephone: 0141 249 8411

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Granite City Assets Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 15/12/2018 To 14/06/2019 £	From 15/12/2015 To 14/06/2019 £
	FIXED CHARGE ASSETS		
Uncertain	Freehold Land & Property	NIL	4,000,000.00
	Interest Gross	NIL	2,935.41
		NIL	4,002,935.41
	FIXED CHARGE COSTS		
	Administrators' Disbursements	NIL	4,200.00
	Agents' Fees & Disbs	NIL	73,760.00
	Bank Charges	5.60	304.70
	General Costs re Bridgepoint Purchaser	2,752.75	21,589.25
	Insurance & Service Chgs	NIL	263.13
	Lega Fees re Bridgepoint Purchasers	(239.00)	45,573.63
	Legal Fees - Administrators re Stand.S	NIL	52,093.40
	Legal Fees & Disbs - Sale & General	NIL	14,659.50
	Legal Fees re (REDS)	NIL	78,931.35
		(2,519.35)	(291,374.96)
	Real Estate Debt Security Limited		
(1,813,752.46)	Secured Creditor	NIL	1,986,464.74
		NIL	(1,986,464.74)
	Firstpoint Security Trustees Ltd		
(6,550,442.10)	Secured Creditor	NIL	1,449,999.87
		NIL	(1,449,999.87)
	ASSET REALISATIONS		
Uncertain	Book debts	NIL	NIL
Uncertain	Cash at Bank	NIL	NIL
	Interest Gross	431.09	1,055.19
		431.09	1,055.19
	COST OF REALISATIONS		
	Bank Charges	144.35	365.85
	VAT Paid	NIL	880.00
		(144.35)	(1,245.85)
	PREFERENTIAL CREDITORS		
Uncertain	Preferential E.P.A.	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(40,000.00)	Provision for unsecured claims	NIL	NIL
(112,144.77)	Trade & Expense Creditors	NIL	NIL
Uncertain	Unsecured Employees	NIL	NIL
Uncertain	Unsecured Taxes	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(200.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(8,516,539.33)		**(2,232.61)**	**274,905.18**
	REPRESENTED BY		
	Firstpoint Security Trustees Limited 2n		5,733.57
	Floating Current Account		248,637.73
	Vat Control Account		20,533.88
			274,905.18

Granite City Assets Limited (In Administration) ['the Company']

Progress Report in terms of Rules 3.93 and 3.94 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 ['the Rules' or 'Insolvency (Scotland) Rules 2018']

Period of Report: Six months from 15 December 2018 to 14 June 2019 ['the Period']

Contents

Appendices

James Stephen and Francis Graham Newton of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX, were appointed Joint Administrators on 15 December 2015. The business and assets of the Company are now managed by the Joint Administrators. The Joint Administrators act as agents of the Company, without personal liability.

James Stephen is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England & Wales. Office holder number 9273; and Francis Graham Newton is authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association. Office holder number 9310.

The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics.

The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. Personal data will be kept secure and processed only for matters relating to the Administration of Granite City Assets Limited. Please see the privacy statement at https://www.bdo.co.uk/en-gb/legal-privacy/privacy-notice.

This progress report has been prepared by the Joint Administrators solely to comply with their statutory duty under the Insolvency Act 1986 and Insolvency (Scotland) Rules 2018 to provide members and creditors with an update on the progress of the Administration and for no other purpose. This report is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Act 1986 and Insolvency (Scotland) Rules 2018 does so at their own risk. Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for individual creditors.

2400(18)

1 INTRODUCTION

1.1 This is a statutory report to creditors on the progress of the Administration of Granite City Assets Limited. The report should be read in conjunction with previous correspondence on the case. A copy of this report will be submitted to the Court and Registrar of Companies.

1.2 The management of this case is being undertaken in our Glasgow office. Should you wish to discuss the progress report our contact details are as follows:

Office Address : BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX

Case Manager: Connie Ng
Email: connie.ng@bdo.co.uk
Telephone : 0141 249 8411

2 STATUTORY INFORMATION

2.1 The Joint Administrators are James Stephen (Officeholder No: 9273) and Francis Graham Newton (Office Holder No: 9310) of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and they were appointed in respect of the above Company on 15 December 2015. Under the provisions of Paragraph 100(2) of schedule B1 of the Insolvency Act 1986 the Joint Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.

