

The Insolvency Act 1986

Administrator's progress report**R2.38**

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

Name of Company

AA BB CC Properties Limited

Company number

SC257320

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

I/We (a)
 Linda Barr
 French Duncan Restructuring and Debt Advisory
 Aviat House
 4 Bell Drive
 Hamilton Technology Park
 Blantyre
 G72 0FB

Eileen Blackburn
 French Duncan Business Recovery
 Aviat House
 4 Bell Drive
 Hamilton Technology Park
 Blantyre
 G72 0FB

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

from

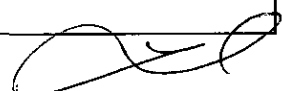
to

(b) Insert date(s)

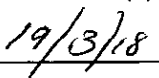
(b) 26 August 2017

(b) 25 February 2018

Signed


 Joint / Administrator(s)

Dated


 19/3/18
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

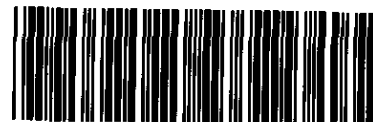
Linda Barr
 French Duncan Restructuring and Debt Advisory
 Aviat House
 4 Bell Drive
 Hamilton Technology Park
 Blantyre
 G72 0FB

DX Number

01698 459444
 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



**AA BB CC PROPERTIES LIMITED (IN
ADMINISTRATION)**

**6 MONTHLY PROGRESS REPORT BY THE
ADMINISTRATOR (APPOINTED ON 26 AUGUST
2014)**

**(Pursuant to Rule 2.38(1) of the Insolvency
(Scotland) Rules 1986)**

Linda Barr
Joint Administrator
French Duncan LLP
Aviat House
4 Bell Drive
Hamilton Technology Park
Blantyre
G72 0FB

Disclaimer Notice

- This Progress Report has been prepared by the Administrator of AA BB CC Properties Limited, solely to comply with the statutory duty under Rule 2.38 (1) of the Insolvency (Scotland) Rules 1986 to report to creditors on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This progress report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the company listed above.
- Any estimated outcome for creditors included in this Progress Report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors. Any person that chooses to rely on this Progress Report for any purpose or in any context other than under Rule 2.38 (1) of the Insolvency (Scotland) Rules 1986 does so at their own risk. To the fullest extent permitted by law the Administrator does not assume any responsibility and will not accept any liability in respect of this Progress Report.
- The Administrator acts as agent for AA BB CC Properties Limited and contracts without personal liability. The appointments of the Administrator is persona and, to the fullest extent permitted by Law, French Duncan LLP does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the administration.

**AA BB CC PROPERTIES LIMITED (IN ADMINISTRATION)
ADMINISTRATOR'S PROGRESS REPORT**

<u>Page No</u>	<u>Contents</u>
4	Introduction
4	Progress of the Administration
4	Sale of Assets
4-5	Creditors
5	Administrator's Remuneration
6	Receipts and Payments Account
6	Closure

APPENDICES

- I Analysis of Time Costs**
- II Receipts & Payments Account**

**AA BB CC PROPERTIES LIMITED (IN ADMINISTRATION)
ADMINISTRATOR'S PROGRESS REPORT**

STATUTORY INFORMATION REGARDING APPOINTMENT

Company Name	AA BB CC Properties Limited
Registered Address	Oaklands 26 Hunterhill Road Paisley PA2 6ST
Trading Address	Oaklands 26 Hunterhill Road Paisley PA2 6ST
Registered Number	SC257320
Administrator(s)	Linda Barr and Eileen Blackburn Aviat House 4 Bell Drive Hamilton Technology Park Blantyre G72 0FB
Date of appointment of Administrator(s)	26 August 2014
Court	Paisley Sheriff Court Sheriff Clerk's Office DX PA48 PAISLEY
Court Reference	B716
Person appointing the Administrator	Qualifying Floating Charge Holder

AA BB CC PROPERTIES LIMITED (IN ADMINISTRATION)

ADMINISTRATOR'S PROGRESS REPORT

1. Introduction

Following our appointment on 26 August 2014 we have conducted the administration in terms of Schedule B1 of the Insolvency Act and the original proposal submitted to all known creditors.

2. Progress of the Administration

The Administrators have attended to the various statutory duties imposed on her by the Insolvency Act 1986, as amended by *inter alia* the Enterprise Act 2002, including reporting on the conduct of the company's directors prior to my appointment.

