

AM10 (Scot)

Notice of administrator's progress report



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details	
Company number	S C 2 8 1 5 6 7	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	PPG Realisations Limited (previously known as Parsons Peebles Generation Limited)	
2	Administrator's name	
Full forename(s)	James	
Surname	Stephen	
3	Administrator's address	
Building name/number	2 Atlantic Square	
Street		
Post town	31 York Street	
County/Region	Glasgow	
Postcode	G 2 8 N J	
Country		
4	Administrator's name ①	
Full forename(s)	Mark	① Other administrator Use this section to tell us about another administrator.
Surname	Thornton	
5	Administrator's address ②	
Building name/number	Central Square	② Other administrator Use this section to tell us about another administrator.
Street	29 Wellington Street	
Post town	Leeds	
County/Region		
Postcode	L S 1 4 D L	
Country		

AM10 (Scot)

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 2	^m 0	^m 6	^y 2	^y 0	^y 2	^y 2
To date	^d 1	^d 1	^m 1	^m 2	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 1	^d 2	^m 0	^m 1	^y 2	^y 0	^y 2	^y 3
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AM10 (Scot)

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **James Stephen**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **+44 (0) 1512 374 500**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

PPG Realisations Limited (previously known as Parsons Peebles Generation Limited)
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 12/06/2022 To 11/12/2022 £	From 12/06/2020 To 11/12/2022 £
	ASSET REALISATIONS		
76,000.00	Plant & Machinery	NIL	180,000.00
	Records	NIL	1.00
55,000.00	Stock and Work in Progress	NIL	10,000.00
60,000.00	Book debts	NIL	59,995.00
	Customer contracts	NIL	1.00
109,000.00	Book debts - ENI Pakistan	NIL	NIL
1,584.00	Cash at Bank	NIL	1,535.74
	Funds received under Licence to Occu	NIL	37,136.33
	Goodwill	NIL	1.00
	Business Intellectual Property	NIL	1.00
	Interest Gross	34.36	73.40
	Systems	NIL	1.00
	Sundry Refunds	NIL	30,409.81
	Purchaser funds re post-sale costs	NIL	50,505.94
		<u>34.36</u>	<u>369,661.22</u>
	COST OF REALISATIONS		
	Registers of Scotland	NIL	15.00
	Administrators' Fees - pre-appointment	NIL	50,000.00
	Administrators' Fees	NIL	50,000.00
	Administrators' Disbursements	NIL	513.97
	ERA Solutions Limited	NIL	370.00
	Moorepay Limited	NIL	341.88
	Agents' Fees & Disbs	NIL	3,441.00
	Legal Fees & Disbs	2,667.50	40,506.77
	Legal Fees & Disbs - pre-appointment	NIL	3,431.78
	VAT Paid	NIL	250.00
	Retention Bonus	NIL	109,991.37
	Statutory Advertising	NIL	85.85
	Rents Payable	NIL	39,337.95
	Insurance	NIL	520.11
	Bank Charges	NIL	30.00
	IT Expenses	NIL	3,247.50
		<u>(2,667.50)</u>	<u>(302,083.18)</u>
	PREFERENTIAL CREDITORS		
	Pension Schemes	NIL	17,462.67
		NIL	<u>(17,462.67)</u>
	FLOATING CHARGE CREDTS		
(9,402,000.00)	AIB Group (UK) plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(5,332,109.42)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(500,002.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<u>(14,932,527.42)</u>		<u>(2,633.14)</u>	<u>50,115.37</u>
	REPRESENTED BY		
	Floating Current Account		19,645.83
	Vat Control Account		30,469.54
			<u>50,115.37</u>



PPG Realisations Limited (previously known as Parsons Peebles Generation Limited) In Administration

Joint Administrators' progress report from
12 June 2022 to 11 December 2022
dated 12 January 2023

