

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company Mountgrange Land Limited

Company number 04401506

In the Royal Court of Justice (full name of court)

Court case number 12356/2009

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

I/We (a)
John Charles Reid
Deloitte LLP
Lomond House
9 George Square
Glasgow
G2 1QQ

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

(b) Insert date

From (b) 24 September 2010

To (b) 23 March 2011

Signed


Joint / Administrator(s)

Dated

21/4/11

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

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SATURDAY



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23/04/2011
COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

**Mountgrange Land Limited
Mountgrange Stud Limited
Mountgrange Farms and Stables Limited**

**Case No. 12356 of 2009
Case No. 12352 of 2009
Case No. 12357 of 2009**

- All In Administration (“the Companies”)

**SIX MONTHLY PROGRESS REPORT TO CREDITORS
PURSUANT TO RULE 2.47 OF THE INSOLVENCY RULES 1986 (AS AMENDED)**

21 April 2011

This report has been prepared for the sole purpose of advising the Creditors. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by Creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.

John C Reid and Carlton M Siddle of Deloitte LLP were appointed Joint Administrators of the Companies on 23 March 2009. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners.

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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used

"the Act"	The Insolvency Act 1986 (as amended)
"The Rules"	The Insolvency Rules 1986 (as amended)
"Administrators or Joint Administrators"	John Charles Reid and Carlton Malcolm Siddle of Deloitte LLP
"the Bank"	Bank of Scotland plc
"Directors"	Martin Trevor Myers and Stephen Corner
"the Group"	the Mountgrange Land Group and the Mountgrange Capital Group
"Land Limited"	Mountgrange Land Limited
"the Mountgrange Capital Group"	Mountgrange Capital Plc, Mountgrange Limited, Mountgrange (Delphi) Limited, Mountgrange (St Helens) Limited, Mountgrange (Property Holdings) Limited, Mountgrange (Maidstone) Limited, Mountgrange (Linwood) Limited, Mountgrange (Hove) Limited, Mountgrange (Renaissance House) Limited, Mountgrange (New Street) Limited, Mountgrange (Carltongate) Limited and Residential Pensions Scotland Limited
"Stud"	Mountgrange Stud Limited
"Farms & Stables"	Mountgrange Farms and Stables Limited
"the Companies" or "the Land Group"	Mountgrange Land Limited, Mountgrange Stud Limited and Mountgrange Farms and Stables Limited
"RPO"	The Redundancy Payments Office
"ROT"	Retention of Title
"PP"	The Prescribed Part of the Companies net property subject to s176A of The Insolvency Act 1986 (as amended)
"QFCH"	Qualifying Floating Charge Holder
"SIP"	Statement of Insolvency Practice

1. INTRODUCTION

1.1 Introduction

This report has been prepared in accordance with Rule 2.47 of The Rules to provide creditors with an update on the progress of the Administrations of the Companies since our previous reports to creditors dated 19 May 2009, 23 October 2009, 22 April 2010 and 19 October 2010

Given the information previously provided to creditors in our first report, we have not included detailed background information in respect of the Companies and have focused instead on the progress of the Administrations

The Administrators' proposals as deemed approved following the issue of a notice under Paragraph 52(1) of Schedule B1 of the Act on 2 June 2009 and the expiry of 12 days thereafter are detailed in section 2.1 below

On the basis that there remained unrealised assets of the Company which were not sold before 23 March 2010, the one year anniversary of the Administration, the Administrators submitted an application to the Court seeking to extend the period of the Administrations by 24 months, in terms of Paragraph 76(2)(a) of Schedule B1 of the Act. This is discussed further at section 5.1 below

Summaries of Statutory Information in respect of the Companies is attached at Appendix I

1.2 Details of the appointment of the Administrators

John Reid and Carlton Siddle of Deloitte LLP were appointed Joint Administrators of the Companies by the Directors on 24 March 2009

The Court of the proceedings is High Court of Justice and the case numbers are 12356 of 2009 for Land Limited, 12352 of 2009 for Stud and 12357 of 2009 for Farms & Stables

For the purposes of Paragraph 100(2) of Schedule B1 of the Act, the Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally

2. THE ADMINISTRATORS' PROPOSALS

2.1 Introduction

As previously reported to creditors the Companies had significant secured and unsecured creditor liabilities and therefore a restructuring of their creditors would have been required to meet the first objective. It was apparent that there were insufficient ascribed value by 3rd parties in order to affect a restructuring of the Companies considerable debt and the Administrators concluded, that the first option was not possible to achieve. Therefore, the Administrators concluded that the objective of the Administrations to be pursued was that of achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up without first being in Administration.

