

The Insolvency Act 1986

**R2.25****Statement of administrator's proposals**Pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986  
and Rule 2.25 of the Insolvency (Scotland) Rules 1986

Name of Company  Cumbrae House LLP	Company number  S0301839
--	--------------------------------

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)I/We (a)  
James B Stephen  
BDO LLP  
Citypoint  
65 Haymarket Terrace  
Edinburgh  
EH12 5HDBryan A Jackson  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 21 August 2013

Signed

Joint / Administrator(s)

Dated

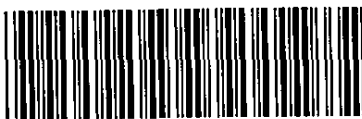
**Contact Details:**

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

James B Stephen  
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65 Haymarket Terrace  
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0131 347 0347  
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COMPANIES HOUSE

ode

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 / LP4 Edinburgh-2



**Cumbræ House LLP  
In Administration  
Report and Proposals by the  
Joint Administrators**

16 August 2013

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# 1 Introduction

- 1.1 James B Stephen and Bryan A Jackson were appointed Joint Administrators of Cumbræ House LLP ["the Company"] on 26 June 2013 by the Dunfermline Building Society.
- 1.2 This report is prepared pursuant to Paragraph 49 of Schedule B1 ["the Schedule"] to the Insolvency Act 1986 ["the Act"] and Rule 2.25 of the Insolvency (Scotland) Rules 1986 ["the Rules"].
- 1.3 Form 2.16B (Scot) Notice of Administrators' Proposals is at Appendix V.
- 1.4 Based on current information, the Administrators have concluded that, there will not be sufficient funds becoming available in the administration to make a distribution to ordinary unsecured creditors, other than by virtue of the prescribed part. Therefore, in accordance with Paragraph 52(1) of the Schedule, the Administrators do not intend to summon a meeting of the Company's creditors.
- 1.5 In accordance with paragraphs 52(2) of the Schedule, the Administrators will summon a formal creditors' meeting if it is requested by a creditor or a number of creditors of the Company whose debt(s) amount to at least 10% of the total debts of the Company, and provided that such a request is made in the prescribed manner and within the prescribed period.

## 2 Background to the Administration

- 2.1 The statutory information for the Company is at Appendix I.
- 2.2 Cumbræ House LLP ["the LLP"] was established with a view to letting commercial property. The Company owns Cumbræ House (a Grade B Listed Building) and the Stables, which is located at 15 Carlton Court, Glasgow. The building is a three story art deco style building formerly occupied by Clyde Shipping Company.
- 2.3 Cumbræ House provides good quality office accommodation, which also benefits from 24 car parking space. The property is presently let to three tenants, which occupy 3,606 sq f of Cumbræ House and 4,412 sq f of the Stables.
- 2.4 At the date of appointment, CKD Galbraith ["CKD"] managed the property and a copy of their management contract has been provided to the Joint Administrators.
- 2.5 The Dunfermline Building Society in Building Society Special Administration ["DBS"] assisted in the acquisition of Cumbræ House, however the LLP failed to secure any other new lettings during the period that DBS have funded the property. DBS issued restructuring documentation, which was not entered into by the LLP. DBS held a Bond and Floating Charge over the assets of the LLP and a Demand Letter was ultimately issued, which led to the appointment of the Joint Administrators.
- 2.6 The Notice of appointment was filed in the Court of Session on 26 June 2013.
- 2.7 The Administrators' strategy regarding the realisation of the assets is detailed in Section 3 of this report.

- 2.8 Pursuant to Paragraph 3(1) of the Schedule, the Administrators are required to perform their functions with the objective of:-
- (i) rescuing the Company as a going concern; or
  - (ii) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration); or
  - (iii) realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.9 The strategy formulated by the Administrators is to achieve a better result for the Company's Secured Creditor than would be likely if the route shown in Section 2.10 (iii) was not taken.
- 2.10 For the purposes of paragraph 100 of the Schedule the Administrators confirm that they are authorised to carry out all functions, duties and powers by all of them, joint or severally.