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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'Act'	Insolvency Act 1986
'AIB' or 'Bank'	AIB Group (UK) plc
'HMRC'	HM Revenue & Customs
'Joint Administrators' or 'we'	James Stephen and Mark Thornton
'MDP' or 'the Shareholders'	MDP Fund LP (formerly Clyde Blowers Capital Fund III LP)
'net property'	Floating charge realisations after costs and payment of preferential creditors in full
'Period'	12 June 2022 to 11 December 2022
'preferential creditors'	Claims for unpaid wages earned in the four months prior to Administration up to £800, holiday pay and unpaid pension contributions in certain circumstances.
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'Proposals'	The Joint Administrators' statement of proposals for achieving the purpose of the Administration
'QFCH'	Qualifying Floating Charge Holder
'Report'	Prepared in accordance with Rules 3.93 and 3.94 of the Rules
'Rules'	Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018
'Sch.B1 to the Act'	Schedule B1 to the Act
'secured creditors'	Creditors whose debt is secured, in accordance with Section 248 of the Act
'the Company'	PPG Realisations Limited (previously known as Parsons Peebles Generation Limited)
'unsecured creditors'	Creditors who are neither secured nor preferential

KEY INFORMATION

Background

The Administration commenced on 12 June 2020 and Joint Administrators were appointed. The current Joint Administrators are James Stephen and Mark Thornton.

Francis Graham Newton retired from BDO LLP and was removed as Joint Administrator by an Interlocutor of the Court of Session dated 1 December 2022; and Mark Thornton was appointed replacement administrator in his place on 1 December 2022.

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

Purpose of the Report

This is the six month Report for the period from 12 June 2022 to 11 December 2022.

The main purpose of the Report is to provide you with an update on the progress of the Administration during the Period and to update you on the pursuit of the statutory purpose of the Administration.

The Report can be reviewed in conjunction with all other reports regarding this Administration, on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the anticipated outcome for creditors, based on our current understanding of the case. Please note these figures may be subject to change.

Class of creditor	Current estimate	Previous estimate
Secured creditors		
AIB ¹	Nil	Uncertain
MDP	Nil	Nil
Preferential creditors	100p in the £	100p in the £
Unsecured creditors ¹	Nil	Uncertain

1. The return to the secured and unsecured creditors was dependent on the recoverability of Pakistan withholding tax. As there is no prospect of recovery of the withholding tax there will be no return to the secured and unsecured creditors.

What creditors need to do

The purpose of the Report is to provide you with an update only and the creditors of the Company do not need to take any actions at this time.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Teddy Blankson
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH

Tel: +44 (0)151 237 4421
Email: BRCMTNorthandScotland@bdo.co.uk
Reference: 00330169

PROGRESS IN THE PERIOD

Asset realisations

The receipts and payments account attached at Appendix C details the asset realisations during the Period.

Interest Gross

Bank interest of £34 has been received during the Period for funds held in the Administration bank account.

The Company's remaining asset is Pakistan withholding tax which arose pre-appointment and is calculated to be c£110k. We have now received advice from BDO Pakistan confirming the validity of the withholding tax by the Pakistan tax authorities; and there is no prospect of further recoveries in this case.

As such, the asset realisations are now complete.

Distributions to creditors

Secured creditors

The secured creditors in the Administration are AIB and MDP. The Bank was owed £9.5m and the Shareholder was owed £7.2m at the date of appointment.

There is an inter-creditor agreement in place between the Bank and the Shareholder confirming the Bank as first ranking charge-holders and the Shareholder as second-ranking charge-holders. The Company is liable for the full Bank and Shareholder debt under a corporate cross-guarantee.

Based on present information, it is anticipated that the recovery on the intercompany debt will not be sufficient to generate a distribution to the Bank as first ranking charge-holder and that the Bank will suffer a shortfall on its lending. Therefore, there will be no recovery to MDP under its second-ranking charge.

Preferential creditors

A claim of £17,462.67 has been received from the Company's pension provider and was admitted for dividend purposes. This preferential claim has been paid in full.

Further preferential claims have been received from Unite the Union and Company employees for union and pension deductions which had not been paid over to the Union and to the pension provider prior to our appointment. We are finalising our adjudication of the preferential claims and will issue a Notice of Intended Dividend, accordingly. Based on present information, we anticipate that these preferential claims will be paid, in full, once we have completed our adjudication.

Prescribed Part

The value of the net property is NIL. As such, there will be no distribution to the unsecured creditors by way of the Prescribed Part.