The Administrators' proposals in order to achieve this objective, which were approved by the creditors of the Companies' on 2 June 2009 are as follows:

STATEMENT OF PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (as amended)

- 1 the Administrators continue to manage the affairs and any remaining assets of the Companies and the settlement of all Administration expenses,
- 2 the Administrators continue with their enquiries into the conduct of the Directors of the Companies and continue to assist any regulatory authorities with their investigation into the affairs of the Companies,
- 3 the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against each of the Companies unless the Administrators conclude, in their reasonable opinion, that the Companies will have no assets available for distribution,
- 4 the Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application,
- 5 that, in the event the creditors of each Company so determine, at meetings of creditors, a Creditors' Committee be appointed in respect of each or any Company comprising of not more than five and not less than three creditors of that Company or Companies,
- 6 that, in respect of each Company, the Creditors' Committee, if one is appointed, shall be asked to agree that the Administrators' fees be fixed by reference to the time given in attending to matters arising in the Administrations and asked to agree the Administrators' expenses,
- 7 that, if a Committee is not appointed at a meeting of creditors, the meeting of creditors' shall be asked to agree the Administrators' fees as well as the Administrators' expenses to be drawn from the Companies' assets and that the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte LLP at the time when the mileage is incurred (presently up to 45p per mile),
- 8 that, if a Creditors' Committee is not appointed, the secured and preferential creditors of each Company shall be asked to agree the Administrators' fees, in accordance with Rule 2.106(5A)(a), by reference to the time given in attending to matters arising in the Administration and that the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte LLP at the time when the mileage is incurred (presently up to 45p per mile),

- 9 that, following the realisation of assets and resolution of all matters in the Administrations, and as quickly and efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Companies or alternatively, seeking to put each or any of the Companies into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors,
- 10 that, if each or any of the Companies were to be placed into CVL, the Administrators propose to be appointed Liquidators and any Creditors' Committees appointed will become Liquidation Committees pursuant to R4 174 of the Rules. As per paragraph 83(7) of Schedule B1 of the Act and R2 117 (3) of the Rules, the creditors may nominate a different person to be Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purposes of s231 of the Act the Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally,
- 11 in the absence of Creditors' Committees, the secured and preferential creditors (to the extent that they exist) of each Company shall be asked to agree that the Administrators be discharged from liability per paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators' filing their final report to creditors

2.2 Progress on and achievement of the approved proposals

We have summarised below the progress and current status in respect of each of the approved proposals. The progress is consistent across the Land Group -

Proposal	Current status in respect of the Companies
1	Ongoing
2	Completed Returns sent 15 01 10
3	Ongoing
4	Ongoing
5	Not Applicable No Committee appointed
6	Not Applicable No Committee appointed
7	Not Applicable
8	Ongoing Fees being approved by preferential and secured creditors as appropriate
9	Ongoing/To be confirmed
10	Ongoing
11	Ongoing

Further information in respect of realisation of assets, the status of liabilities and the estimated outcome for creditors is contained in the following section of this report

Please note there have been no revisions to the proposals stated in the aforementioned report

3. JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNTS

3.1 Introduction

Attached at Appendix II is a Joint Administrators' Abstract of Receipts and Payments account for each Company, covering the period from 24 March 2009, the date of the Administrators' appointment to 23 March 2011, together with details of the transactions in the interim period, 24 September 2010 to 23 March 2011, in accordance with SIP 7

The Administrators have determined that the disclosure of an estimate of the realisable value of certain of the Companies' assets would seriously prejudice the commercial interests of the Companies. Accordingly pursuant to Rule 2.33(3) of IR86 this information was not disclosed in the Administrators Proposals and is not disclosed in this progress report

In this section, we have summarised the main asset realisations during the 6 month period and an estimation of those assets yet to be realised in respect of each Company

3.2 Asset realisations

The principal realisable assets held by the Land Group which were realised during the 6 month period are -

- shares in Cashcade Limited,
- an indirect shareholding in a Malaysian hotel,
- Bloodstock, and
- Horse Training Facilities and Land Assets

Land Limited also held shares in a number of dormant companies none of which are listed here as they have no realisable value

Land Limited

Cashcade Limited

Land Limited held a 17.4% interest in Cashcade whose principal activity was the operation of online bingo and casinos

Following our appointment, Jefferies, the American investment bank continued with their instruction to broker the sale of 100% of the share capital of Cashcade

Following an extensive marketing process a deal was concluded with Party Gaming of £96 million which could result in realisations of up to £16.6 million for the Company's 17.4% holding in Cashcade. This is made up as follows

- £11.7 million net proceeds received on 24 July 2009,
- a further £1.1 million payable 30 days after completion as part of a working capital adjustment mechanism based on an estimated working capital surplus of £6.6 million, this was received in September 2009, and
- further payments of up to £3.8 million on the basis that targeted EBITDA levels for 2009 and 2010 are achieved

The first two elements totalling £12.8m have been received. A further sum of £1.1m was received in May 2010 under the earn-out based on 2009 EBITDA. Amounts due, if any, under the 2010 EBITDA earn-out will be paid by mid May 2011. Following receipt of the final earn-out in April 2011, we expect to be in a position to determine the final outcome to creditors in the Group.