### 3 The Administrators' Strategy

- 3.1 The strategy formulated in the Administration is to achieve a better result for the Company's secured creditor than would be likely if the route shown in Section 2.10(iii) was not taken.
- 3.2 Immediately upon appointment, a meeting was arranged with Colliers International ["Colliers"], who were instructed by the Joint Administrators to formulate a marketing strategy and provide a report on the options available to the Joint Administrators to maximise recoveries on behalf of the secured creditor, DBS.
- 3.3 Colliers have advised that there is a limited market at present for purchase opportunities such as Cumbrae House and the Stables, which will potentially impact on the saleability and price achieved. They anticipate that the strongest interest in the property will come from private investors, owner occupiers and property speculators.
- 3.4 At the date of appointment, CKD managed the property and contact was made to obtain a copy of the property management contract and the last property report. This has been reviewed by Colliers and it is anticipated that in order to let further space, pending the ultimate sale of the property, that incentives in the form of a discount to the core city centre rates for refurbished space be provided, along with rent free incentives.
- 3.5 Whilst marketing the property for sale, Colliers have recommended that a marketing suite is set up within the building to provide space on site for discussions with prospective tenants, and to demonstrate the high standard of the finished accommodation. The Joint Administrators will review this recommendation and discuss this option with the secured creditor, DBS.

## **4 Financial Position of the Company**

### **Directors' Statement of Affairs**

- 4.1 In accordance with Paragraph 47(1) of Schedule B1 of the Insolvency Act 1986, the members were requested to prepare a Statement of Affairs. This was prepared by Brian Fox on behalf of all the members.
- 4.2 A summary of the estimated financial position of the LLP as at 26 June 2013 is attached at Appendix VI.

### **Cash at Bank**

- 4.3 The LLP's bank account was frozen immediately upon appointment and £4,958 has been transferred to the Administration bank account.

### **Rental Income**

- 4.4 As at the date of appointment CKD held funds of £9,607 in their client's account, which related to rental income for the let office space in Cumbræ House and the Stables, less service charges. CKD continue to collect rental income and will provide an accounting of the surplus funds available to the Administration on a regular basis.

### **Dilapidations/Lease Remuneration**

- 4.5 McClure Naismith, who acted on behalf of the LLP held funds in the sum of £249,137 in their client account at the date of Administration. These funds related to a dilapidations settlement, balance of a renunciation premium and an abortive renunciation. Colliers were instructed to carry out a dilapidations survey to establish if the dilapidations settlement was commercial. The Joint Administrators have instructed Brodies LLP to accept the dilapidations settlement and negotiate with McClure Naismith to receive the early transfer of the funds held.

### **Insurance Premium**

- 4.6 The LLP had paid the annual insurance premium for the property at the end of May 2013. Upon appointment, the Joint Administrators instructed their own insurance brokers to put appropriate insurance cover in place and, as such, an insurance refund may become available to the Administration, although this cannot be quantified at this time.

### **The Dunfermline Building Society - Secured Creditor**

- 4.7 DBS holds a Bond and Floating Charge dated 29 April 2008 and registered with the Registrar of Companies on 15 May 2008.



4.8 DBS also holds a standard security over the property.

4.9 The amount due to the Dunfermline Building Society at the date of appointment was £4,112,518.

#### **Preferential creditors**

4.10 There are no preferential creditors.

#### **Unsecured creditors**

4.11 The Company records show that at the date of appointment the Company had liabilities to unsecured, non-preferential creditors of £1,452,775.

4.12 Based on current information it appears likely that there will be sufficient funds with which to make a distribution to ordinary unsecured creditors from the prescribed part.

#### **Prescribed Part**

4.13 Section 176A of the Insolvency Act 1986 requires the Administrators to set aside a prescribed amount of the Company's "net property" towards the satisfaction of unsecured debts. Net property is the amount of property that would otherwise be available for satisfaction of holders of debentures secured by, or holders of, any floating charge created by the Company after 15 September 2003.