Unsecured creditors

The recovery to unsecured creditors was dependent solely on the recoverability of the Pakistan withholding tax. As there is no prospect of recovery of the withholding tax, there will be no dividend to unsecured ordinary creditors in this case.

Other matters

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Administrators in this Administration.

We are continuing to pursue HM Revenue & Customs for the post-appointment VAT repayment due to the Company which now totals c£30k.

There have been no deviations to the Administrators Proposals.

Joint Administrators' remuneration

During the Period, time costs of £17,399 were incurred over 75 hours at an average rate of £232 per hour. No remuneration was drawn in the Period.

A detailed report of the time incurred by the Joint Administrators and a narrative of the work done during the Period is attached in Appendix D.

Joint Administrators' expenses

Expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

FUTURE ACTIONS

Extension of the Administration

The Administration is due to end on 11 June 2023.

The Joint Administrators do not currently consider that an extension to the Administration is required.

If an extension to the Administration is required approval will be sought by a court order.

Joint Administrators' discharge from liability

Approval will be sought prior to closure from the secured creditors and preferential creditors that the Joint Administrators be discharged from liability on the registration of the notice to move from Administration and the final progress report with the registrar of companies.

Remaining matters

We are currently finalising the adjudication and payment of preferential claims. We are also required to finalise the remaining Company tax and VAT returns and arrange for payment of any tax liabilities due to HM Revenue & Customs.

Once all costs of the Administration have been finalised and any tax liabilities due, we will draw our final approved fees, restricted to the level of the cash at bank.

As mentioned previously, we are seeking repayment of VAT for prior period returns dating back to the commencement of the Administration.

On completion of the above matters, we will file a Final Progress Report and exit the Administration by way of a dissolution in terms of Paragraph 84 of Sch.B1 to the Act.

APPENDIX A

STATUTORY INFORMATION

Information

Company name	PPG Realisations Limited (previously known as Parsons Peebles Generation Limited)
Company registration number	SC281567
Registered office	C/o BDO LLP, 2 Atlantic Square, 31 York Street, Glasgow, G2 8NJ
Court name and reference	Court of Session -P451/20
Date of appointment	12 June 2020
Appointor	The directors pursuant to Paragraph 22 of Sch.B1 to the Act
Joint Administrators	<p>James Stephen Mark Thornton</p> <p><i>Under the provisions of paragraph 100(2) of Sch.B1 to the Act the Joint Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.</i></p> <p>Francis Graham Newton retired from BDO LLP and was removed as Joint Administrator by an Interlocutor of the Court of Session dated 1 December 2022; and Mark Thornton was appointed replacement administrator in his place on 1 December 2022.</p>
Joint Administrators' address	BDO LLP, 2 Atlantic Square, 31 York Street, Glasgow, G2 8NJ
Data Control and GDPR	James Stephen and Mark Thornton are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales in the UK. The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Administration of PPG Realisations Limited (previously known as Parsons Peebles Generation Limited). Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notices/insolvencies
Extensions to the Administration	<p>Extended from 12 June 2021 to 11 June 2022 by Creditors</p> <p>Extended from 12 June 2022 to 11 June 2023 by Court</p>

APPENDIX B

CREDITORS' RIGHTS

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Administrators' Fees' and information on the rights, duties and functions of a creditors' committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Administration. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