Malaysian Hotel

Land Limited held a 25% holding in EHC (Malaysia) Limited, which subsequently owns 10% of Kingdom Langkawi BV. The principal asset of Kingdom Langkawi BV is the Four Seasons Resort, Langkawi, Malaysia.

The remaining 75% of the shares in EHC (Malaysia) Limited are owned by EHC International Limited which is in turn owned by Sir Robert McAlpine Enterprises Limited (50%), Emarel Services (Overseas) SA (45%) and Mr David Rowe-Beddoe of Kilgetty (5%).

There are restrictions on our ability to dispose of the shares and our ability to call on the shareholder loan. We entered into negotiations with EHC International Limited as regards a potential sale of the interest to the existing shareholders. An initial offer of £250k was received in respect of the shareholding and outstanding loan. Following negotiations, this offer was increased to £450k. The Administrators accepted the offer and the sale was completed on 30 September 2010. No further realisations will be forthcoming in relation to this asset.

Stud

Bloodstock

As at the date of appointment, Stud owned a significant quantity of bloodstock which was being maintained by trainers who held liens over the horses in respect of unpaid fees. We instructed two independent valuers, Tattersalls Limited and Doncaster Bloodstock Sales Limited, to provide valuations of the horses. The average of the two valuations was £630k.

Following their appointment, the Administrators identified an opportunity to enter the bloodstock at the Tattersalls' Guineas Breeze Up sale on 1 May 2009. The Administrators entered the majority of the bloodstock into the sale which resulted in total sales of £855k, of which approximately £40k was held in a third party escrow account pending disputes over ROT. All ROT claims have now been dealt with, and a surplus of £19k is now due to be paid back to the Administration Bank account in April 2011.

The Administrators have realised a further £68k in regards to the Hanley Horses which were not included in the bloodstock sales.

£155k was raised in the sale of the Searchers Syndicate in which the Company held an 18.2% share.

Other asset realisations to date are minimal and are detailed in the attached Receipts and Payments account at Appendix II.

Farms and Stables

Horse Training Facilities and Land Assets

Following the sale of Kingsdown House, the only other assets that remained to be realised in Farms and Stables were the debtors, which the Administrators have to date recovered £24k, £10.8k of which was received in the 6 month period. We do not anticipate any further recoveries at this stage.

Other realisations relate to gallops fees of approximately £15k and other minimal realisations which are detailed in the attached Receipts and Payments account at Appendix II.

4. DISTRIBUTIONS TO CREDITORS

4.1 Secured creditors

The Companies' Bank debt at the date of the appointment of the Administrators, can be summarised as follows

	£m
Term loan facility	20.7
Net cash balances	<u>(0.5)</u>
	<u>20.2</u>

The above figures are inclusive of £8.2m of Martin Myers personal debt that has been guaranteed by the Group. The above figures have been confirmed by the Bank as at the date of appointment and a cross guarantee exists between each of the Companies.

4.2 Preferential creditors

Preferential claims relating to employee deductions are expected to be submitted by the RPO in Farms and Stables. We do not anticipate that there will be funds available from floating charge assets for distribution to preferential creditors in Farms and Stables Land Limited and Stud had no employees and therefore there will be no preferential claim in those Companies.

4.3 Prescribed Part ("PP")

By virtue of Section 176A (2)(a) of the Act, the Administrators must make a PP of the Companies net property available for the satisfaction of unsecured debts. Net property is the amount of the Companies' property which would, but for this section, be available for the holders of floating charges created by the Companies.

The value of the PP cannot exceed £600k per Company.

For certain of the Companies in Administration, it may be necessary to make an application to court to disapply the PP under Section 176A(5) of the Act where the cost of making a PP distribution is deemed to be disproportionate to the benefits.

4.4 Unsecured creditors

The unsecured creditors' positions for the Land Group as at 24 March 2009 per the Directors' Statements of Affairs (excluding any shortfall to floating charge holders) is summarised in the table below

	£000
Land Limited	611
Stud Limited	8,693
Farms & Stables Limited	<u>4,363</u>
	<u>13,667</u>

After discharging the costs of the Administration, there will be insufficient realisations from fixed charge and floating charge assets to fully repay the Bank

Accordingly, no funds will be available to pay a dividend to the unsecured creditors other than the PP

These figures include intercompany debts of £12,965k

5. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

5.1 Extensions to the initial appointment period

In accordance with the provisions of the Act incorporated by the Enterprise Act 2002, all Administrations automatically come to an end after one year, unless an extension is granted by the Court or with consent of the creditors. An extension was granted on 22 March 2010 for a period of 24 months to 23 March 2012 in respect of all Companies.

