Rule 2.38 **Form 2.20B(Scot)**

The Insolvency Act 1986

Administrator's progress report

R2.38

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

Name of Company	Company number
McClure Naismith LLP	SO301685

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

I/We (a)

Thomas Campbell MacLennan
FRP Advisory Trading Limited
Apex 3
95 Haymarket Terrace
Edinburgh
EH12 5HD

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

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

(b) Insert date(s)

from	to
(b) 28 February 2022	(b) 27 August 2022

Signed Tom M

Joint / Administrator(s)

Dated 06 September 2022

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
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Apex 3
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Edinburgh
EH12 5HD

DX Number cp.edinburgh@frpadvisory.com

+44 (0)330 055 5455
DX Exchange

Companies House receipt date barcode

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

FRP

McClure Naismith LLP (IN ADMINISTRATION) ("THE COMPANY")

The Administrator's Progress Report for the period 28 February 2022 to 27 August 2022

6 September 2022

Contents and abbreviations

The following abbreviations may be used in this report:

FRP	FRP Advisory Trading Limited
The LLP	McClure Naismith LLP (In Administration)
The Administrators	Thomas Campbell MacLennan and Alexander Iain Fraser of FRP Advisory Trading Limited
The Period	The reporting period 28/02/2022 – 27/08/2022
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs

1. Progress of the Administration

Work undertaken during the period

I attach at **Appendix C** a schedule of work undertaken during the period together with a summary of work still to be completed. A summary of the key actions are as follows:-

Extension to the initial period of appointment

The period of the administration was due to automatically end on 27 August 2016. This was extended by a period of 12 months with the consent of the creditors. The Court of Session subsequently granted six 12-month extensions so that the administration is now due to end on 27 August 2023.

Client Funds

The transfer of client funds continued during the period. A significant value of client funds are still held in trust. These balances will now be transferred to other legal firms or returned to the respective clients as appropriate. Any amounts which cannot be allocated in this manner will be consigned.

General

All Statutory Matters have been attended to.

I can confirm that no work has been subcontracted to third parties.

Payments made from the estate are fair and reasonable and proportionate to the insolvency appointment and are directly attributable to this insolvency.

No payments have been made to associates of the Administrators without the prior approval of creditors as required by SIP9.

Attached at **Appendix E** is a receipts and payments account detailing both transactions for the period of this report and also cumulatively since my appointment as Administrator.

Anticipated exit strategy

It is anticipated that at the conclusion of the administration it will be brought to a close by moving the LLP to dissolution.

2. Estimated Outcome for the creditors

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Outcome for the secured creditors

There are no secured creditors.

Outcome for the preferential creditors

11 claims have been received totalling £12,177.68, for employees' arrears of pay, unpaid pension contributions and holiday pay. It is estimated that there will be insufficient funds available to make a distribution to preferential creditors.

Outcome for floating charge creditors

Bank of Scotland have a floating charge registered against the LLP dated 29 July 2008. No dividend is expected to be paid to the floating charge creditor.

Outcome for the unsecured creditors

163 unsecured creditor's claims totalling £2,343,987.73 have been received to date. It is estimated that there will be insufficient funds available to make a distribution to unsecured creditors.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applied where a floating charge was created after 15 September 2003, the net property available to the floating charge holder exceeds £10,000 and the cost of making a distribution to unsecured creditors would not be disproportionate to the benefits.

As the net property is less than the prescribed minimum of £10,000 and the Liquidator considers that the costs of making a distribution from a prescribed part would be disproportionate to the costs, the prescribed part does not apply.

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

Administrators' remuneration

The approved proposals set out that the Administrators' remuneration should be calculated on a time cost basis.

A breakdown of our time costs incurred during the period of this report is attached at **Appendix D**. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and the experience required. Time is charged to the case in maximum units of six minutes. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters.
Charge out rates are reviewed at least annually. Details of FRP's charge out rates are included at **Appendix D**.

Fee's approved by the secured lender and drawn to date total £721.314.75 which includes £218,080.25 in relation to pre-appointment matters.

Time costs from 28 August 2015 to date are £825,214.50. Post appointment remuneration of £517,518.50 has been approved by the secured lender however fees drawn have been limited to funds in hand.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D.**

Administrators' expenses

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Administrator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Administrator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Administrator and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

If you wish to challenge the basis of our remuneration, the remuneration approved, or the outlays approved during the during the period covered by this report, you must do so by making an application to Court within eight weeks of the accounting period or within 14 days of this report, in accordance with Rule 2.39A of the Insolvency (Scotland) Rules 1986.

Applications by any creditor must be made with the concurrence of at least 25% in value of unsecured creditors (including the creditor making the challenge).