PPG Realisations Limited (previously known as Parsons Peebles Generation Limited)
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 12/06/2022 To 11/12/2022 £	From 12/06/2020 To 11/12/2022 £
	ASSET REALISATIONS		
76,000.00	Plant & Machinery	NIL	180,000.00
	Records	NIL	1.00
55,000.00	Stock and Work in Progress	NIL	10,000.00
60,000.00	Book debts	NIL	59,995.00
	Customer contracts	NIL	1.00
109,000.00	Book debts - ENI Pakistan	NIL	NIL
1,584.00	Cash at Bank	NIL	1,535.74
	Funds received under Licence to Occu	NIL	37,136.33
	Goodwill	NIL	1.00
	Business Intellectual Property	NIL	1.00
	Interest Gross	34.36	73.40
	Systems	NIL	1.00
	Sundry Refunds	NIL	30,409.81
	Purchaser funds re post-sale costs	NIL	50,505.94
		<u>34.36</u>	<u>369,661.22</u>
	COST OF REALISATIONS		
	Registers of Scotland	NIL	15.00
	Administrators' Fees - pre-appointment	NIL	50,000.00
	Administrators' Fees	NIL	50,000.00
	Administrators' Disbursements	NIL	513.97
	ERA Solutions Limited	NIL	370.00
	Moorepay Limited	NIL	341.88
	Agents' Fees & Disbs	NIL	3,441.00
	Legal Fees & Disbs	2,667.50	40,506.77
	Legal Fees & Disbs - pre-appointment	NIL	3,431.78
	VAT Paid	NIL	250.00
	Retention Bonus	NIL	109,991.37
	Statutory Advertising	NIL	85.85
	Rents Payable	NIL	39,337.95
	Insurance	NIL	520.11
	Bank Charges	NIL	30.00
	IT Expenses	NIL	3,247.50
		<u>(2,667.50)</u>	<u>(302,083.18)</u>
	PREFERENTIAL CREDITORS		
	Pension Schemes	NIL	17,462.67
		NIL	<u>(17,462.67)</u>
	FLOATING CHARGE CREDTS		
(9,402,000.00)	AIB Group (UK) plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(5,332,109.42)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(500,002.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<u>(14,932,527.42)</u>		<u>(2,633.14)</u>	<u>50,115.37</u>
	REPRESENTED BY		
	Floating Current Account		19,645.83
	Vat Control Account		30,469.54
			<u>50,115.37</u>

APPENDIX D

JOINT ADMINISTRATORS' REMUNERATION

The Joint Administrators' remuneration has been approved on a time costs basis.

Time costs of £17,399 have been incurred during the Period and a breakdown is detailed below together with details of the work undertaken.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs £	Av. Rate £
Steps on appointment				1.30			1.30	287.30	221.00
Planning and strategy			4.55	0.80			5.35	2,005.90	374.93
General administration	0.55		6.70	13.40	8.05	13.55	42.25	8,788.75	208.02
Asset realisation/dealing			0.70	5.15			5.85	1,492.55	255.14
Employee matters				1.05			1.05	232.05	221.00
Creditors' claims			1.45	2.85		2.00	6.30	1,300.55	206.44
Reporting	0.05		5.90	2.55	4.35		12.85	3,292.00	256.19
TOTAL	0.60		19.30	27.10	12.40	15.55	74.95	17,399.10	232.14

Details of the work undertaken in the Period is detailed below.

Planning and strategy

- Reviewing case strategy and preparing file note re same
- Reviewing case files and completing internal case review forms
- Team strategy meetings and related discussions
- Updating estimated outcome statement

General administration

- Reviewing and regularising affairs regarding Insurance, VAT, and taxation
- Preparation of corporation tax return, associated admin and discussions
- Liaising with our tax department and dealing with follow up queries for preparation of company tax returns and computations
- Ongoing correspondence with HMRC re outstanding VAT repayments
- Discussions regarding VAT deregistration and preparing information for VAT group disbandment
- Submission of VAT group disbandment/deregistration
- Administration in respect of the preparation of the previous six-month report
- Engaging and liaising with BDO Pakistan re Pakistan withholding tax
- Preparing reports on Receipts & Payments, ensuring appropriate approval of all costs including approval of remuneration and matching costs of specialists against their expense estimates, dealing with statutory and regulatory matters
- Preparing correspondence and notices for decision procedure for approval of BDO Pakistan costs and reporting thereafter

- Preparing statutory documentation for replacement of Joint Administrator
- General administrative matters, basic enquiries and internal meetings
- Managing all statutory and regulatory administration matters
- All cashiering functions, including bank reconciliations, reconciling receipts and processing payments
- Ongoing maintenance and reconciliation of the Administration bank account and other cashiering functions
- Preparation and completion of internal reviews