5.2 Investigations

All investigations into the conduct of the Directors of the Companies has now been completed and a report has been submitted to the Department for Business, Innovation & Skills on 15 January 2010.

5.3 Exit

The exit routes available to the Administrators were detailed in the Administrators' Report and Proposals dated 19 May 2009.

Following realisation of the remaining assets and conclusion of the Administration, it is anticipated that the Administrators will file notices with the Court and Companies House stating that the purpose of the Administration has been sufficiently achieved and request the dissolution of the Company.

5.4 SIP 13 – Transactions with connected parties

In accordance with SIP Number 13, we confirm that there have been no transactions with connected parties in the period.

5.5 EC Regulations

As stated in the Administration Order in respect of each Company, Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

6. JOINT ADMINISTRATORS' FEES AND EXPENSES

6.1 Joint Administrators' Fees

There were no funds available to the unsecured creditors other than by virtue of Section 176A(2)(a) of the Act, therefore, fixing of the Administrators' remuneration was approved in accordance with Rule 2.106 of the Rules, which is outlined as follows

- Where the Administrators have made a statement under Paragraph 52(1)(b) of Schedule B1 of the Act the Administrators' remuneration may be fixed by the approval of
 - each secured creditor, or
 - if the Administrators intend to make a distribution to preferential creditors, with the approval of each secured creditor and 50% of preferential creditors who respond to an invitation to consider approval

The total time incurred to 15 December 2010 being the date last billed, total hours charged and average hourly rate for each Company is shown below

Company	Total time incurred	Total Hours Charged	Average Hourly Rate
Land Limited	316,671.65	743.45	426
Stud	259,393.65	831.30	312
F&S	413,722.25	1119.65	370
	989,787.55	2694.40	367.35

The Administrators have drawn fees of £185,288 in Land Limited, £191,373 in Stud and £273,397 in Farms and Stables against total time costs in the Land Group of £989,787

An analysis of time costs and expenses incurred to 15 December 2010 for the Land Group is detailed at Appendix 3

"A Creditors' Guide to Administrators' Remuneration" is available for download at

http://www.r3.org.uk/media/documents/technical_library/SIPS/SIP%209%20E&%20W%20INTER.pdf

Should you require a paper copy, please send your request in writing to the Administrators at the address on the front of this report and this will be provided to you at no cost

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashing and accounting
- **Creditors** includes set-up of creditor records, creditor communications, preferential claims, unsecured claims, secured and employee claims
- **Realisation of assets** includes identifying, securing and insuring assets, sale of business, transition of contracts, property issues, disposal of stocks, collection of debts, realisation of other fixed assets and VAT and taxation matters

- **Trading** includes planning, identifying strategy, preparation of trading forecasts, monitoring of performance against the forecasts, managing operations, dealing with supplier and landlord issues to ensure continuity of operations, accounting and employees (including pensions and other staff benefits)

6.2 Disbursements

The Administrators' direct disbursements in the Administrations of the Land Group are as follows

Nature of disbursement	Total (£)
Travel	3,608 86
Subsistence	724 08
Business Telephone	43 76
Accommodation	78 39
Couriers	320 43
Postage	76 81
Total	4,852 33

Note that Deloitte policy is to seek approval of both Category 1 and 2 disbursements and therefore there is no need to distinguish between the two. Disclosure is required where we have incurred Category 2 expenses such as mileage and internal copying.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

6.3 Charge out rates

The range of charge out rates for the separate categories of staff is based on our 2010 and 2011 charge out rates as summarised below. Manager rates include all grades of assistant manager.

Grade	2011 £	2010 £
Partners/Associate Partners/Directors	560 to 895	535 to 895
Managers	280 to 670	265 to 640
Assistants and Support Staff	175 to 280	165 to 265

For time incurred prior to 2010, the time incurred will fall outwith these bands, but such bands have been provided in earlier reports.

The above bands are specific to the Reorganisation Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Finance or Drivers Jonas Deloitte may be required on the case. These departments may charge rates that fall outside the Reorganisation Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Reorganisation Services department bands.

All partners and technical staff (including cashiers) assigned to the case record their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case, based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

With effect from 1 January 2011, charge out rates were increased by an average 5% and the charge out rate bandings have been amended, where applicable, to reflect this change.

6.4 Other professional costs

As previously advised, Shepherd & Wedderburn LLP were instructed by the Administrators to advise on appropriate legal matters across the Land Group. In addition, Go Industry, a firm of valuers, were instructed by the Administrators in respect of Farms and Stables, to undertake inventories and valuations of stock, plant and equipment, fixtures and fittings and other chattel assets where appropriate.

