

The Insolvency Act 1986

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

Name of Company

Buckie Shipyard Limited

Company number

SC158728

(a) Insert full  
name(s) and  
address(es) ofI/We (a) Alexander Iain Fraser  
FRP Advisory LLP  
Suite 2B  
Johnstone House  
52-54 Rose Street  
Aberdeen AB10 1UDThomas Campbell MacLennan  
FRP Advisory LLP  
Apex 3  
95 Haymarket Terrace  
Edinburgh  
EH12 5HD

administrator(s)

(b) Insert name and  
address of  
registered office of  
companyhaving been appointed administrator(s) of (b) Buckie Shipyard Limited  
c/o FRP Advisory LLP, Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD(c) Insert date of  
appointment

on (c) 23 August, 2013 by (d) the directors

(d) Insert name of  
applicant/appointorhereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986  
apply.

We attach a copy of the final progress report

Signed

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

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

DX Number

+44 (0)330 055 5455  
DX Exchange

When you have completed and signed this form, please send it to the  
Registrar of Companies at:-  
**Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139 Fountainbridge,  
Edinburgh, EH3 9FF  
DXED235 Edinburgh 1 / LP- 4 Edinburgh 2**



**Joint Administrators' Final Progress Report  
for the period from 23 August 2014 to 22 February 2015  
relating to**

**Buckie Shipyard Limited ("the Company") – In Administration**

**Issued on: 30 June 2015**

## **BUCKIE SHIPYARD LIMITED (IN ADMINISTRATION)**

Alexander Iain Fraser and Thomas Campbell MacLennan of FRP Advisory LLP are the Joint Administrators of the Company and this is their report on the progress of the Administration of the Company for the period from 23 August 2014 to 22 February 2015

The secured and preferential creditors consented to the Administration of the Company being extended for a period of six months, such that the Administration will now end on 22 February 2015.

### **1. Statutory Information**

Statutory information relating to the Company is attached at **Appendix I**.

### **2. Action taken by the Joint Administrators Since Their Last Progress Report**

The Joint Administrators adjudicated on the preferential claims in the Administration and following a period allowed for any objections made a first and final dividend to preferential creditors of 19.13p in the £. The total sum distributed was £22,428.35 on claims which had a total of £117,208.03.

### **3. Joint Administrators' Receipts and Payment Account**

I attach a summary of my receipts and payments relating to the Company for the period from 23 August 2014 to 22 February 2015 at Appendix II.

### **4. Joint Administrators' Remuneration and Expenses**

The secured creditor and preferential creditors have approved my fees on the basis of the time properly spent by me and my staff in dealing with matters relating to the Administration of the Company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.

To the date this report is prepared, my time costs amount to £184,942, representing 795.7 hours work at an average charge out rate of £232.43. Disbursements amount to £6,426.80. I have drawn remuneration of £174,413 to date. No further fee will be drawn and the balance of my time costs will be written off. Appendix III contains more information about my remuneration and expenses, including an analysis of the hours worked.

If you require further information relating to Administrator's Remuneration 'A Creditor's Guide to Administrators' Fees' can be accessed at the website of the Insolvency Practitioners' Association ([www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk) > Regulation and Guidance" > Creditors Guides to Fees). The Guide also gives important information about Creditors' Rights. Alternatively a copy is available free of charge upon request from the address above.

## **BUCKIE SHIPYARD LIMITED (IN ADMINISTRATION)**

### **5. Outcome of the Administration**

The purpose of an Administration is to achieve one of the three objectives set out in the insolvency legislation, which are to:-

- (a) rescue the company as a going concern; or
- (b) achieve 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
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

I was seeking to achieve objective (b) in respect of the Administration of the Company, and to do this by seeking a sale of the business and assets as a going concern in conjunction with completing contracts which were substantially complete at the time of my appointment. In order to achieve this objective the following proposals were agreed by the creditors, that the Joint Administrators:

- (a) will continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that they:-
  - (i) sell the Company's assets at such times and on such terms as they consider appropriate;
  - (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company; and
  - (iii) do all such things and generally exercise all their powers as Administrators as they in their discretion consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) The Administration shall end where any of the following shall occur:
  - (i) If the Joint Administrators think that there are funds available to be distributed to the unsecured creditors, the Company may exit the administration by way of a Creditors Voluntary Liquidation, and that Alexander Iain Fraser and Thomas Campbell MacLennan are appointed the Joint Liquidators of the Company, without any further recourse to creditors and that they will act jointly and severally in their duties. In accordance with Paragraph 83(7) to schedule B1 to the Insolvency Act 1986 and with Rule 2.47 of the Insolvency (Scotland) Rules 1986, creditors may nominate a different person(s) as the proposed liquidator(s), but must make the nomination(s) at any time after receipt of these proposals, but before they are approved. Information about the approval of the proposals is set out at Section 13.