Asset realisation/dealing

- Review of rent control account and arrange for refund to purchaser
- Liaising internally and with BDO Pakistan regarding terms of engagement and costs
- Agreeing engagement letter with BDO Pakistan
- Review of files and follow up correspondence with purchaser regarding follow up information required by BDO Pakistan
- Monitoring timescale for response from BDO Pakistan
- Various calls, emails and discussions in respect of the above matters

Employee matters

- Dealing with enquiries from various employees

Creditor claims

- Processing of creditors' claim forms and entering onto IPS
- Receiving and recording all creditor claims
- Identifying whether additional supporting evidence is necessary from the creditor
- Reviewing the validity of all claims submitted by creditors alleging they have security rights which would afford them a higher priority when funds are distributed
- Considering and checking and recording all preferential claims, considering and checking and recording all unsecured creditor claims and identifying any claims which might be categorised as deferred claims
- Adjudicating on creditor claims
- Dealing queries from creditors
- Reporting to preferential creditors and seeking a decision procedure

Reporting

- *Statutory reporting to stakeholders concerning the extension of the administration*
 - *Statutory reporting to stakeholders regarding decision procedures for remuneration approval*
 - *Preparing the previous six-month progress report to creditors regarding the progress achieved and outstanding matters*
 - *Administration in relation to the report being filed at the Court and Companies House*
 - *Preparation of Receipts & Payments Accounts*
-

The current charge out rates per hour of staff within the firm who may be involved in working on the Administration are as follows:

Grade	£
Partner	575-690
Director	386-483
Senior Manager	322-402
Manager	176-294
Senior Executive	141-205
Executive	86-108
BDO LLP Tax department (max)	1208

Cumulative time incurred

Total time costs £171,939 have been incurred over the course of the Administration to 11 December 2022 as detailed below. The Joint Administrators have drawn remuneration of £50,000.00 (exclusive of VAT) in line with the approval obtained of £69,164, for the period 12 June 2020 to 25 September 2020.

Activity	Hours	Average Rate £	Time costs £
Steps on appointment	40.75	240.08	9,783.45
Planning and strategy	27.40	314.09	8,606.00
General administration	315.15	211.92	66,785.60
Asset realisation/dealing	85.30	336.39	28,694.15
Trading related matters	0.00	0.00	0.00
Employee matters	51.40	216.59	11,132.55
Creditors' claims	148.35	224.84	33,355.55
Reporting	50.60	267.24	13,522.15
Distribution and closure	0.10	591.00	59.10
TOTAL	719.05	239.12	171,938.55

APPENDIX E

JOINT ADMINISTRATORS' EXPENSES

The Joint Administrators' expenses incurred and paid are detailed below.

		Incurring in Period 12/06/2022 to 11/12/2022 £	Total Incurred 12/06/2020 to 11/12/2022 £	Total Paid 12/06/2020 to 11/12/2022 £
Category 1				
Registers of Scotland	-	-	15.00	15.00
Administrators' Fees - pre-appointment	-	-	50,000.00	50,000.00
ERA Solutions Limited	-	-	370.00	370.00
Moorepay Limited	-	-	341.88	341.88
Agents' Fees & Disbs	-	-	3,441.00	3,441.00
Legal Fees & Disbs ¹	-	2,667.50	40,506.77	40,506.77
Legal Fees & Disbs - pre-appointment	-	-	3,431.78	3,431.78
VAT Paid	-	-	250.00	250.00
Retention Bonus	-	-	109,991.37	109,991.37
Statutory Advertising	-	-	85.85	85.85
Rents Payable	-	-	39,337.95	39,337.95
Insurance	-	-	520.11	520.11
Bank Charges	-	-	30.00	30.00
IT Expenses	-	-	3,247.50	3,247.50
*Statutory Bonding	-	-	200.00	100.00
*External Printing and Postage	-	-	328.12	328.12
*Statutory Advertising	-	-	85.85	85.85
*Recovery of books and records	-	-	26.94	0.00
Category 2				
Mileage	-	-	-	-

*included within disbursements on the attached receipts and payments account.

1. Addleshaw Goddard LLP has been instructed to make an application to the Court of Session for the extension of the Administration. Addleshaw Goddard LLP were selected due to knowledge and expertise.

The other expenses shown are self-explanatory.