Tattersalls Limited and Doncaster Bloodstock Sales Limited were also engaged to value and sell the bloodstock in Stud. Barnes Roffe LLP were instructed to carry out payroll functions in Farms & Stables and assist with the preparation of the Statement of Affairs across the Land Group. Blake Laphorn LLP were engaged in the sale of the business and assets of Farms & Stables.

The professional costs for the Land Group to date are summarised in the table below. All professional costs are reviewed and analysed before payment is approved. These costs have all been paid in full.

Name of lawyer/agent	NET £	VAT £	GROSS £
Shepherd & Wedderburn LLP	148,633.63	23,277.09	171,910.72
Tattersalls Limited	46,522.75	6,981.40	53,504.15
Barnes Roffe LLP	3,800.00	576.25	4,376.25
Doncaster Bloodstock Sales Limited	3,240.00	486.00	3,726.00
Go Industry	1,600.00	240.00	1,840.00
Blake Laphorn LLP	151,487.50	22,767.40	174,254.90
Total	355,283.88	54,328.14	409,612.02

MOUNTGRANGE LAND LIMITED
(IN ADMINISTRATION)
SUMMARY OF STATUTORY INFORMATION

Company name	Mountgrange Land Limited – In Administration
Previous names	N/A
Court Proceeding – In Administration	Royal Court of Justice
Court Reference	12356 of 2009
Date of Appointment	24 March 2009
Joint Administrators	John C Reid & Carlton M Siddle Deloitte LLP Lomond House 9 George Square Glasgow G2 1QQ
Appointed by	The Directors of the Company (under paragraphs 22-34 of Schedule B1 of the Insolvency Act 1986 (as amended))
Company number	04401506
Incorporation date	22 March 2002
Registered office	c/o Deloitte LLP Lomond House 9 George Square Glasgow G2 1QQ
Ordinary issued and called up share capital	200 Ordinary Shares
Shareholders	Martin Myers – 200 Ordinary Shares
Directors @ date of Appointment	Martin Myers Stephen Corner
Company secretary	Nicholas Berry
Bankers	Bank of Scotland plc
Auditors	Brett Adams 25 Manchester Square London, W1V 3PY

MOUNTGRANGE STUD LIMITED
(IN ADMINISTRATION)
SUMMARY OF STATUTORY INFORMATION

Company name	Mountgrange Stud Limited – In Administration
Previous names	N/A
Court Proceedings – In Administration	Royal Court of Justice
Court Reference	12352 of 2009
Date of Appointment	24 March 2009
Joint Administrators	John C Reid & Carlton M Siddle Deloitte LLP Lomond House 9 George Square Glasgow G2 1QQ
Appointed by	The Directors of the Company (under paragraphs 22-34 of Schedule B1 of the Insolvency Act 1986 (as amended))
Company number	03560526
Incorporation date	8 May 1998
Registered office	c/o Deloitte LLP Lomond House 9 George Square Glasgow G2 1QQ
Ordinary issued and called up share capital	2 Ordinary Shares
Shareholders	Mountgrange Land Limited – 2 Ordinary Shares
Directors @ date of Appointment	Martin Myers Stephen Corner
Company secretary	Nicholas Berry
Bankers	Bank of Scotland plc
Auditors	Brett Adams 25 Manchester Square London, W1V 3PY

MOUNTGRANGE FARMS & STABLES LIMITED

(IN ADMINISTRATION)

SUMMARY OF STATUTORY INFORMATION

Company name	Mountgrange Farms & Stables Limited – In Administration
Previous names	N/A
Court Proceedings – In Administration	Royal Court of Justice
Court Reference	12357 of 2009
Date of Appointment	24 March 2009
Joint Administrators	John C Reid & Carlton M Siddle Deloitte LLP Lomond House 9 George Square Glasgow G2 1QQ
Appointed by	The Directors of the Company (under paragraphs 22-34 of Schedule B1 of the Insolvency Act 1986 (as amended))
Company number	03122354
Incorporation date	6 November 1995
Registered office	c/o Deloitte LLP Lomond House 9 George Square Glasgow G2 1QQ
Ordinary issued and called up share capital	100 Ordinary Shares
Shareholders	HSDL Nominees Limited – 100 Ordinary Shares
Directors @ date of Appointment	Martin Myers Stephen Corner
Company secretary	Nicholas Berry
Bankers	Bank of Scotland plc
Auditors	Brett Adams 25 Manchester Square London, W1V 3PY