## **BUCKIE SHIPYARD LIMITED (IN ADMINISTRATION)**

- (ii) If the Joint Administrators think that there are no funds available for distribution to the unsecured creditors, the Company may exit administration by way of dissolution.
  - (iii) on the making of a Winding up Order against the Company by the court (or thereafter as the court otherwise directs) the Joint Administrators further propose that Alexander Iain Fraser and Thomas Campbell MacLennan be appointed the liquidators of the Company by the court.
  - (iv) the administration of the Company will end on the making of a court order (or thereafter as the court otherwise directs) following the making of an application to court for an order that the administration ceases.
  - (v) the administration of the Company will end by giving notice to the court, creditors and Registrar of Companies that the objective of the administration has been sufficiently achieved.
- (c) they shall be authorised to draw their remuneration by reference to time properly spent by them and their staff in dealing with matters relating to the administration of the Company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken. Details of the current charge out rates for the Joint Administrators and their staff are outlined in Appendix III of these proposals.
- (d) they be authorised to draw category 2 expenses as outlined in Appendix III of these proposals.

I have achieved the objective of the Administration of the Company by completing certain works which were ongoing at the time of my appointment where it was cost effective to do so and marketing all assets of the company for sale. The assets were sold on 29 November 2013. I have also collected trade debts which were outstanding at the date of administration.

In accordance with the proposals, I am ending the Administration of the Company by arranging for the Company to be dissolved. To do this I have filed a formal notice with the Registrar of Companies. The Company will be deemed dissolved three months after the registration of that notice.



**A I Fraser**  
**Joint Administrator**

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

**The Joint Administrators act as agents of the Company and without personal liability.**

**The affairs, business and property of the Company are being managed by Alexander Iain Fraser and Thomas Campbell MacLennan who were appointed Joint Administrators on 23 August 2013.**

Enclosures:

**Appendix I**  
**Statutory Information**

**Appendix I**

**Company Information**

|                             |   |
|-----------------------------|---|
| Company Name:               | Buckie Shipyard Limited   |
| Company Number:             | SC158728  |
| Date of Incorporation:      | 19 June 1995  |
| Trading Address:            | Commercial Road, Buckie, Banffshire, AB56 1UR                           |
| Current Registered Office:  | c/o FRP Advisory LLP, Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD |
| Former Registered Office:   | c/o Lithgows Ltd, Netherton, Langbank, Renfrewshire, PA14 6YG           |
| Principal Trading Activity: | Ship building, maintenance and repairs                                  |

**Appointment details**

|                                  |  |
|----------------------------------|--|
| Joint Administrators             | Alexander Iain Fraser and Thomas Campbell MacLennan of FRP Advisory LLP  |
| Joint Administrators' address    | Apex 3, 95 Haymarket Terrace, Edinburgh, EH12 5HD  |
| Date of appointment              | 23 August 2013   |
| Court Name and Reference         | Court of Session /2013   |
| Appointment made by:             | Directors  |
| Actions of Joint Administrators: | Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Administrators acting jointly or alone. |

**Appendix II**

**Joint Administrators' Abstract of  
Receipts and Payments**



**Buckie Shipyard Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**

| Statement<br>of Affairs               | From 23/08/2014<br>To 22/02/2015 | From 23/08/2013<br>To 22/02/2015 |
|---------------------------------------|----------------------------------|----------------------------------|
| POST APPOINTMENT SALES                |                                  |                                  |
| Payments on acc / contract settlement | NIL                              | 240,548.40                       |
|                                       | NIL                              | 240,548.40                       |
| OTHER DIRECT COSTS                    |                                  |                                  |
| Sub Contractors                       | NIL                              | 5,218.00                         |
| Direct Labour                         | NIL                              | 19,686.08                        |
| Employee Expenses                     | NIL                              | 1,151.69                         |
| Other costs                           | NIL                              | 671.66                           |
|                                       | NIL                              | (26,727.43)                      |
| TRADING EXPENDITURE                   |                                  |                                  |
| Rents                                 | NIL                              | 2,152.99                         |
| Heat & Light                          | NIL                              | 6,199.42                         |
| Legal fees                            | NIL                              | 49,912.12                        |
| Bank Charges                          | NIL                              | 22.00                            |
|                                       | NIL                              | (58,286.53)                      |
| TRADING SURPLUS/(DEFICIT)             | NIL                              | 155,534.44                       |