2.2 The Joint Administrators were appointed by Neil Armstrong Nash, a director of Union Hanover Securities Limited, a corporate director of the Company, formerly registered at Warwick House, The Grange, St Peter Port, Guernsey pursuant to Paragraph 22 of Schedule B1 of the Insolvency Act 1986. The Administration proceedings are dealt with in the Court of Session and the court case number is unknown.

2.3 The Company's registered office is situated at 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and the registered number is 7-11 Melville Street, Edinburgh, EH3 7PE.

2.1 A request was made to creditors on 14 November 2016 seeking consent to extend the Administration for 12 months pursuant to Paragraph 76(2)(b) of Schedule B1 of the Insolvency Act 1986. Creditors approved the postal resolution to extend the Administration to 14 December 2017.

2.2 The Administration was subsequently extended by the Court for periods of 12 months to 14 December 2018 and 14 December 2019.

2.3 We enclose at Appendix A, for your information, a summary of our receipts and payments to date. The receipts and payments shown are largely self-explanatory, although we would comment specifically on the following:

- Morton Fraser LLP is the appointed legal agent acting in respect of the standard security validity issue. The sum of £239 has been refunded in the period in respect of Court fees.

- Professional costs of £2,752.75 incurred by Bridgepoint Purchasers/Firstpoint Security Trustees ("Bridgepoint Purchasers") have been paid.

2.4 At Appendix B is an Estimated Outcome Statement, which presents the receipts & payments figures according to insolvency rankings and shows the estimated final outcome for various classes of creditors. We discuss the anticipated outcome for creditors further in Section 8 of this report.

3 PROPOSALS APPROVED

3.1 The Joint Administrators' proposals summarised below were approved at the meeting of creditors held on 22 February 2016. A creditors' committee was not formed at the meeting. The Joint Administrators proposed that:

(i) they continue to manage the Company's business and realise assets in accordance with objectives 2 and 3 of the statutory purpose of the Administration;

(ii) the Joint Administrators do all such things and generally exercise all of the powers as Administrators contained in Schedule 1 of the Insolvency Act 1986, as they at their discretion consider desirable or expedient in order to achieve the purposes of the administration, to protect and preserve the assets of the Company or maximise the realisation of those assets or for any purpose incidental to these proposals;

(iii) they make payments to secured and preferential creditors and if necessary, they distribute funds to ordinary creditors under the prescribed part; and

(iv) the Joint Administrators, at their sole discretion and at a time they see fit, are empowered to:

a. File the necessary returns at Court and with the Registrar of Companies to place the Company into creditors voluntary liquidation pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986 and that James Bernard Stephen and Francis Graham Newton be appointed Joint Liquidators, or any other person(s) be appointed Liquidator(s) of the Company in accordance with Paragraph 83(7) of the same. Any one Joint Liquidator may exercise all and/or any of the powers which are conferred on them as Joint Liquidators.

b. Make application to Court to end the Administration pursuant to Paragraph 79 of Schedule B1 of the Insolvency Act 1986, following which, the Joint Administrators request that the Company be Compulsorily wound-up and James Bernard Stephen and Francis Graham Newton be appointed Joint Liquidators if they so desire. Any one Joint Liquidator may exercise all and/or any of the powers which are conferred on them as Joint Liquidators

c. File the necessary documents with the Court and with the Registrar of Companies to dissolve the Company pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act 1986.

(v) the Joint Administrators' remuneration be fixed on a time cost basis and such remuneration may be drawn in accordance with the Rules.

(vi) the Joint Administrators be authorised to draw current and future Category 2 disbursements from the administration funds per the BDO Remuneration policy.

4 DEVIATIONS FROM PROPOSALS

4.1 We have realised the land and following the Court's ruling on the security position, we have moved to objective 3 of the statutory pupose of Administration: realsing property in order to make a distribution to one or more secured or preferential creditors.