4.14 As previously advised, the Bank has a Bond and Floating Charge created on 28 April 2008. Accordingly the Prescribed Part provisions will apply and the prescribed amount, based on the value of the available assets, would amount to £55,913.

#### **Receipts and payments Account**

4.15 The Administrators' Receipts and Payments account to 9 August 2013 is at Appendix II.

## 5 The Administrators' Remuneration

- 5.1 It is proposed that the Administrators be remunerated for post appointment work on a time cost basis by reference to BDO LLP's normal rates for the time spent by them and their staff in attending to matters arising in the Administration.
- 5.2 In view of the statement made at section 1.4 of this report that it is not anticipated that there will be sufficient funds available to enable a distribution to the unsecured creditors of the Company, other than by virtue of the prescribed part. I will be seeking specific approval to the basis of my remuneration from the secured creditor in accordance with Rule 2.39(9).
- 5.3 The Administrators' time costs to the date of this report amount to £14,172.35 which represents 55.40 hours at an average hourly rate of £255.82 and are summarised at Appendix IV. To date no fees have been drawn in respect of the work undertaken.
- 5.4 These amounts are derived by reference to BDO LLP's normal charge out rates for time properly given by the Administrators and their staff in attending to matters arising in the insolvency. Where members of the Administrators staff have been employed on this insolvency they have been so based on their experience and abilities in dealing with a case of this nature.
- 5.5 A schedule of the current charge out rates for BDO LLP staff is enclosed at Appendix IV.
- 5.6 A creditors' guide to fees, which provides information regarding creditors' rights in relation to insolvency practitioners' fees, can be obtained by visiting our website. The relevant guide can be accessed through [www.bdo.co.uk/cgtf](http://www.bdo.co.uk/cgtf).
- 5.7 The Administrators' disbursement to date total £336.17 and comprise:-

Disbursement	Category 1 £	Category 2 £
Travel	49.92	
Advertising	76.25	
Insolvency Bond	210.00	
	<u>336.17</u>	<u>NIL</u>

- 5.1 Category 1 disbursements are charged to the case at the actual cost incurred. Category 2 disbursements are charged on the following basis and are subject to approval.

- 5.2 In accordance with Rule 2.39(9) of the Rules, the fixing of the basis of the Administrators' remuneration is to be approved by resolution of the creditors' committee or if there is no committee by resolution of the secured creditor.
- 5.3 The Administrators will write to the secured creditor, regarding their agreement to the basis and payment of the Administrators' remuneration and disbursements.

## 6 Proposed Exit Route

6.1 The Administrators propose the following three exit routes from Administration be considered:

- (i) In the event that there are sufficient funds available to enable a return to the unsecured creditors of the Company, the Joint Administrators be empowered to place the Company into creditors' voluntary liquidation, seeking their own appointment as Liquidators of the Company. In accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.25 (1C) of the Insolvency (Scotland) Rules 1986, creditors may nominate different persons as the proposed Joint Liquidators. All valid nominations must be made before the proposals are approved, with or without modifications; or
- (ii) subject to the provisions of Paragraph 79 of Schedule B1 of the Insolvency Act 1986 an application will be made to the court to end the Administration and for the Company to be compulsorily wound-up. The administrators may, if they so desire, request that they be appointed liquidators; or
- (iii) in the event that exit routes (i) and (ii) above are inappropriate or unavailable, the Joint Administrators be empowered to make the necessary arrangements for the Company to be dissolved and removed from the Companies Register.

### Administrators' discharge

- 6.2 It is standard practice for Administrators to seek a discharge from liability for any action taken by them during the course of an Administration, following the termination of the Administration.
- 6.3 Granting the Administrators discharge does not prevent any creditor of the Company from applying to Court (under Paragraph 75 of Schedule B1 to the Insolvency Act 1986) for permission to bring proceedings against the Administrators if any such party believes that their conduct as Joint Administrators has breached their duties in relation to the Company or has otherwise made them guilty of misfeasance.
- 6.4 The Administrators are not currently aware of any issue that may result in such an application to Court.
- 6.5 For the avoidance of doubt, granting the Administrators their discharge prior to the termination of the Administration does not discharge their liability, until the termination is effective.