**Buckie Shipyard Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

| Statement<br>of Affairs |                                     | From 23/08/2014<br>To 22/02/2015 | From 23/08/2013<br>To 22/02/2015 |
|-------------------------|-------------------------------------|----------------------------------|----------------------------------|
|                         | <b>SECURED ASSETS</b>               |                                  |                                  |
| 500,000.00              | Heritable Property                  | NIL                              | 555,000.00                       |
| NIL                     | Leasehold Land & Property           | NIL                              | NIL                              |
|                         |                                     | NIL                              | 555,000.00                       |
|                         | <b>COSTS OF REALISATION</b>         |                                  |                                  |
|                         | Office Holders Fees                 | NIL                              | 15,000.00                        |
|                         | Legal Fees                          | NIL                              | 13,200.00                        |
|                         | Agents/Valuers Fees                 | NIL                              | 4,000.00                         |
|                         | Other Property Fees                 | NIL                              | 750.00                           |
|                         | Insurance                           | NIL                              | 2,000.00                         |
|                         |                                     | NIL                              | (34,950.00)                      |
|                         | <b>SECURED CREDITORS</b>            |                                  |                                  |
| (535,964.00)            | Highlands & Islands Enterprise      | NIL                              | 520,050.00                       |
|                         |                                     | NIL                              | (520,050.00)                     |
|                         | <b>ASSET REALISATIONS</b>           |                                  |                                  |
| 35,000.00               | Leasehold Property                  | NIL                              | NIL                              |
| 150,000.00              | Plant & Machinery                   | NIL                              | 42,000.00                        |
| NIL                     | Models and paintings                | NIL                              | 3,840.00                         |
| 411,711.00              | Stock/WIP                           | NIL                              | NIL                              |
| 119,278.00              | Book Debts                          | NIL                              | 30,713.03                        |
| 34,247.00               | VAT Refund (estimated)              | NIL                              | NIL                              |
| 1,706.00                | Cash at Bank                        | NIL                              | 376.93                           |
|                         | Bank Interest Gross                 | 8.70                             | 92.46                            |
|                         | Bank Interest Net of Tax            | 6.18                             | 6.18                             |
|                         | Trading Surplus/(Deficit)           | NIL                              | 155,534.44                       |
|                         |                                     | 14.88                            | 232,563.04                       |
|                         | <b>COST OF REALISATIONS</b>         |                                  |                                  |
|                         | Specific Bond                       | NIL                              | 125.00                           |
|                         | Office Holders Fees & Disbursements | 15,540.00                        | 174,413.90                       |
|                         | Registers of Scotland               | NIL                              | 15.00                            |
|                         | Miscellaneous costs                 | NIL                              | 1,208.80                         |
|                         | Agents/Valuers Fees                 | NIL                              | 5,616.52                         |
|                         | Legal Fees                          | 799.00                           | 9,404.35                         |
|                         | Other professional fees             | NIL                              | 4,450.00                         |
|                         | Security Costs                      | NIL                              | 184.21                           |
|                         | Storage Costs                       | NIL                              | 150.00                           |
|                         | Statutory Advertising               | NIL                              | 318.75                           |
|                         | Landlord's hypothec                 | NIL                              | 5,062.24                         |
|                         | Insurance of Assets                 | NIL                              | 9,109.76                         |
|                         | Bank Charges                        | NIL                              | 73.00                            |
|                         |                                     | (16,339.00)                      | (210,131.53)                     |
|                         | <b>PREFERENTIAL CREDITORS</b>       |                                  |                                  |
| (259,082.00)            | Employee Arrears/Hol Pay            | 22,428.35                        | 22,428.35                        |
| (15,943.00)             | Advances of Wages                   | NIL                              | NIL                              |
| (2,754.00)              | Pension Schemes                     | NIL                              | NIL                              |
|                         |                                     | (22,428.35)                      | (22,428.35)                      |
|                         | <b>FLOATING CHARGE CREDITORS</b>    |                                  |                                  |
| (1,319,793.00)          | Lithgows Ltd                        | NIL                              | NIL                              |