4.2 Once all matters in the Administration are finalised, we expect that the exit route from Administration will be to dissolve the Company pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act 1986. We have not deviated from the approved proposals which give the Joint Administrators discretion on the exit route from Administration.

5 ACTIONS IN PERIOD

5.1 Issues marked with an asterisk (*) will not contribute to the financial outcome for the creditors but are statutory or regulatory duties imposed on the Joint Administrators.

Planning and Strategy (2.25 hours in period, time cost £490.50)

5.2 This area of work is led by me as partner in conjunction with a director or senior manager, with some support below manger level in documenting and recording proposed strategy. Although this work does not directly benefit creditors, it does contribute to the efficient management of this insolvency appointment and contributes to reducing costs. In the period the following was specifically dealt with:

- *Review of diary in respect of statutory items due.
- Update the Estimated Outcome Statement.
- *Case review.

General Administration (30.20 hours in period, time costs £4,689.50)

5.3 The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills and is delegated largely to executives with suitable levels of experience, supervised by directors or managers. In the period the following was specifically dealt with:

- *Reviewing and regularising affairs regarding VAT and Taxation.
- *Engaging and liaising with solicitors.
- *Instruct solicitors re court application for fee approval.
- *Preparing reports on Receipts & Payments.

- *Banking queries in respect of returned dividend.
- *Dealing with statutory and regulatory matters.
- *General administrative matters, basic enquiries and meetings.

Creditor Claims (6.50 hours in period, time costs £1,417.00)

5.4 The work is led at manager level supported by executives with suitable competencies. In the period the following was specifically dealt with:

- Reviewing matters in relation to IPIN payments.
- Payments of dividend distribution to IPIN investors.
- *Reporting to the secured creditor.

Reporting (3.00 hours in period, time costs £654.00)

5.5 These activities do not contribute to the financial outcome for creditors - they are statutory duties imposed by the relevant legislation. However, they do contribute to the creditors' understanding of the work being undertaken on their behalf. In the period the following was specifically dealt with:

- *Statutory reporting to stakeholders.
- *Preparing a six month progress report to creditors regarding the progress achieved and outstanding matters.
- *Preparation of Receipts & Payments Accounts.
- *Preparing extension reports for court and creditors.

Distribution and Closure (15.50 hours in period, time costs £5,035.00)

5.6 Directors and Senior Managers supervise the work with final decisions and release of funds being authorised by the partner. The majority of these activities do not contribute to the financial outcome for the creditors (although the matters relating to payment of dividends will do so). The formalities of bringing an insolvency to a close are statutory requirements. In the period the following was specifically dealt with:

- *Closure planning.
- Finalise costs for payments.
- Review distributions to the secured lender and pau equalising dividends.
- Collate and sort banking details re individual investors in advance of distribution.

6 SIP2 INVESTIGATIONS

6.1 At the outset of our appointment, we obtained and reviewed the Company's records. No antecedent transactions were found as part of our investigations. We duly filed a report in accordance the Company Directors Disqualification Act 1986.

6.2 If creditors wish to bring to our attention any matters that merit investigation they should contact the Joint Administrators at BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX quoting 00258073.

7 OUTSTANDING MATTERS

7.1 We had previously advised the debt owed by the Company to the Bridgepoint Purchasers is subject to a valid standard security over the heritable asset. Furthermore, as the secured creditor will not be paid in full, there will be no surplus funds available for floating charge assets or to any class of creditor in this matter.

7.2 The Joint Administrators have declared a second interim distribution to the Bridgepoint Purchasers and are in the process of making payments.

7.3 We will file and finalise any VAT and tax returns. Following which we will seek tax clearance prior to the closure of the Administration.

7.4 As a meeting of creditors was called under Paragraph 51 of Schedule B1 of the Insolvency Act in this matter, approval of the Joint Administrators' fees are by consent of the unsecured creditors. We had previously sought approvals of the fees from the unsecured creditors and the sum of £93,468.50 plus outlays of £393.60 were approved as detailed in Section 9 of this report.

