

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
Hilljamm LLP

Company number
SO300197

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

I/ We (a) Robert Caven of Grant Thornton UK LLP, 95 Bothwell Street, Glasgow, G2 7JZ and Joseph McLean of Grant Thornton UK LLP, No 1 Whitehall Riverside, Whitehall Road, Leeds, LS1 4BN having been appointed Administrators of (b) Hilljamm LLP, 95 Bothwell Street, Glasgow, G2 7JZ, Administrators of the above company attach a progress report for the period

(b) Insert dates

from

(b) 9 January 2015

to

(b) 22 May 2015

Signed

Joint Administrator

Dated

22/5/15

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

| | |
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| | |
| | |
| | Tel |
| DX Number | DX Exchange |

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 / LP 4 Edinburgh-2



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23/05/2015

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COMPANIES HOUSE

SATURDAY

Our Ref RXC/ARE/AAH/H01527/RR/7

To all known creditors

Recovery and Reorganisation

Grant Thornton UK LLP
95 Bothwell Street
Glasgow G2 7JZ

T +44 (0)141 223 0000
F +44 (0)141 223 0001
DX GW232 Glasgow
www.grant-thornton.co.uk

22 May 2015

Dear Sirs

Hilljamm LLP - In Administration ("the LLP")

1 Introduction

- 1.1. Following the appointment of Joseph McLean and myself as Joint Administrators of the LLP on 9 January 2013 by the Court of Session, Edinburgh, I now report on the progress of the Administration for the period to 22 May 2015.
- 1.2. I enclose Form 2.20B(Scot) together with an account of my receipts and payments for the period ended 22 May 2015 in accordance with Rule 2.38 of the Insolvency (Scotland) Rules 1986. I also enclose a Form 2.25B(Scot) in accordance with Rule 2.47 (2) of the Insolvency (Scotland) Rules 1986.
- 1.3. In accordance with paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986 the functions of the Joint Administrators are to be exercised by any or all of them.
- 1.4. Please note that Joseph McLean is authorised to act as an Insolvency Practitioner by The Institute of Chartered Accountants of Scotland and I am authorised by The Insolvency Practitioners Association.
- 1.5. This report should be read in conjunction with the Joint Administrators' Statement of Proposals ("the Proposals") which was sent to all creditors on 5 March 2013 and the Joint Administrators' Progress Reports dated 14 August 2013, 14 February 2014, 8 August 2014 and 22 January 2015.

2 Statutory information

2.1. The Company's statutory details are as follows:

| Statutory Information | |
|----------------------------------|---|
| LLP Name | Hilljamm LLP (formerly Bell and Scot LLP) |
| Registered No. | SO300197 |
| Court No. | P1266/12 |
| Registered Office on Appointment | 16 Hill Street, Edinburgh, EH2 3LD |
| Current Registered Office | 95 Bothwell Street, Glasgow, G2 7JZ |
| Date of Incorporation | 13 February 2003 |
| Date of Appointment | 9 January 2013 |
| Directors | Shareholding |
| Belsco 1043 Limited | - |
| Belsco 1044 Limited | - |

3 Joint Administrators' receipts and payments

- 3.1. A summary of my receipts and payments from the date of my appointment to 22 May 2015 is attached at Appendix A.
- 3.2. This shows net funds in hand of £104,631.51.
- 3.3. Significant receipts and payments consist of:
- Sale proceeds from 14-20 Hill Street of £1,460,000
 - Debtor realisation of £70,490
 - Sale proceeds from two car parking spaces of £36,000
 - Distribution to Secured Creditor of £1,368,140
 - Joint Administrators' fees and disbursements (approved by the secured creditor) of £24,370

4 Progress report

- 4.1. Details of asset realisations and other actions taken following my appointment may be found in previous progress reports.
- 4.2. As previously advised, no further recoveries are expected from debtors.
- 4.3. The only outstanding matter relates to the distribution of prescribed part funds to the unsecured creditors with the exception of two claims all matters are agreed. I expect the remaining claims to be resolved immediately.

5 Joint Administrators' Remuneration and Disbursements

- 5.1. The Joint Administrators fees and outlays are required to be approved by the secured creditor in accordance with Rule 2.39(8) of the Insolvency (Scotland) Rules 1986.
- 5.2. To date, fees of £60,790 have been drawn, as approved by the secured creditor.

- 5.3. In accordance with Statement of Insolvency Practice 9 (SIP9) a time and charge out summary to 22 May 2015 is attached at Appendix B. This schedule shows time costs of £67,194.40, equating to 313.81 hours at an average rate of £214.12 per hour.
- 5.4. A copy of "A Creditors' Guide to Administrators' Remuneration" can be downloaded from the Insolvency Practitioners Association website (www.insolvency-practitioners.org.uk - navigate via "Technical" to "Creditors' Guide to Fees"). Alternatively, I can supply this information by post on request.