**Buckie Shipyard Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

| Statement<br>of Affairs |                                  | From 23/08/2014<br>To 22/02/2015 | From 23/08/2013<br>To 22/02/2015 |
|-------------------------|----------------------------------|----------------------------------|----------------------------------|
|                         |                                  | NIL                              | NIL                              |
|                         | UNSECURED CREDITORS              |                                  |                                  |
| (696,877.00)            | Trade & Expense Creditors        | NIL                              | NIL                              |
|                         |                                  | NIL                              | NIL                              |
|                         | DISTRIBUTIONS                    |                                  |                                  |
| (1,600,000.00)          | Ordinary Shareholders            | NIL                              | NIL                              |
|                         |                                  | NIL                              | NIL                              |
| <u>(3,178,471.00)</u>   |                                  | <u>(38,752.47)</u>               | <u>3.16</u>                      |
|                         | REPRESENTED BY                   |                                  |                                  |
|                         | Interest Bearing Current Account |                                  | 3.16                             |
|                         |                                  |                                  | <u>3.16</u>                      |

  
 Alexander Iain Fraser  
 Joint Administrator

**Appendix III**

**Information relating to  
Joint Administrators' Fees  
and Expenses**

## **Information relating to the Joint Administrators' Fees and Expenses**

### **1. Overview of Case**

#### **1.1. Appointment**

Alexander Iain Fraser and Thomas Campbell MacLennan were appointed Joint Administrators of Buckie Shipyards Ltd on 23 August 2013 following an application by the Directors of the Company.

#### **1.2. Strategy**

The objective of the administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up.

Extensive discussions took place with The Moray Council as landlord for the main shipyard and Highlands & Islands Enterprise as secured lender for the Company's heritable property. The Joint Administrators marketed and sold the heritable property and moveable assets of the Company. An assignment of certain leased property was completed.

Work-in-progress has been realised following discussions with customers, with settlements reached.

All recoverable book debts have been ingathered.

Creditor claims, including preferential claims from employees, will be dealt with in due course.

#### **1.3. Staffing**

Day to day matters have been dealt with by the Joint Administrators, Case Director, Case Managers or Support Staff commensurate with the experience and skills required.

#### **1.4. Return to creditors**

A partial dividend to preferential creditors has been paid. There was no return to any other class of creditor.

### **2. Explanation of office-holders charging and disbursement recovery policies**

#### **2.1. Time recording**

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are detailed on the enclosed SIP9 report.

#### **2.2. Disbursement recovery**

Disbursements are categorised as either Category 1 or Category 2.

Category 1 disbursements:

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by FRP Advisory LLP and then recharged to the estate, approval from creditors is not required.

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and property

reimbursed expenses incurred by personnel in connection with the case (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011).

**Category 2 disbursements:**

These include elements of shared or allocated costs incurred by FRP Advisory LLP and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements charged by FRP Advisory LLP are as follows:

| <b>Disbursement charge</b>                           | <b>Rate</b>           |
|--|-----------------------|
| Company searches (Tracker)                           | £10 per case          |
| File set up  | £7 per file           |
| Photocopying, scanning and faxes                     | 10p per side of paper |
| Mileage  | 45p per mile          |
| Room hire (internal) - London                        | £150 per hour         |
| Room hire (internal) - outside London                | £100 per hour         |
| Reports to creditors and members - posted            | 50p per report        |
| Reports to creditors and members - published on line | 25p per report        |

### **3. Description of work carried out**

Section 4 of this appendix outlines the time costs to date in relation to activities undertaken during this matter. These matters can be summarised as follows:

#### **3.1. Administration and planning**

The following activities have been undertaken:

- Statutory duties associated with the appointment including the filing of relevant notices
- Notification of the appointment to creditors, members, employees and other interested parties
- Setting up case files
- Reviewing available information to determine appropriate strategy
- Setting up and maintaining bank accounts
- Preparation of Administration proposals and distribution to creditors
- Meeting of business by correspondence
- Preparation of Progress Report for first 6 month period and distribution to creditors

Staff of different levels were involved in the above activities depending upon the experience required.

#### **3.2. Investigations**

The time spent comprises:

- Corresponding with the former directors and management
- Review of questionnaires and comments provided by interested parties
- Review of company documentation
- Completion of statutory returns to the government's Disqualification Unit

Due to the complex nature and importance of the investigations, experienced members of staff were utilised to conduct the work involved.