7.5 Further to the clarification of the standard security position which has resulted in no funds being available to the unsecured creditors, no further fee approvals have been agreed following requests made to the unsecured creditors.

7.6 The Joint Administrators have therefore instructed Morton Fraser LLP to make the relevant application to the Court for payment of the remuneration.

8 EXPECTED OUTCOME FOR CREDITORS

8.1 The Estimated Outcome Statement at Appendix B shows the outcome as follows:

Secured Creditors

8.2 A standard security was granted by the Company to First Point Security Trustee Limited over the land on the northwest side of John Street, Aberdeen (Title ABN116248). The security was granted on 12 September 2013 and registered on the land register on 7 October 2013. A variation of the Standard Security was registered on 19 November 2015. All security granted in favour of First Point Security Trustee Limited was assigned to REDS. Based on legal opinion, REDS were paid £1,986,464.74 under their standard security. REDS have no further claim in the Administration.

8.3 Based on the decision given by Lord Doherty in June 2018 ("the Decision"), it was concluded that the debt owed to the Bridgepoint purchasers is subject to a valid second ranking Standard Security. Given the level of funds held, there will be a shortfall of c£5.01m to the Bridgepoint Purchasers.

Preferential Creditors

8.4 There are no preferential claims in this matter.

Prescribed Part - Unsecured Creditors

8.5 Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 the company has granted to a creditor a floating charge a proportion of the net property of the company must be made available purely for the unsecured creditors. As the Decision concludes that the Standard Security is valid, the prescribed part is nil. There will be no dividend to unsecured ordinary creditors.

9 JOINT ADMINISTRATORS' FEES

9.1 The Joint Administrators are obliged to fix their remuneration in accordance the Rules. This permits remuneration to be fixed either as a percentage of the value of the property with which the Joint Administrators have to deal with or alternatively by reference to the time the Joint Administrators and their staff have spent attending to matters in this Administration. The proposals provided for the Joint Administrators' fees to be based on a time cost basis.

9.2 A summary of the Joint Administrators' time costs for the period are attached at Appendix C. A summary of time spent and nature of the work undertaken in the period is detailed in Section 5 of the report. A summary of the cumulative time costs are at Appendix D, together with a copy of our remuneration and disbursements policy.

9.3 The Joint Administrators' fees are required to be approved by creditors in terms of Rules, failing which approval must be sought from the Court.

9.4 The fee approvals obtained from creditors to date are summarised below:

Period	Fee (Excl VAT)	Outlays (Excl VAT)
15/12/15 - 05/02/16 (Approved at MOC)	£21,948.10	£0.00
06/02/15 - 14/06/16 (Postal resolution)	£41,904.75	£393.60
15/06/16 - 14/11/16 (Postal resolution)	£29,795.65	£0.00
Total	£93,648.50	£393.60

9.5 The Joint Administrators have not drawn any fees and intend to draw the fees approved to 14 November 2016 shortly. As stated above, we have instructed Morton Fraser LLP to make the application for Court approval of fees in this matter.

9.6 The Bridgepoint Purchasers have approved a total fee of £188,000.00 plus disbursements of £638.70 plus VAT from secured realisations and this is the amount we are seeking from the Court.

10 INSOLVENCY ETHICS & COMPLAINTS

10.1 As Insolvency Practitioners we are bound by the Insolvency Code of Ethics. The fundamental principles are:

- Integrity
- Objectivity
- Professional competence and due care
- Confidentiality
- Professional behaviour

10.2 A full copy of the code of ethics is available at:

http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code.

10.3 The Insolvency Service has established a central gateway for considering complaints in respect of insolvency practitioners. In the event that you make a complaint to us but are not satisfied with the response from us then you should visit https://www.gov.uk/complain-about-insolvency-practitioner where you will find further information on how you may pursue the complaint.

11 ADMINISTRATION END

11.1 The Administration would have come to an automatic end on 14 December 2016 had no extensions been agreed. As detailed in Section 1 of this report, creditors consented to a resolution, and then further to an application to the Court, the Administration was extended to 14 December 2019.

Joint Administrators' Discharge

11.2 A resolution was passed on 22 February 2016 that the Joint Administrators will be discharged from liability 14 days following the lodgement of the final report with the Registrar of Companies.