- 6.6 Paragraph 98(3) of the Schedule requires that the Administrators discharge is approved by the secured creditors.
- 6.7 The Administrators will write further to the secured creditors in this regard.

## 7 The Administrators' Proposals

7.1 In accordance with Paragraph 49 of the Schedule James B Stephen and Bryan A Jackson the Joint Administrators of the Company, make to the creditors the following proposals for achieving the purposes of the administration.

7.2 The Administrators propose:

- (i) That the 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.
- (ii) That the Administrators, at their sole discretion and at a time they see fit, are empowered to either:
  - 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 B Stephen and Bryan A Jackson 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, or;
  - Make application to Court to end the Administration pursuant to Paragraph 79 of Schedule B1 of the Insolvency Act 1986, following which, the Administrators request that the Company be Compulsorily wound-up and James B Stephen and Bryan A Jackson be appointed Joint Liquidators if they so desire, or;
  - 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.

7.3 As the Administrators have made a statement under Paragraph 52 of the Schedule and decided not to summon a meeting of creditors, the above proposals will be deemed to have been accepted unless creditors request that a meeting be convened.

7.4 A request of a meeting to be summoned must be made in accordance with Paragraphs 52(2) - (4) of the Schedule and Rule 2.31 of the Rules, i.e.:

- (i) The request must represent the wishes of creditors whose claims total at least 10% of the total debts of the Company; and

- (ii) The request must be made on the attached form which is to state the purpose of the proposed meeting and, if the request is made by more than one creditor, must be accompanied by each supporting creditor's written statement of concurrence; and
- (iii) The request must be made within 8 business days from the date on which the proposals were issued, or made available, to creditors.

## **8 EC Regulations**

- 8.1 The EC Regulation on Insolvency Proceedings 2000 will apply to these proceedings as the registered office of the Company at the date of Administration was situated within the United Kingdom. The proceedings are main proceedings as defined in Article 3 of the Regulation.



## 9 Conclusion and Recommendations

- 9.1 It is the view of the Joint Administrators that the Creditors sanction the proposals detailed at Section 7 of this Report.
- 9.2 Based upon present information, it is not expected that there will be sufficient funds to allow a dividend to the ordinary creditors, other than by virtue of the Prescribed Part.
- 9.3 The Joint Administrators are of the view that they should continue to manage the affairs of the LLP in order to achieve the purpose of the Administration Order.
- 9.4 As detailed in section 7, as no meeting of creditors is to be held, in accordance with Rule 2.25(3) of the Rules the proposals will be deemed to have been approved unless creditors request that a meeting be convened. If the proposals are so deemed to be approved then notice of such approval will be sent to you in accordance with Rule 2.25(3A).



James B Stephen  
On behalf of the Joint Administrators

## Appendix I

**Cumbrae House LLP**

**(In Administration)**

**STATUTORY INFORMATION**

## Cumbræ House LLP In Administration

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<b>Company name</b>	Cumbræ House LLP
<b>Registration number</b>	SO301839
<b>Registered office address</b>	4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX
<b>Nature of Business</b>	Letting of Commercial Property
<b>Court</b>	Court of Session
<b>Administrator(s) details</b>	<p>James B Stephen BDO LLP 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX Appointed: 26/06/2013</p> <p>Bryan A Jackson PKF (UK) LLP 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX Appointed: 26/06/2013</p>
<b>Powers</b>	<p>The functions to be exercised by the Joint Administrators are all functions which the Joint Administrators will require in relation to their appointment and the functions which require to be exercised by the Joint Administrators will be exercised by either one or both of James B Stephen and Bryan A Jackson and/or any other persons holding the office of Administrators of the Company from time to time.</p>
<b>Appointor</b>	Dunfermline Building Society (In Building Society Special Administration)
<b>Company director(s)</b>	<p>Mr John Collins Mr Andrew Pert Mr Iain Gillies Mr Brian Fox Mr William Robertson Maria Smith Search Consultancy Ltd</p>
<b>Regulations</b>	<p>EC Regulations on Insolvency proceedings 2000 apply to the Company and the main proceedings are in the United Kingdom.</p>