Appendix A

Statutory Information

COMPANY INFORMATION:

Other trading names:	Not Applicable
Company number:	SO301685
Registered office:	Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD
Previous registered office:	292 St. Vincent Street, Glasgow, G2 5TQ
Business address:	292 St. Vincent Street, Glasgow, G2 5TQ

ADMINISTRATION DETAILS:

Administrator(s):	Thomas Campbell MacLennan & Alexander Iain Fraser
Address of Administrator(s):	FRP Advisory Trading Limited Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD
Date of appointment of Administrator(s):	28/08/2015
Court in which administration proceedings were brought:	Court of Session
Appointor details:	The Members of the LLP
Previous office holders, if any:	None
Extensions to the initial period of appointment:	72 Months
Date of approval of Administrators' proposals:	23 December 2015

Appendix B

Form 2.20B (Scot) Administrator's Progress Report

FRP

Rule 2.38

Form 2.20B(Scot)

The Insolvency Act 1986

R2.38

Administrator's progress report

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

Name of Company	Company number
McClure Naismith LLP	SO301685

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

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

(b) Insert date(s)

from	to
(b) 28 February 2022	(b) 27 August 2022

Signed Tom M

Joint / Administrator(s)

Dated 06 September 2022

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DXED235 Edinburgh 1 / LP- 4 Edinburgh 2

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Appendix C

Schedule of work

The table below sets out a detailed summary of the work undertaken by the office holder(s) during the reporting period together with an outline of work still to complete.

Note	Category		
1	**ADMINISTRATION AND PLANNING** **Work undertaken during the reporting period**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**
	General Matters		
	Any client monies held have been forwarded, in line with mandated instruction, to the client's new legal representatives.		Continue to deal with client matters. Regular progress reviews of case.
	Regulatory Requirements		
	Regularly reviewing the conduct of the case and the case strategy, updating as required by the insolvency practitioners regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing. This aids efficient case management.		Ongoing monitoring of money laundering risk.
	Ethical Requirements		
	Prior to my appointment and prior to the period covered by this report a review of ethical issues was undertaken and no ethical threats were identified. During the Review Period, no new threats to compliance with the Code of Ethics have been identified.		Ongoing review of Ethics
	Case Management Requirements		
	Determine case strategy and document this.		Continuing maintenance of case file.

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	Maintaining insolvent estate bank account throughout the duration of the case. Compiling a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulating this to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee bases proposed.		Case accounting as appropriate. Strategy meetings and file reviews to ensure case progression.
2	**ASSET REALISATION** **Work undertaken during the reporting period**		**ASSET REALISATION** **Future work to be undertaken**
	The collection of the books debts of the company continued throughout the period.		The Administrators' will continue to ingather the outstanding balances.
3	**CREDITORS** **Work undertaken during the reporting period**		**CREDITORS** **Future work to be undertaken**
	Creditors' claims were received and added to our system. General queries from creditors.		Future correspondence and creditor queries
4	**INVESTIGATIONS** **Work undertaken during the reporting period**		**INVESTIGATIONS** **Future work to be undertaken**
	Consider information provided that might identify further assets or lines or enquiry for the office holder to explore if benefit to the estate is possible.		Review of any information provided.
5	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken during the reporting period**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**

	Proving 6 monthly progress report to creditors. Completion and submission of post appointment VAT and other tax returns as required. Maintaining statutory checklists and form of record. Filing statutory notices with Companies House and the Court Seeking approval from the court for a further extension of the Administration.		To provide a statutory reports to the creditors at regular intervals and manage any queries arising therefrom. Dealing with post appointment VAT and other tax returns as required. Regular reviews of bond level as case progresses. To deal with the statutory requirements in order to bring the case to a close and for the office holders to obtain their release from office.
6	**TRADING (where applicable) Work undertaken during the reporting period**		**TRADING (where applicable) Future work to be undertaken**
	Not Applicable		Not Applicable
7	**LEGAL AND LITIGATION Work undertaken during the reporting period**		**LEGAL AND LITIGATION Future work to be undertaken**
	Not Applicable		Not Applicable

Appendix D

Details of the Administrators' time costs and disbursements for the period and cumulatively

FRP

McClure Naismith LLP (In Administration)
Time charged for the period 28 February 2022 to 27 August 2022

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning		6.90	2.40	0.50	9.80	3,659.00	373.37
Creditors	0.60				0.60	297.00	495.00
Statutory Compliance		7.60	3.50		11.10	4,232.00	381.26
Total Hours	0.60	14.50	5.90	0.50	21.50	8,188.00	380.84