Mountgrange Land Limited (In Administration)			
Joint Administrators' Abstract Receipts and Payments Account for Period 24 March 2009 to 23 March 2011			
RECEIPTS	Statement of Affairs Estimated to Realise (£)	Interim Period 24/09/10 to 23/03/11 (£)	Cumulative to date (£)
Shareholding Malaysia Hotel	500,000 00	450,007 40	450,007 40
Other Realisations			386 97
Other Debtors			300 00
Shares & Investments	15,015,000 00		14,152,818 17
Uncalled Share Capital			42,348 66
Bank Interest Gross		2,183 41	11,907 72
Buxstat Investments I/C Settlement			45 00
		452,190.81	14,657,813 92
PAYMENTS			
Professional Fees			2,250 00
Administrators' Fees		52,526 00	185,228 33
Administrators' Expenses			824 83
Legal Fees (1)		11,429 50	65,622 27
Legal Fees (2)			250,263 73
Distribution to Bank			13,349,510 83
		63,955 50	13,853,699 99
Balance		388,235 31	804,113 93
REPRESENTED BY			
Vat Receivable			40,925 43
Floating IB A/C			527,458 82
Intercompany Mountgrange Delphi Ltd			2,174 86
Intercompany Residential Penslons Ltd			2,678 33
Intercompany St Helens			21,096 43
Intercompany Mountgrange Property Holdings			489 53
Intercompany Renaissance Limited			521 30
Intercompany Mountgrange Capital Ltd			40,380 10
Intercompany Mountgrange Linwood Ltd			23,169 15
Intercompany Mountgrange Maidstone Ltd			27,388 41
Intercompany Mountgrange Caltongate Ltd			104,709 69
Intercompany Mountgrange Hove Ltd			5,810 16
Intercompany Mountgrange New Street Ltd			7,311 72
			804,113 93

Mountgrange Stud Limited (In Administration)			
Joint Administrators' Abstract Receipts and Payments Account for Period 24 March 2009 to 23 March 2011			
RECEIPTS	Statement of Affairs Estimated to Realise (£)	Interim Period 24/09/10 to 23/03/11 (£)	Cumulative to date (£)
Book Debts			1,729 27
VAT Refund	48,899 00		11,192 25
Insurance Refund			4,655 89
Bloodstock Sales Proceeds	1,685,000 00	154,577 20	1,092,469 08
Bank Interest Gross		918 12	3,844 67
		155,495 32	1,113,891.16
PAYMENTS			
Insurance			12,373 27
Lien Payments			263,984 88
C Kilgour Expenses			3,453 75
Training Fees			110,815 34
British Horse Racing Authority Fees			2,564 06
Searchers Partnership Fees			12,871 68
Dispersal Sale Expenses			32,467 58
Tattersalls Entry Fees & Commission			46,402 75
Administrators' Fees		12,585 00	191,375 00
Administrators' Expenses			1,564 06
Agents/Valuers Fees			4,785 00
Legal Fees		1,500 00	47,977 93
Bank Charges			260 00
Debit Interest			113 78
		14,085.00	731,009.08
Balance		141,410.32	382,882.08
REPRESENTED BY			
VAT Receivable			262 50
Floating IB Current A/C			382,619 58
			382,882.08

Mountgrange Farms and Stables Limited (In Administration)			
Joint Administrators' Abstract Receipts and Payments Account for Period 24 March 2009 to 23 March 2011			
RECEIPTS	Statement of Affairs Estimated to Realise (£)	Interim Period 24/09/10 to 23/03/10 (£)	Cumulative to date (£)
Gallop Fees			49,475 15
Jamie Osborne Rent			48,800 00
Miscellaneous Income			65 00
Bank Interest Gross		114 63	5,848 68
Subject to a charge	4,500,000 00		4,390,061 51
Refunds		20 37	17,738 67
Plant & Machinery	15,000 00		60,000 00
Book Debts	6,000 00		24,375 38
Insurance Refund			2,206 97
Bank Interest Gross		669 90	7,762 50
		804 90	4,606,333 86
PAYMENTS			
Sub Contractors			4,335 00
Direct Labour			101,936 21
Rates			2,613 35
Heat, Water & Light			1,105 83
Telephone		401 91	823 39
Insurance			8,860 32
Professional Fees			1,550 00
Repairs & Maintenance			5,936 42
Vehicle Running Costs			1,717 52
Petty Cash			200 00
Property Expenses			1,648 60
C Kilgour Expenses			32,761 47
IT Consultant			429 90
Professional Fees		3,760 44	3,760 44
Specific Bond			30 00
Administrators' Fees		44,889 00	273,397 00
Administrators' Expenses			1,238 57
Agents/Valuers Fees (1)		6,000 00	1,600 00
Agents/Valuers Fees (2)			149,713 01
Legal Fees (1)			36,408 13
Bank Charges			695 10
Debit Interest			473 41
Distribution to bank			3,750,000 00
		55,051.35	4,381,233.67
Balance		(54,246 45)	225,100.19
REPRESENTED BY			
Trade Debtors			82,064 96
VAT Receivable			605 62
Fixed IB Current Account			30,888 46
Floating IB Current Account			102,723 51
Intercompany Mountgrange Land Ltd			1,169 64
Due to Blake Laphorne			(111 38)
Pension Contributions			7,789 38
Due to Deloitte			(30 00)
			225,100.19