6 Dividend prospects

Secured creditor

- 6.1. To date, a distribution of £1,368,140 has been made to the secured charge holder. The secured charge holder is expected to suffer a shortfall against its total amount lent.

Preferential creditors

- 6.2. The LLP had no employees or other preferential creditors at the date of my appointment.

Unsecured creditors

- 6.3. The bond and floating charge granted to the Bank post-dates the commencement of the Enterprise Act 2002.
- 6.4. Section 176A of the Insolvency Act 1986 provides that, in these circumstances, a Prescribed Part be set aside for payment to the unsecured creditors. This entitles unsecured creditors to a percentage share of realisations from floating charge assets, after deducting any costs of realisation and settling any preferential claims. The level of prescribed part funds are £16,326.
- 6.5. Total unsecured creditors, based on information provided by the LLP and creditor claims received to date, are estimated to be c.£ 289,779.
- 6.6. Other than by way of the prescribed part there will not be any funds available for distribution to the unsecured creditors.

7 Ending the Administration

- 7.1. The Joint Administrators are in the process of converting the Administration to a Creditors Voluntary Liquidation in accordance with Paragraph 83 of Schedule B1 to the Insolvency Act 1986. The same Joint Administrators will be appointed Joint Liquidators.
- 7.2. The only assets to be dealt with in the Liquidation is the distribution of the Prescribed Part to unsecured creditors. These funds will be distributed shortly.

8 Next Report

The Joint Liquidators will be required to provide a progress report at the end first six month accounting period following the conversion of the Administration to a Creditors Voluntary Liquidation.

Should you require any further information or explanations, please do not hesitate to contact Amjad Hassan of this office on 0131 659 8548.

Yours faithfully
for and on behalf of
Hilljamm LLP



Rob Caven
Joint Administrator

Rob Caven and Joseph McLean were appointed Joint Administrators of Hilljamm LLP ("the LLP") on 9 January 2013.

The affairs, business and property of the Company are being managed by the Joint Administrators who act as agents of the Company and without incurring personal liability.

Joseph McLean is licensed to act as an insolvency practitioner by The Institute of Chartered Accountants Scotland and Rob Caven by the Insolvency Practitioners Association.

**Appendix A: Receipts and Payments Account as at
22 May 2015**

Joint Administrators' Abstract of Receipts & Payments

| Statement of Affairs | From 09/01/2015 To 22/05/2015 | From 09/01/2013 To 22/05/2015 |
|---------------------------------------|----------------------------------|----------------------------------|
| SECURED ASSETS | | |
| 1,400,000.00 Freehold Land & Property | - | 1,460,000.00 |
| - Bank Interest | - | 364.11 |
| 1,400,000.00 | - | 1,460,364.11 |
| COSTS OF REALISATION | | |
| - Administrators Fees | - | 16,790.00 |
| - Legal Fees | - | 10,376.50 |
| - Agents/Valuers Fees | 13,070.00 | 13,070.00 |
| - Legal Fees | 5,422.50 | 5,422.50 |
| - Legal Fees | 6,295.34 | 6,295.34 |
| - | (24,787.84) | (51,954.34) |
| SECURED CREDITORS | | |
| - Chargeholder (1) | - | 1,368,140.00 |
| - | - | (1,368,140.00) |
| ASSET REALISATIONS | | |
| - Freehold Land & Property | - | 36,000.00 |
| 70,490.30 Book Debts | - | 70,490.30 |
| - Shares & Investments | - | 34.16 |
| - Misc Float Receipts | - | 73.40 |
| - Bank/ISA Interest Gross | - | 119.57 |
| - Council Rates Refund | - | 11,159.98 |
| 70,490.30 | - | 117,877.41 |
| COST OF REALISATIONS | | |
| - Specific Bond | - | 12.50 |
| - Administrators Fees | 36,560.00 | 44,060.00 |
| - Administrators Expenses | - | 80.48 |
| - Agents/Valuers Fees (1) | 1,000.00 | 1,000.00 |
| - Legal Fees (1) | 2,452.00 | 7,764.50 |
| - Professional Fees | - | 150.00 |
| - Disposal costs | - | 195.00 |
| - Storage Costs | - | 159.44 |
| - Statutory Advertising | - | 91.25 |
| - Insurance of Assets | (6,295.34) | - |
| - | (33,716.66) | (53,513.17) |
| DISTRIBUTIONS | | |
| - VAT Memo | - | 2.50 |
| - | - | (2.50) |
| 1,470,490.30 | (58,504.50) | 104,631.51 |
| REPRESENTED BY | | |
| Vat on Purchases | | 7,879.25 |
| Fixed Current Account | | 57,198.51 |
| Floating Current Account | | 83,440.75 |
| Office | | (15.00) |
| Trade Creditors | | (43,872.00) |
| | | 104,631.51 |

Appendix B: Time and charge out summary to 22 May 2015

Joint Administrators' Basis of Remuneration

Remuneration is charged on the basis of the time costs of the Insolvency Practitioner and his staff. Standard filing and secretarial costs are not charged or recovered from the case.