The Administration was extended with the consent of creditors for 6 months to 25 February 2016. It was thereafter extended for a further 3 years by interlocutor of the Sheriff Court to allow sufficient time for renovation, rental and sale of the properties at an increased level. Should the properties be sold earlier than 3 years, the Administrators will exit the Administration in accordance with the Administrators' proposals.

3. Sale of Assets

A going concern sale of the business was considered but was not possible as the business was property development and rental. The properties concerned were not in a good state of repair, were tenanted by a caretaker for no rental and therefore it was decided that it was better to try to get vacant possession of them and try to advertise and sell. The revised strategy is outlined further in this section.

3.1 Residential Properties

3.1.1 On appointment we instructed agents, D M Hall to proceed with formal valuations of the 3 residential properties and instructed Walker Laird to market the 3 residential properties. Walker Laird are no longer marketing the properties and new agents Cairn have been appointed. Notwithstanding the change in selling agents, these properties remain on the market. However, as stated in my previous report and above, there had been no interest in any of the properties and the Administrators therefore agreed with the secured lender to undergo a program of modernisation and renovation so that the properties would be fit to enter the letting market.

3.1.2 The renovation was completed in April 2016 at a cost of £10,860.00 which the secured lender paid.

3.1.3 The secured lender then requested that instead of immediately renting the properties out that the market was further tested to see if following renovation of the properties, willing purchasers could be found. After a period of approximately 3 months, the secured lender requested Cairn to explore letting the properties. All 3 properties have been let and were sold at auction on 7 March 2018 for a total of £129,000.

3.2 Commercial Site

3.2.1 The Commercial site was placed into auction and realised £20,500 being more than the valuation, this completed in the first accounting period.

4. Creditors

4.1 Employees

AA BB CC PROPERTIES LIMITED (IN ADMINISTRATION)
ADMINISTRATOR'S PROGRESS REPORT

4.1.1 There were no employees at the date of appointment.

4.2 Secured/Floating Charge Creditors

4.2.1 NAB held a floating charge and standard securities over all of the heritable properties. The debt has been sold to Promontoria and therefore the securities now vest in the new secured lender. The secured lender has agreed to the offer at £129,000

4.3 Preferential Creditors

4.3.1 There are no preferential creditors.

4.4 Unsecured Creditors

4.4.1 The estimated claims of non-preferential creditors are summarised as follows:-

Directors Loan	£103,652
----------------	----------

4.4.2 Based upon the current information there will be insufficient funds with which to make a dividend payment to ordinary creditors. The secured creditor has been paid the sum of £9,048.45. This sum is the net free proceeds from the sale of the commercial property.

5. Shareholders

5.1 There is no prospect of a return to shareholders. The shareholders should advise their tax advisers accordingly.

6. Administrators' Remuneration

We have drawn remuneration of £3,461.25 excluding VAT to date.

Time already written off to date amounts to £10,907.74. Remuneration has been agreed with the original lender on a fixed fee basis for the statutory work required. This part of the agreed fee has been drawn. In addition remuneration as a percentage of asset realisations including rental and the realisation of the residential properties has been agreed. The fee in relation to the sale of the commercial land has been drawn. The fee in relation to the sale of the 3 residential fees will be drawn once the sale is finalised.

An analysis of the Administrators' time costs and hourly charge out rates in accordance with the work undertaken during the six month period covered by this report is attached at Appendix I.

My firm's charging policy is based on time costs. Charge-out rates are determined by both qualification and experience of members of staff and can be summarised as follows:

	From 1 May 2017	Prior to 1 May 2017
• Partner	£350	£330
• Director	£275	£240
• Senior Manager	£240	£200
• Manager	£195	£165
• Other Senior Professionals	£150	£140
• Assistants and support staff	£70-£95	£65-90

**AA BB CC PROPERTIES LIMITED (IN ADMINISTRATION)
ADMINISTRATOR'S PROGRESS REPORT**

All rates are quoted per hour.

Any time incurred by staff of the firm will be charged to the case. Recoverable disbursements are split into two categories:

- Actual payments made on behalf of the assignment, such as statutory advertising costs, company search fees etc; and
- Charges which incorporate an element of recovery of overhead costs. These are categorised as Category 2 Disbursements and relate to:
 - Photocopying – 10p per page
 - Posts and Incidents
 - Mileage

Recoverable disbursements have been charged to the case and relate to photocopying (at 10p per sheet), postage (at first or second rate as appropriate) and mileage claims (paid at 45p per mile). All Category 2 Disbursements have to be approved by creditors before they can be drawn.