TIME COSTS. 24/03/2009 to 15/12/2010

Mountgrange Land Limited
(In Administration)

	Partners, Associates Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	0 00	0 00	5 90	2,642 00	21 80	5,364 50	27 70	8,006 50	289
Case Supervision, Management and Closure	27 95	16,873 25	26 55	8,067 65	17 65	3,213 00	72 15	28,153 90	390
Initial Actions (e.g. Notification of Appointment, Securing Assets)	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
Liaison with Other Insolvency Practitioners	0 00	0 00	25 35	6,952 50	0 00	0 00	25 35	6,952 50	274
	27 95	16,873 25	57 80	17,662 15	39 45	8,577 50	125 20	43,112 90	344
Investigations									
Investigations	0 00	0 00	3 50	1,627 50	0 00	0 00	3 50	1,627 50	465
Reports on Directors' Conduct	2 00	1,050 00	8 00	3,022 50	3 00	519 00	13 00	4,591 50	353
	2 00	1,050 00	11 50	4,650 00	3 00	519 00	16 50	6,219 00	377
Trading									
Trading and Ceasing to Trade	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
Realisation of Assets									
Book Debts	0 00	0 00	2 00	590 00	0 00	0 00	2 00	590 00	295
Other Assets (e.g. Stock)	67 20	38,272 00	63 20	18,670 25	3 30	565 00	133 70	57,507 25	430
Plant and Equipment, Fixtures and Fittings and Vehicles	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
Property - Freehold and Leasehold	44 00	26,130 00	17 50	8,137 50	1 00	170 00	62 50	34,437 50	551
Retention of Title	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
Sale of Business / Assets	54 00	33,210 00	0 00	0 00	0 00	0 00	54 00	33,210 00	615
Third Party Assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
	165 20	97,612 00	82 70	27,397 75	4 30	735 00	252 20	125,744 75	499
Creditors									
Employees	0 00	0 00	0 00	0 00	0 20	34 00	0 20	34 00	170
Preferential	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
Secured	66 15	35,522 75	105 75	38,510 25	6 00	1,080 00	177 90	75,113 00	422
Shareholders	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
Unsecured	1 75	918 75	42 20	9,424 00	47 20	8,281 00	91 15	18,623 75	204
	67 90	35,441 50	147 95	47,934 25	53 40	9,395 00	269 25	93,770 75	348
Case Specific Matters									
Litigation	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
Pensions	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	-
Tax and VAT	1 25	818 75	53 35	33,179 50	0 00	0 00	54 60	33,998 25	623
Other	6 50	6,090 00	14 00	6,660 00	5 20	1,076 00	25 70	13,826 00	538
	7 75	6,908 75	67 35	39,839 50	5 20	1,076 00	80 30	47,824 25	596
TOTAL HOURS & COST	270 80	158,885 50	367 30	137,483 65	105 35	20,302 50	743 45	316,671 65	426

TOTAL FEES DRAWN TO DATE

185,228 00

TIME COSTS 24/02/2009 to 15/12/2010

Mountgrange Stud Limited
(In Administration)

	Partners, Associate Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	0.00	0.00	10.60	4,825.00	33.00	7,401.40	43.60	12,226.40	280.42
Case Supervision, Management and Closure	4.10	2,652.50	6.15	2,059.90	21.25	3,923.25	31.50	8,635.65	274.15
Initial Actions (e.g. Notification of Appointment, Securing Assets)	0.00	0.00	0.00	0.00	4.50	733.50	4.50	733.50	163.00
Liaison with Other Insolvency Practitioners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	4.10	2,652.50	16.75	6,884.90	58.75	12,058.15	79.60	21,595.55	271.30
Investigations									
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reports on Directors' Conduct	0.00	0.00	21.00	6,415.00	3.00	519.00	24.00	6,934.00	288.92
	0.00	0.00	21.00	6,415.00	3.00	519.00	24.00	6,934.00	288.92
Trading									
Trading and Ceasing to Trade	3.25	1,706.25	27.60	8,330.25	52.35	8,349.86	83.20	18,386.36	220.99
	3.25	1,706.25	27.60	8,330.25	52.35	8,349.86	83.20	18,386.36	220.99
Realisation of Assets									
Book Debts	0.00	0.00	1.00	265.00	0.00	0.00	1.00	265.00	265.00
Other Assets (e.g. Stock)	134.75	72,953.75	251.80	89,906.00	32.75	5,259.60	419.30	168,119.35	400.95
Plant and Equipment, Fixtures and Fittings and Vehicles	0.00	0.00	0.00	0.00	0.55	87.73	0.55	87.73	159.51
Property - Freehold and Leasehold	3.50	1,837.50	0.00	0.00	0.00	0.00	3.50	1,837.50	525.00
Retention of Title	0.50	262.50	6.55	1,833.25	11.60	1,850.20	18.65	3,945.95	211.58
Sale of Business / Assets	0.00	0.00	0.00	0.00	111.30	17,752.38	111.30	17,752.38	159.50
Third Party Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	138.75	75,053.75	259.35	92,004.25	156.20	24,949.91	554.30	192,007.91	346.40
Creditors									
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Preferential	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured	1.50	787.50	16.00	5,145.25	0.00	0.00	17.50	5,932.75	339.01
Shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured	0.00	0.00	39.95	8,479.00	23.45	3,806.58	63.40	12,285.58	193.78
	1.50	787.50	55.95	13,624.25	23.45	3,806.58	80.90	18,218.33	225.20
Case Specific Matters									
Litigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pensions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tax and VAT	0.00	0.00	0.50	160.00	4.80	839.00	5.30	999.00	188.49
Other	0.50	447.50	0.00	0.00	3.50	805.00	4.00	1,252.50	313.13
	0.50	447.50	0.50	160.00	8.30	1,644.00	9.30	2,251.50	242.10
TOTAL HOURS & COST	148.10	80,647.50	381.15	127,418.65	302.05	51,327.50	831.30	259,393.65	312.03