## Appendix II

Cumbræ House LLP

(In Administration)

### RECEIPTS AND PAYMENTS ACCOUNT

**Cumbræ House LLP**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs		From 26/06/2013 To 16/08/2013	From 26/06/2013 To 16/08/2013
	<b>HERITABLE PROPERTY</b>		
1,000,000.00	Cumbræ House & Stables	NIL	NIL
(1,950,000.00)	Dunfermline Building Society	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
1.00	Potential Insurance Refund	NIL	NIL
	Cash at Bank	4,957.78	4,957.78
250,000.00	Dilapidations Settlement	NIL	NIL
		4,957.78	4,957.78
	<b>COST OF ADMINISTRATION</b>		
	Specific Bond	210.00	210.00
	Advertising	181.25	181.25
	Other Property Expenses	1,850.00	1,850.00
	Registers of Scotland	15.00	15.00
		(2,256.25)	(2,256.25)
	<b>UNSECURED CREDITORS</b>		
(9,359.00)	Ordinary Creditors	NIL	NIL
(1,443,416.00)	Members' Loan Account	NIL	NIL
		NIL	NIL
<b>(2,152,774.00)</b>		<b>2,701.53</b>	<b>2,701.53</b>
	<b>REPRESENTED BY</b>		
	VAT Receivable		406.00
	Bank of Scotland plc		2,505.53
	PKF Disbursement		(210.00)
			<b>2,701.53</b>



James B Stephen  
Joint Administrator

## APPENDIX III

Cumbræ House LLP

(In Administration)

TIME COSTS ANALYSIS

00233483

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 £		
B. Steps on Appointment					0.20	31.40								0.20	31.40	157.00
C. Planning and Strategy			1.55	390.60	5.25	892.50								6.80	1,283.10	188.69
D. General Administration	0.10	46.10	6.15	1,461.55	10.65	1,729.25	0.10	14.70	0.20	32.70	0.85	43.35		18.05	3,327.65	184.36
E. Assets Realisation/Dealing	9.00	3,852.00	15.85	3,940.20										24.85	7,792.20	313.57
I. Reporting	2.00	856.00	3.50	882.00										5.50	1,738.00	316.00
	11.10	4,754.10	27.05	6,674.35	16.10	2,653.15	0.10	14.70	0.20	32.70	0.85	43.35				
														Net Total	55.40	14,172.35
														Secretarial Expense		0.00
														Other Disbursements		336.17
														Billed		0.00
														Grand Total		14,508.52

## APPENDIX IV

Cumbræ House LLP

(In Administration)

FORM 2.16B - NOTICE OF ADMINISTRATORS' PROPOSALS



The Insolvency Act 1986

**R2.25****Statement of administrator's proposals**

Pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.25 of the Insolvency (Scotland) Rules 1986

Name of Company

Cumbrae House LLP

Company number

SO301839

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

I/We (a)

James B Stephen  
BDO LLP  
Citypoint  
65 Haymarket Terrace  
Edinburgh  
EH12 5HDBryan A Jackson  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 21 August 2013

Signed

Joint / Administrator(s)

Dated

**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

James B Stephen  
BDO LLP  
Citypoint  
65 Haymarket Terrace  
Edinburgh  
EH12 5HD

LP54 Edinburgh 2

0131 347 0347  
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, 37 Castle Terrace, Edinburgh EH1 2EB  
DX 235 Edinburgh / LP4 Edinburgh-2

## APPENDIX V

Cumbræ House LLP

(In Administration)

### CREDITOR'S REQUEST FOR A MEETING

**Creditor's request for a meeting**

**Name of Company**

**Company number**

Cumbræ House LLP

SO301839

(a) Insert full name and address of the creditor making the request

I (a)

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

request a meeting of the creditors of

(b) Cumbræ House LLP of Citypoint, 65 Haymarket Terrace, Edinburgh, EH12 5HD

(c) Insert amount of claim

My claim in the administration is (c) £

(d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the requesting creditors' claim is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of concurrence.