Disbursements for the period
28 February 2022 to 27 August 2022

	Value £
Category 1	
Storage	304.83
Grand Total	304.83

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

FRP Charge out rates

Grade	From 1st July 2013	1st May 2016	1st May 2019	1st May 2022
Appointment taker/Partner	325-425	370-450	370-495	460-580
Managers/Directors	240-375	280-370	280-370	360-460
Other Professional	125-200	165-230	165-230	210-320
Junior Professional & Support	105	80-110	80-110	130-190

Appendix D

Details of the Administrators' time costs and disbursements for the period and cumulatively

FRP

McClure Naismith LLP (In Administration)
Time charged for the period 28 August 2015 to 27 August 2022

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	73.60	438.25	197.70	105.30	814.85	211,740.75	259.85
Asset Realisation	2.00	1,035.60	1.50	2.00	1,041.10	301,447.25	289.55
Creditors	5.30	384.70	1.10	1.50	392.60	117,880.50	300.26
Investigation		8.10	80.10	5.50	93.70	14,404.50	153.73
Statutory Compliance	5.00	216.10	6.75		227.85	71,929.50	315.69
Trading	10.00	285.45	14.25	0.20	309.90	107,277.00	346.17
Unknown				5.00	5.00	535.00	107.00
Total Hours	95.90	2,368.20	301.40	119.50	2,885.00	825,214.50	286.04

Disbursements for the period
28 August 2015 to 27 August 2022

	Value £
Category 1	
Advertising	1,550.00
Bonding	433.50
Computer Consumables	53,358.84
Congestion Charge	37.00
Consultancy	23,991.59
Courier	652.75
Hotels	2,225.67
Parking	242.09
Postage	2,264.44
Prof. Services	1,740.08
Storage	5,740.10
Subsistence	464.50
Taxis	669.23
Telephone	23.68
Travel	4,064.14
Category 2	
Car/Mileage Recharge	954.10
Grand Total	98,431.71

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

FRP Charge out rates

Grade	From 1st July 2013	1st May 2016	1st May 2019	1st May 2022
Appointment taker/Partner	325-425	370-450	370-495	480-580
Managers/Directors	240-375	280-370	280-370	360-460
Other Professional	125-200	165-230	165-230	210-320
Junior Professional & Support	105	80-110	80-110	130-190

Appendix E

Receipts and payments account for the period and cumulatively

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McClure Naismith LLP
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 28/02/2022 To 27/08/2022 £	From 28/08/2015 To 27/08/2022 £
	TRANSITIONAL SERVICES		
	Contributions received	NIL	112,000.00
		NIL	112,000.00
	OTHER DIRECT COSTS		
	Direct Labour	NIL	55,360.15
		NIL	(55,360.15)
	TRADING EXPENDITURE		
	Indirect Labour	NIL	28,598.85
	Heat & Light	NIL	1,647.28
	Telephone/Fax/Hosting	NIL	16,378.91
	Bank Charges	NIL	720.00
	Courier Costs	NIL	935.00
	IT Costs	NIL	1,043.00
	Secure destruction costs	NIL	2,917.00
		NIL	(52,240.04)
	TRADING SURPLUS/(DEFICIT)	**NIL**	**4,399.81**

Appendix E

Receipts and payments account for the period and cumulatively

FRP

McClure Naismith LLP
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 28/02/2022 To 27/08/2022 £	From 28/08/2015 To 27/08/2022 £
	ASSET REALISATIONS		
	Bank Interest Gross	93.33	999.54
	Book Debts	NIL	738,561.41
	Furniture & Equipment	NIL	1,500.00
	Other refunds	NIL	14,875.29
	Petty Cash	NIL	423.81
	Rent	NIL	(3,164.79)
	Trading Surplus/(Deficit)	NIL	4,399.81
	WIP	NIL	142,812.69
		93.33	900,407.76
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)	NIL	4,192.50
	Bank Charges - Floating	NIL	157.50
	Insurance of Assets	NIL	635.16
	Legal & Professional fees	NIL	149,077.40
	Office Holders Expenses	NIL	1,440.70
	Office Holders Fees	NIL	721,314.75
	Re-Direction of Mail	NIL	240.00
	Specific Bond	NIL	420.00
	Stationery & Postage	NIL	40.42
	Statutory Advertising	NIL	75.00
	Storage Costs	643.83	21,651.15
	Transportation	NIL	320.00
		(643.83)	(899,564.58)
		(550.50)	**843.18**
	REPRESENTED BY		
	Bank 2 Current		1,685.40
	Client funds		(471,121.50)
	Funds retained for third parties		(33,443.09)
	Funds retained for Third Parties		31,176.17
	Post Administration Client Funds		471,819.99
	Vat Payable - Floating		(286.00)
	Vat Recoverable - Floating		1,012.21
			843.18

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