James Stephen
Joint Administrator

24 July 2019

APPENDIX A - Joint Administrators' Receipts & Payments for Period 15 December 2018 to 14 June 2019

Granite City Assets Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 15/12/2018 To 14/06/2019 £	From 15/12/2015 To 14/06/2019 £
	FIXED CHARGE ASSETS		
Uncertain	Freehold Land & Property	NIL	4,000,000.00
	Interest Gross	NIL	2,935.41
		NIL	4,002,935.41
	FIXED CHARGE COSTS		
	Administrators' Disbursements	NIL	4,200.00
	Agents' Fees & Disbs	NIL	73,760.00
	Bank Charges	5.60	304.70
	General Costs re Bridgepoint Purchaser	2,752.75	21,589.25
	Insurance & Service Chgs	NIL	263.13
	Lega Fees re Bridgepoint Purchasers	(239.00)	45,573.63
	Legal Fees - Administrators re Stand.S	NIL	52,093.40
	Legal Fees & Disbs - Sale & General	NIL	14,659.50
	Legal Fees re (REDS)	NIL	78,931.35
		(2,519.35)	(291,374.96)
	Real Estate Debt Security Limited		
(1,813,752.46)	Secured Creditor	NIL	1,986,464.74
		NIL	(1,986,464.74)
	Firstpoint Security Trustees Ltd		
(6,550,442.10)	Secured Creditor	NIL	1,449,999.87
		NIL	(1,449,999.87)
	ASSET REALISATIONS		
Uncertain	Book debts	NIL	NIL
Uncertain	Cash at Bank	NIL	NIL
	Interest Gross	431.09	1,055.19
		431.09	1,055.19
	COST OF REALISATIONS		
	Bank Charges	144.35	365.85
	VAT Paid	NIL	880.00
		(144.35)	(1,245.85)
	PREFERENTIAL CREDITORS		
Uncertain	Preferential E.P.A.	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(40,000.00)	Provision for unsecured claims	NIL	NIL
(112,144.77)	Trade & Expense Creditors	NIL	NIL
Uncertain	Unsecured Employees	NIL	NIL
Uncertain	Unsecured Taxes	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(200.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(8,516,539.33)		(2,232.61)	274,905.18
	REPRESENTED BY		
	Firstpoint Security Trustees Limited 2n		5,733.57
	Floating Current Account		248,637.73
	Vat Control Account		20,533.88
			274,905.18

The receipts and payments are shown net of VAT.

APPENDIX B - Estimated Outcome Statement

Granite City Assets Limited (In Administration)
Estimated Outcome Statement as at 14 June 2019

	Receipts & Payments	Anticipated Movement	Estimated Outcome
	£	£	£
Assets Subject to Standard Security			
Land at St John Street - Aberdeen	4,000,000	-	4,000,000
Interest	3,991	-	3,991
	4,003,991	-	4,003,991
Less: Costs of Realisation			
Administrators Fees'	-	(188,000)	(188,000)
Administration Expenses	(4,200)	(1,000)	(5,200)
Legal Fees & Disbursements - Sale and General advice	(14,660)	(3,000)	(17,660)
Legal Fees re REDS	(78,931)	-	(78,931)
Agents' Fees & Disbursements	(73,760)	-	(73,760)
General Costs incurred by Bridgepoint Purchasers	(21,589)	-	(21,589)
Administrators' Legal Fees re Standard Security Issue	(52,093)	-	(52,093)
Bridgepoint Investors Legal Fees re Standard Security Issue	(45,574)	-	(45,574)
Insurance & Service Charges	(263)	-	(263)
Bank Charges	(671)	(500)	(1,171)
VAT paid	(880)		(880)
Available to Secured Creditors	3,711,370	(192,500)	3,518,870
Sum due to REDS	(1,986,465)	(0)	(1,986,465)
SUM due to Bridgepoint Purchasers	(1,450,000)	(82,405)	(1,532,405)
Surplus/(Deficit)	274,905	(274,905)	(0)
Bridgepoint Purchasers Balance			(6,550,442)
Distribution to Bridgepoint Purchasers			1,532,405
Shortfall to Bridgepoint Purchasers			(5,018,037)
Dividend to Bridgepoint Purchasers (pence in the £)			23.39