We set out below our firm's current charge out rates for the periods from 1 July 2012 to 30 June 2015:

| Staff Category | Ave Hourly Rate (£) from 01/07/2012 to 30/06/2013 | Ave Hourly Rate (£) from 01/07/2013 to 30/06/2014 | Ave Hourly Rate (£) from 01/07/2014 to 30/06/2015 |
|-------------------------------|---|---|---|
| Partner / Director | 410 to 440 | 425 to 455 | 425 to 455 |
| Associate Director / Manager | 295 to 365 | 305 to 375 | 305 to 375 |
| Assistant Manager / Executive | 195 to 230 | 190 to 245 | 195 to 245 |
| Administrator / Support Staff | 95 to 125 | 95 to 155 | 100 to 175 |

Work is allocated to staff members based upon their experience, grade and the complexity of the task involved.

Summary of Time costs incurred

A summary of our time costs is set out below:

| | Partner / Director | | | Associate Director / Manager | | | Assistant Manager / Executive | | | Administrator / Support Staff | | | Total | | |
|-----------------------------|--------------------|-----------------|------------|------------------------------|-----------------|---------------|-------------------------------|-----------------|-----------|-------------------------------|-----------------|--------------|--------|-----------------|------------|
| | Hrs | £ Avg. Hly Rate | £ | Hrs | £ Avg. Hly Rate | £ | Hrs | £ Avg. Hly Rate | £ | Hrs | £ Avg. Hly Rate | £ | Hrs | £ Avg. Hly Rate | £ |
| Administration and Planning | 2.70 | 1,181.50 | 3,190.05 | 26.00 | 9,117.50 | 237,055.00 | 8.86 | 1,211.30 | 10,722.02 | 118.9 | 17,585.00 | 2,088,000.00 | 157.66 | 29,055.90 | 185,000.00 |
| Creditors | 0.50 | 220.00 | 110.00 | 38.65 | 13,288.75 | 513,622.88 | | | | 29.65 | 4,434.75 | 131,455.00 | 68.8 | 17,943.00 | 250,000.00 |
| Investigations | 1.00 | 435.00 | 435.00 | 1.00 | 305.00 | 305.00 | | | | 8.35 | 1,339.00 | 11,181.25 | 11.35 | 2,099.00 | 194.93 |
| Realisation of Assets | 5.25 | 2,351.75 | 12,346.63 | 447.86 | 35,535.00 | 15,868,725.00 | 0.50 | 122.50 | 61.25 | 35.30 | 4,755.00 | 168,075.00 | 134.73 | 76.60 | 18,068.50 |
| Total | 9.45 | 4,187.75 | 443,115.00 | 485.51 | 33,578.00 | 125,844.00 | 9.36 | 1,333.80 | 12,440.27 | 183.20 | 26,684.85 | 2,366,550.00 | 313.01 | 67,194.40 | 214,120.00 |

The time costs are split into 4 standard categories. A guide as to what might be included in each category is as follows:

Administration and planning: this includes work such as case planning, case reviewing, administrative set-up, appointment notification, maintenance of records, statutory reporting and compliance.

Investigations: this includes work such as investigating into directors conduct and investigating antecedent transactions.

Realisation of assets: this includes work such as identifying, securing and insuring assets, administering retention of title claims, debt collection, property, business and asset sales for property covered by both fixed and floating charges.

Creditors: this includes work such as communication and meetings with creditors, reviewing and adjudicating on creditors preferential and ordinary unsecured claims, corresponding with secured creditors, reviewing security documentation issues and preparing, recording, reviewing and adjudicating on employee preferential and unsecured claims.

Classification of Disbursements

The analysis above purely represents time costs of the Insolvency Practitioner and his staff and does not account for disbursements.

Category 1

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and postage.

Where Category 1 disbursements are paid by the Insolvency Practitioner's firm, these are reimbursed as and when funds are available.

Category 2

Category 2 disbursements will comprise cost allocations which may arise on some Category 1 disbursements where supplied internally: typically, items such as room hire and document storage. Also typically included will be routine or more specialist copying or printing, and allocated communication costs provided by the practitioner firm. Business mileage is also classed as a Category 2 disbursement.

Category 2 disbursements are paid as and when approval is obtained.

Use of Agents and Subcontractors

Agents and subcontractors are utilised where there is the need for specialist knowledge. Only agents and subcontractors with the appropriate qualifications are employed. Where possible, their fees and expenses are agreed in advance.