### **3.3. Realisation of assets**

Please refer to the main body of the report but in summary the time spent includes:

- Liaising with agents and solicitors
- Correspondence and meetings with interested parties
- Identifying, securing and insuring of assets
- Debt collection
- Agreement of contracts

Section 2 of the Progress Report provides commentary on asset realisations.

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake.

#### **(i) Land and Buildings**

This was handled by Case Managers with support from the Case Director.

#### **(ii) Plant, equipment etc**

This was handled by Case Managers with support from the Case Director.

#### **(iii) Work-in-progress**

These matters were particularly complex and involved extensive discussions with each customer and liaising with the skeleton staff who were retained. In one instance legal action was required before settlement was reached. These matters were handled primarily by the Case Director with support from the Case Managers.

#### **(iv) Book debts**

This was handled by Case Managers with support from the Case Director

### **3.4. Creditors including retention of title matters**

The time spent includes the following matters

- Recording and maintaining the list of creditors
- Dealing with employee related matters
- Dealing with retention of title claims
- Recording creditor claims
- Reporting to creditors
- Dealing with creditor queries
- Reviewing and evaluating creditor claims

### **4. Time and charge-out summary, including disbursements**

To date a total of 795.7 hours have been spent at an average charge out rate of £232.43 bringing the total cost to date to £184,942. Disbursements amount to £6,426.80. I have drawn remuneration of £174,413 to date. No further fee will be drawn and the balance of my time costs will be written off. A summary table is attached.

FRP

## Buckle Shipyard Limited (In Administration)

Time charged for the period 23 August 2013 to 22 February 2015

|                                    | Appointment Takers / |                      |                    |                 | Professional & Support | Total Hours   | Total Cost        |                    |
|------------------------------------|----------------------|----------------------|--------------------|-----------------|------------------------|---------------|-------------------|--------------------|
|                                    | Partners             | Managers / Directors | Other Professional | Support         |                        |               | £                 | Average Hry Rate £ |
| <b>Administration and Planning</b> | 16.80                | 101.80               | 18.63              | 8.35            | 33.50                  | 177.08        | 34,590.07         | 195.34             |
| Asset Realisation                  | 23.05                | 226.60               | 2.10               |                 | 0.20                   | 251.95        | 83,341.76         | 281.41             |
| Creditors                          | 7.00                 | 103.95               | 8.92               |                 |                        | 119.87        | 28,062.33         | 234.02             |
| Investigation                      |                      | 9.70                 |                    |                 |                        | 9.70          | 1,817.50          | 187.37             |
| Statutory Compliance               |                      | 41.10                |                    |                 |                        | 41.10         | 7,871.60          | 191.82             |
| Employees                          |                      | 79.85                | 0.15               |                 |                        | 79.80         | 19,672.78         | 246.27             |
| Trading                            |                      | 111.80               | 4.60               |                 |                        | 116.20        | 29,695.50         | 255.58             |
| <b>Total Hours</b>                 | <b>46.85</b>         | <b>674.40</b>        | <b>32.40</b>       | <b>8.35</b>     | <b>33.70</b>           | <b>795.70</b> | <b>184,942.00</b> | <b>232.43</b>      |
| <b>Total Cost £</b>                | <b>19,911.26</b>     | <b>167,877.00</b>    | <b>2,721.26</b>    | <b>1,136.00</b> | <b>3,298.50</b>        |               |                   |                    |
| <b>Average Hry Rate £</b>          | <b>425.00</b>        | <b>234.10</b>        | <b>83.99</b>       | <b>136.06</b>   | <b>97.82</b>           |               |                   |                    |

## FRP Charge out rates

| Grade                         | From | 1st July 2012 | 1st July 2013 |
|-------------------------------|------|---------------|---------------|
| Appointment taker / Partner   |      | 275-495       | 275-495       |
| Managers / Directors          |      | 225-455       | 225-455       |
| Other Professional            |      | 85-275        | 85-275        |
| Junior Professional & Support |      | 70-320        | 70-320        |

## Disbursements for the period

23 August 2013 to 22 February 2015

| Category 1           | Value £         |
|----------------------|-----------------|
| Advertising          | 382.25          |
| Postage              | 1,386.02        |
| Sundries/General     | 7.33            |
| Taxis                | 7.00            |
| Travel               | 1,538.56        |
| Storage              | 408.10          |
| Legal                | 15.00           |
| Agents Fees          | 922.14          |
| Category 2           |                 |
| Car/Mileage Recharge | 1,726.20        |
| Travel               | 54.20           |
| <b>Grand Total</b>   | <b>6,426.80</b> |

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