APPENDIX C - Time Costs & Outlays in Report Period

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL		AV RT
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	£
		£		£		£		£		£		£		£	
C. Planning and Strategy			2.25	490.50									2.25	490.50	218.00
D. General Administration	0.95	506.35	13.30	2,922.50			0.90	124.80	15.05	1,135.85			30.20	4,689.50	155.28
H. Creditor Claims			6.50	1,417.00									6.50	1,417.00	218.00
I. Reporting			3.00	654.00									3.00	654.00	218.00
J. Distribution and Closure	6.00	2,964.00	9.50	2,071.00									15.50	5,035.00	324.84
	6.95	3,470.35	34.55	7,555.00	0.00	0.00	0.90	124.80	15.05	1,135.85	0.00	0.00			
									Net Total				57.45	12,286.00	

No disbursements have been incurred in the period.

A creditor's guide to office holder remuneration can be accessed via: https://www.icas.com/technical-resources/creditor-guides-to-office-holder-remuneration

APPENDIX D - Time Costs to Date and Statement of Charge Out Rates

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
		£		£		£		£		£		£		£
B. Steps on Appointment														
02. Statutory Documentation	6.00	2,694.00											6.00	2,694.00
08. Detail Documentation Review			1.00	288.00									1.00	288.00
sub total -														
B. Steps on Appointment	**6.00**	**2,694.00**	**1.00**	**288.00**									**7.00**	**2,982.00**
C. Planning and Strategy														
02. Review Financial Position			3.25	686.00									3.25	686.00
07. Strategy Planning			8.00	1,715.25	3.00	564.00							11.00	2,279.25
99. Other Matters			1.00	288.00									1.00	288.00
sub total -														
C. Planning and Strategy			**12.25**	**2,689.25**	**3.00**	**564.00**							**15.25**	**3,253.25**
D. General Administration														
02. VAT			4.65	1,066.45	1.50	273.00			0.80	159.60			6.95	1,499.05
03. Taxation			5.25	1,171.65	2.75	512.50			1.80	216.00			9.80	1,900.15
04. Instruct/Liase Solicitors			6.75	1,446.50	0.40	73.85							7.15	1,520.35
05. Investigations			1.00	218.00									1.00	218.00
06. Conduct Reports			0.25	56.00									0.25	56.00
07. Receipts/Payments Accounts			11.20	2,450.45	3.35	606.55	5.90	924.05	66.60	6,119.90	2.55	183.65	89.60	10,284.60
08. Remuneration Issues			1.00	218.00									1.00	218.00
09. Statutory Matters					2.00	358.00							2.00	358.00
14. General Discussions			4.00	902.00									4.00	902.00
15. Gen. Admin/Correspondence	6.90	3,566.65	17.50	3,798.75	4.25	767.50	1.05	194.85	0.35	32.40	0.20	31.80	30.25	8,391.95
sub total -														
D. General Administration	**6.90**	**3,566.65**	**51.60**	**11,327.80**	**14.25**	**2,591.40**	**6.95**	**1,118.90**	**69.55**	**6,527.90**	**2.75**	**215.45**	**152.00**	**25,348.10**