191,375.00

TOTAL FEES DRAWN TO DATE

Mountgrange Farms & Stables Limited
(In Administration)

TIME COSTS. 24/03/2009 to 15/12/2010

Appendix 3

	Partners, Associate Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	0 00	0 00	17 40	8,017 00	46 90	11,177 00	64 30	19,194 00	298 51
Case Supervision, Management and Closure	9 70	5,189 50	8 35	3,108 00	26 65	4,838 50	44 70	13,136 00	293 87
Initial Actions (e.g. Notification of Appointment, Securing Assets)	0 00	0 00	12 00	4,554 00	14 00	2,248 75	26 00	6,802 75	261 64
Liaison with Other Insolvency Practitioners	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
	9 70	5,189 50	37 75	15,679 00	87 55	18,264 25	135 00	39,132 75	289 87
Investigations									
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Reports on Directors' Conduct	0 00	0 00	2 25	697 50	3 40	591 00	5 65	1,288 50	228 05
	0 00	0 00	2 25	697 50	3 40	591 00	5 65	1,288 50	228 05
Trading									
Trading and Ceasing to Trade	99 50	52,237 50	73 55	23,293 25	158 55	25,299 29	331 60	100,830 04	304 07
	99 50	52,237 50	73 55	23,293 25	158 55	25,299 29	331 60	100,830 04	304 07
Realisation of Assets									
Book Debts	32 50	17,387 50	10 40	3,035 00	10 60	1,690 70	53 50	22,113 20	413 33
Other Assets (e.g. Stock)	36 50	20,242 50	4 50	1,549 75	4 80	820 05	45 80	22,612 30	493 72
Plant and Equipment, Fixtures and Fittings and Vehicles	0 00	0 00	0 00	0 00	3 85	619 33	3 85	619 33	160 86
Property - Freehold and Leasehold	186 00	98,830 00	146 00	48,972 50	27 10	4,384 22	359 10	152,186 72	423 80
Retention of Title	0 00	0 00	0 00	0 00	1 00	170 00	1 00	170 00	170 00
Sale of Business / Assets	16 00	8,540 00	0 00	0 00	8 85	1,411 58	24 85	9,951 58	400 47
Third Party Assets	4 00	2,140 00	0 00	0 00	0 60	95 70	4 60	2,235 70	486 02
	275 00	147,140 00	160 90	53,557 25	56 80	9,191 58	492 70	209,888 83	426 00
Creditors									
Employees	0 00	0 00	0 00	0 00	19 45	3,373 63	19 45	3,373 63	173 45
Preferential	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Secured	0 00	0 00	24 75	7,334 25	0 30	54 00	25 05	7,388 25	294 94
Shareholders	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Unsecured	0 00	0 00	6 30	1,709 50	29 70	5,143 35	36 00	6,852 85	190 36
	0 00	0 00	31 05	9,043 75	49 45	8,570 98	80 50	17,614 73	218 82
Case Specific Matters									
Litigation	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pensions	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Tax and VAT	12 10	10,090 00	11 60	8,332 00	4 30	754 00	28 00	19,176 00	684 86
Other	10 50	7,310 00	28 50	17,035 00	7 20	1,446 40	46 20	25,791 40	558 26
	22 60	17,400 00	40 10	25,367 00	11 50	2,200 40	74 20	44,967 40	606 03
TOTAL HOURS & COST	406 80	221,967 00	345 60	127,637 75	367 25	64,117 50	1,119 65	413,722 25	369 51

TOTAL FEES DRAWN TO DATE

273,397 00