(e) Insert details of the purpose of the meeting

The purpose of the meeting is

(e)

Signed

---

Dated

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## APPENDIX VI

Cumbræ House LLP

(In Administration)

### STATEMENT OF AFFAIRS AND LIST OF COMPANY CREDITORS

# Cumbrae House LLP In Administration

Estimated Statement of Affairs as at 26 June 2013

	<u>Note</u>	£	£
<b><u>ASSETS</u></b>			
<b><u>Secured Assets</u></b>			
1			
Cumbrae House and Stables	1	1,000,000	
Less: Dunfermline Building Society	2	<u>1,000,000</u>	
<b>TOTAL FIXED ASSETS</b>			NIL
<b><u>CURRENT ASSETS</u></b>			
Cash at Bank	3	4,957	
Rental Income	4	9,607	
Dilapidations and Renunciation of lease	5	249,137	
Potential Insurance Refund	6	<u>1</u>	
<b>TOTAL ASSETS</b>			263,702
Less: Prescribed Part			( 55,913)
<b>FUNDS AVAILABLE TO FLOATING CHARGE HOLDER</b>			207,789
<b><u>FLOATING CHARGE CREDITOR</u></b>			
Dunfermline Building Society			(3,112,518)
Shortfall to Floating Charge Creditor			(2,904,729)
Prescribed Part	7		55,913
<b><u>UNSECURED CREDITORS</u></b>			
HM Revenue & Customs (VAT)	8	2,522	
Martin Austen Publishing		111	
Robertson & Craig		13	
TLT		840	
McClure Naismith		5,873	
Members Loans (per attached Appendix A)	9	<u>1,443,416</u>	
			<u>1,452,775</u>
Deficiency to Ordinary Creditors			(1,396,862)
Shortfall to Floating Charge Creditor			(2,904,729)
Deficiency to Floating Charge and Ordinary Creditors			(4,301,591)
<b><u>Share Capital</u></b>			
Issued and Fully Paid-Up			( 100)
<b>TOTAL ESTIMATED DEFICIENCY</b>			<u>4,301,691</u>

**Notes:-**

1. The valuation of the property has been provided by Colliers International Property Consultants.
2. Dunfermline Building Society (In BSS Administration) has a total debt due of £4,112,518 and has a standard security over the property and they also hold a bond and floating charge over the whole assets of the company.
3. The funds stated were funds in hand at the date of appointment, which have been recovered from the pre appointment bank account.
4. CKD Galbraith are the property agents and have provided a breakdown of funds at the date of appointment.
5. This figure represents funds a client account, held by McClure Naismith who acted on behalf of the company at the date of the administration.
6. The company had paid an annual insurance premium at the end of May 2013 and as such a rebate may be due. AUA Insolvency Risk Services are investigating this matter.
7. In accordance with section 176A of the Insolvency Act where funds are available to a secured creditor from floating charge realisations, a proportion of that recovery known as the "prescribed part" is reserved for unsecured creditors. The prescribed part is as follows:

	£
50% of £10,000	5,000
20% of £254,564	<u>50,913</u>
Total prescribed part	<u>55,913</u>

8. CKD Galbraith have calculated the net sums due to HM Revenue & Customs at the date of appointment.
9. The figures stated have been taken from the statutory Statement of Affairs provided by the members.
10. Based on present expectations it is likely there will be sufficient funds to enable a dividend to the floating charge secured creditor, with ordinary unsecured creditors receiving a dividend from the prescribed part.
11. The inclusion of any creditor in the Statement of Affairs does not constitute an admission of claim and all claims will be subject to formal adjudication prior to distribution.

**Cumbræ House LLP**  
**In Administration**Members Loans

	£
Mr John Collins	156,424
Mr Andrew Pert	406,233
Mr Iain Gillies	88,586
Mr Brian Fox	88,586
Ms Maria Smith	126,180
Mr William Robertson	88,586
Search Consultancy Ltd Executive Furbs	<u>488,821</u>
	<u>1,443,416</u>