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
		£		£		£		£		£		£		£
E. Assets Realisation/Dealing														
04. Agent Instruction/Liasing	135.50	61,927.50	0.75	216.00	1.25	223.75							137.50	62,367.25
06. Property Related Matters	31.00	14,179.00			4.00	749.75							35.00	14,928.75
09. Dealing with other Assets					0.50	89.50							0.50	89.50
14. Sale of Business/Assets			0.25	75.75	1.25	223.75							1.50	299.50
sub total -														
E. Assets Realisation/Dealing	**166.50**	**76,106.50**	**1.00**	**291.75**	**7.00**	**1,286.75**							**174.50**	**77,685.00**
F. Trading Related Matters														
06. Monitor/Supervise Trading					0.25	47.00							0.25	47.00
sub total -														
F. Trading Related Matters				**0.00**	**0.25**	**47.00**							**0.25**	**47.00**
G. Employee Matters														
03. EPA Matters									0.20	26.20			0.20	26.20
04. Pension Issues									0.10	13.10			0.10	13.10
sub total -														
G. Employee Matters				**0.00**					**0.30**	**39.30**			**0.30**	**39.30**
H. Creditor Claims														
01. Validity of charges	36.00	17,388.00											36.00	17,388.00
02. Secured Creditors	15.00	7,230.00	28.50	6,019.25	1.50	268.50							45.00	13,517.75
03. Preferential Creditors			0.75	163.50	0.25	44.75							1.00	208.25
04. Non-Preferential Creditors	10.00	4,658.00	5.75	1,306.00	5.00	917.50							20.75	6,881.50
sub total -														
H. Creditor Claims	**61.00**	**29,276.00**	**35.00**	**7,488.75**	**6.75**	**1,230.75**							**102.75**	**37,995.50**
I. Reporting														
01. Statutory Reporting			18.35	4,879.80	8.75	1,566.25							27.10	6,446.05
02. Reporting to Appointor	35.00	16,724.00	2.25	490.50	1.00	188.00							38.25	17,402.50
04. Reporting to Creditors	17.00	8,164.00	22.50	4,903.75	10.25	1,839.25							49.75	14,907.00
05. Reporting to Court			4.60	1,079.50									4.60	1,079.50
06. Reporting to other bodies					1.75	329.00							1.75	329.00
sub total -														
I. Reporting	**52.00**	**24,888.00**	**47.70**	**11,353.55**	**21.75**	**3,922.50**							**121.45**	**40,164.05**

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
		£		£		£		£		£		£		£
J. Distribution and Closure														
01. Closure Planning	17.00	8,398.00	1.25	272.50									18.25	8,670.50
02. Distributions	11.00	5,434.00	22.75	4,862.00									33.75	10,296.00
sub total - J. Distribution and Closure	**28.00**	**13,832.00**	**24.00**	**5,134.50**									**52.00**	**18,966.50**
K. Work														
Work			8.75	1,923.00					13.55	1,403.05			22.30	3,326.05
sub total - K. Work			**8.75**	**1,923.00**					**13.55**	**1,403.05**			**22.30**	**3,326.05**
											Net Total			**209,806.75**

The table below summarises the cumulative disbursements incurred.

Description of Disbursements	Category 1 £	Category 2 £
Registers of Scotland	21.00	
Specific Bond	200.00	
Mail Redirection	160.00	
Travel	88.50	
Statutory Advertising	169.20	
Total	**638.70**	

A creditor's guide to office holder remuneration can be accessed via: https://www.icas.com/technical-resources/creditor-guides-to-office-holder-remuneration

BDO LLP REMUNERATION AND DISBURSEMENTS POLICY

In accordance with best practice we provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency follows: This in no way implies that staff at all such grades will work on the case.

Charge Out Rates by Staff Grade - Scotland	From 01/07/2018	From 01/07/2017	From 04/07/2016
	£	£	£
Partner	494	482	471
Principal	382	373	326 - 364
Senior Manager/Director	318 - 342	310 -334	278 - 302
Manager	218 - 292	213 -285	208-275
Assistant Manager	197	192	188
Senior Cashier/Cashier	185	180	134-198
Senior Administrator	167	163	175-188
Administrator	108 - 148	105 - 144	65-159
Support staff/Secretary	70	67	65

The rates charged by BDO LLP are reviewed each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

Pre Appointment
Steps upon Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters

Creditor Claims
Reporting
Distribution and Closure
Other Issues

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

1. Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into 2 categories.

a) Category 1 Disbursements

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, travel (by public transport), couriers, searches at company house, land registry searches, fees in respect of swearing legal documents, external printing costs etc. In each case the recharge will be reimbursement of a specific expense incurred.

Where applicable, disbursements will be subject to VAT at the prevailing rate.

a) Category 2 Disbursements

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (Scotland) Rules to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.