7. Receipts & Payments

I have enclosed a copy of my Receipts & Payments Account covering the period from 26 August 2017 to 25 February 2018

8. Closure

- 8.1.1** When the residential properties have been sold and the secured creditor paid the net free proceeds it is our intention to proceed with the closure of the administration as there are no further matters to be resolved.



Linda Barr

Joint Administrator

Partners and staff of French Duncan LLP acting as Administrators contract without personal liability.

Linda Barr is licensed in the UK to act as an Insolvency Practitioner by the Institute of Chartered Accountants of Scotland

19 March 2018

AA BB CC Properties Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs		From 26/08/2017 To 25/02/2018	From 26/08/2014 To 25/02/2018
£		£	£
	SECURED ASSETS		
270,000.00	Freehold Land & Property	NIL	20,500.00
	Capital Injection for renovations	NIL	10,860.00
		NIL	31,360.00
	COSTS OF REALISATION		
	Office Holders Fees	NIL	461.25
	Legal Fees	NIL	1,610.00
	Agents/Valuers Fees	288.00	3,038.00
	Other Property Costs	NIL	2,295.62
	Property Insurance costs	946.51	5,511.36
	Legal Fees - Extension application	NIL	335.00
	Renovation Costs	NIL	13,418.20
		-1,234.51	-26,669.43
	SECURED CREDITORS		
-336,000.00	Clydesdale Bank Plc	NIL	9,048.45
		NIL	-9,048.45
	ASSET REALISATIONS		
	3a Marshall's Lane - Rental Income	2,676.06	6,827.44
	3b Marshall's Lane - Rental Income	2,824.40	7,534.60
	3c Marshall's Lane - Rental Income	2,750.00	9,613.69
1.00	Furniture & Equipment	NIL	NIL
	Bank Interest Gross	0.18	0.61
	Bank Interest Net of Tax	NIL	1.46
	Petitioner's Costs	NIL	-1,090.00
		8,250.64	22,887.80
	COST OF REALISATIONS		
	3a - M'ment & Factor Fees	587.82	3,602.55
	3b M'ment & Factor Fees	1,440.81	4,210.73
	3c - M'ment & Factor Fees	464.40	2,773.05
	3a - Asset purchases	NIL	159.99
	3c - Asset Purchases	NIL	159.99
	Bordereau	NIL	123.60
	Administrator's Fees	NIL	1,500.00
	Company Search Fee	NIL	1.00
	Irrecoverable VAT	NIL	1,882.47
	Turnkey Case Management Fee	NIL	27.06
	Statutory Advertising	NIL	76.75
	Other Property Expenses	NIL	NIL
		-2,493.03	-14,517.19
	UNSECURED CREDITORS		
-103,652.72	Directors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
-2.00	Ordinary Shareholders	NIL	NIL
		NIL	NIL
-169,653.72		4,523.10	4,012.73

REPRESENTED BY

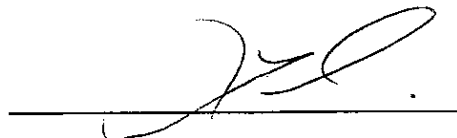
Fixed Current A/c

4,039.79

Accrual

-27.06

4,012.73



Linda Barr
Joint Administrator

AABCC PROPERTIES LIMITED - IN ADMINISTRATION

Time Summary From Period 26/08/2017 to 25/02/2018

Classification of work function	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner	Director	Manager	Other Senior Professionals	Administrator, Assistants & Support Staff	Total Hours	
Administration & Planning	0.10	0.00	0.00	1.20	0.50	1.80	141.11
Asset Realisation	0.20	0.00	10.50	0.10	0.00	10.80	241.20
Cashiering	0.40	0.00	0.00	0.00	4.30	4.70	94.68
Statutory Compliance	0.00	0.70	0.00	0.40	0.90	2.00	166.75
Total Hours	0.70	0.70	10.50	1.70	5.70	19.30	188.47
Disbursements							
					Postage	0.38	
					Photocopying	0.70	
					Mileage	0.00	
					Total Disbursements	1.08	

from 1 May 2017		Previous hourly Chargeable Rates	
Partner	£350	Partner	£330
Director	£275	Director	£275
Senior Manager	£240	Senior Manager	£240
Manager	£195	Manager	£195
Other Senior Professionals	£150	Other Senior Professionals	150
Administrator/Ass and Support staff	£70-95	Administrator/Ass and Support staff	£70-95